FRANCHISE DISCLOSURE DOCUMENT

S&S MADDIO'S LLC
A Virginia Limited Liability Company
1410 Spring Hill Rd., Suite 400
McLean, Virginia 22102
franchising@unclemaddios.com
www.unclemaddios.com

You will operate an Uncle Maddio's Pizza® restaurant. Uncle Maddio's Pizza® restaurants are fast casual restaurants featuring fresh pizza, salads, subs and various other related foods.

The total investment necessary to begin operation of an Uncle Maddio's Pizza® franchise is $303,500 to $778,800. This includes $35,000 that must be paid to us in the form of an initial franchise fee.

The total investment necessary to begin operation of an Area Development Program is between $373,500 (for a 3-location market) to $918,800 (for a 5-location market). This includes a development fee paid to us of $70,000 to $140,000 (based on 3 to 5 restaurants being developed), which essentially is a down payment of the initial franchise fee. Under the Area Development Program, the development fee paid at the time you sign the Development Agreement is based on the number of restaurants that you agree to develop. Currently, we plan to offer Development Agreements for the development of 3 or 5 restaurants, but we may offer Development Agreements for more than 5 restaurants.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Robert Cuffaro 1410 Spring Hill Rd Suite 400 McLean, Virginia 22102 and (404) 430-6699.

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

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

Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Date of Issuance: April 30, 2023

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 Exhibit G.
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 F 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 Uncle Maddio's 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 an Uncle Maddio's franchisee?	Item 20 or Exhibit G 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 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. **<u>Out-of-State Dispute Resolution</u>**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in the state of our principal place of business. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in our principal place of business than in your own state.

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.

NOTICE UNDER MICHIGAN'S FRANCHISE INVESTMENT LAW

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.

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

2. 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.

3. 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 thirty (30) days, to cure such failure.

4. 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: (1) the term of the franchise is less than five (5) years and (2) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months advance notice of franchisor's intent not to renew the franchise.

5. 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.

6. 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.

7. 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:

   a. the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards;

b. the fact that the proposed transferee is a competitor of the franchisor or sub-franchisor;

c. the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; and

d. 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.

8. 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 the right of first refusal to purchase the assets of a franchisee 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 subsection 3.

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL.

IF FRANCHISOR'S MOST RECENT UNAUDITED FINANCIAL STATEMENT SHOWS A NET WORTH OF LESS THAN ONE HUNDRED THOUSAND ($100,000) DOLLARS, YOU HAVE THE RIGHT TO REQUEST THE ESCROW OF THE INITIAL INVESTMENT AND OTHER FUNDS PAID UNTIL OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED.

ANY QUESTIONS REGARDING THIS NOTICE MAY BE DIRECTED TO THE STATE OF MICHIGAN, DEPARTMENT OF ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE, G. MENNEN WILLIAMS BUILDING, 525 W. OTTAWA STREET, P.O. BOX 30213, LANSING, MICHIGAN 48909, TELEPHONE (517) 335-7567.

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor. The franchisor is S&S Maddio's LLC a Virginia Limited Liability Company. This disclosure document will refer to S&S Maddio's LLC as "**we**", "**us**", or "**our**". This disclosure document will refer to the person or entity that buys the franchise from us as "**you**" or "**your**", and the term includes your partners if you are a partnership, your members if you are a limited liability company, or your shareholders if you are a corporation.

We are a Virginia limited liability company organized on October 10, 2019. Our principal business address is 1410 Spring Hill Road, Suite 400, McLean, Virginia 22102 and our telephone number is (630) 430-6699. Our agent for service of process is disclosed on Exhibit A to this disclosure document.

We started offering franchises for UNCLE MADDIO'S PIZZA® Restaurants, ("**UNCLE MADDIO'S Restaurants**" or "**Restaurants**") in January 2020. We have not conducted a business of the type to be operated by a franchisee. We have not operated any other type of business (franchise or otherwise). We have no parents. Our affiliate Maddios ASU, LLC, solely owned by our CFO, owns and operates a Restaurant located at 660 South College Avenue, Suite 221, Tempe, Arizona 85281.

Our predecessor is Integrity Brands, LLC. On April 13, 2019, Integrity Brands, LLC filed a voluntary Chapter 11 bankruptcy petition in the Bankruptcy Court for the Northern District of Georgia, Case No. 1:2019bk55832. In October 2019, we acquired the assets of Integrity Brands, LLC from the bankruptcy trustee, which included the assignment of 20 franchise agreements of operational franchised units. The principal address of Integrity Brands was 3575 Piedmont Rd. NE, Building 15, Suite 250, Atlanta, Georgia 30305.

The Franchise. We developed a system of developing, opening, operating, and promoting fast casual restaurants offering fresh pizza, salads, subs, and various other food products and beverages (the "Products"). We offer franchises to individuals and business entities for Restaurants under the form of the Franchise Agreement attached to this disclosure document as Exhibit C (the "**Franchise Agreement**"). You are permitted, but not required, to offer alcoholic beverages at your Restaurant. A typical UNCLE MADDIO'S Restaurant occupies approximately 1,400 to 3,500 square feet of space that may be either owned by you or leased from a third party. All Restaurants are constructed to our specifications as to size, layout, and décor. An UNCLE MADDIO'S Restaurant may be located in either a freestanding building or in an in-line retail plaza space, but, in any event, ample parking, good visibility and availability of prominent signage are a necessity. An UNCLE MADDIO'S Restaurant will employ approximately 15 to 20 persons.

The UNCLE MADDIO'S Restaurant franchise system (the "**System**") which includes the common use and promotion of the name "UNCLE MADDIO'S PIZZA®" and other service marks, trademarks, trade names, logos, emblems, signs, slogans, insignia and commercial symbols we may designate from time to time (collectively, the "**Marks**"); specially designed fixtures, equipment, facilities, containers, and other items used in serving and dispensing food products; products, methods, procedures, recipes, distinctive food products, and the formula and quality standards therefore; and instructional materials and training courses; all of which may be changed, improved and further developed by Franchisor from time to time. We may from time to time add or delete products and/or services, and you will be required to make the additions or deletions we require. You may not offer other services or products without our prior written approval. UNCLE MADDIO'S Restaurants use the method of operation, products, concept, format, style and trade secrets developed, adopted and approved by us. You will operate an UNCLE MADDIO'S Restaurant as an independent business utilizing the Marks, System, business concepts, support, guidance and materials developed by us. You will offer and provide products and services to the general public under the terms and conditions contained within the Franchise Agreement and our confidential Brand Standards Manual (the "**Brand Standards Manual**").

The Agreements. If you want to develop multiple locations, you must enter into an Area Development Agreement, the current form of which is attached to this disclosure document as Exhibit B (the "**Development Agreement**"). Under the Development Agreement, you must develop, open and operate an agreed upon number of Restaurants located in an area of responsibility (the "**Area of Responsibility**") in accordance with an agreed upon development schedule (the "**Development Schedule**"). There is no preset minimum or maximum number of Restaurants that you may agree to establish in connection with a Development Agreement. The number of Restaurants to be developed is negotiated between you and us on a case-by-case basis. However, currently, we plan to offer Development Agreements for the development of 3 or 5 Restaurants. The Development Agreement will expire on the day after operations of the final Restaurant to be established under the Development Agreement are required to begin as provided on the Development Schedule. During the term of the Development Agreement and so long as you are not in default with the Development Agreement or any Franchise Agreement, we will not operate or authorize another to operate an Uncle Maddio's restaurant in your Area of Responsibility. You may establish your Restaurants at any location within the Area of Responsibility provided we accept your location, which may be withheld or granted in our sole discretion, the location is in a state where we are permitted to sell UNCLE MADDIO'S Restaurant franchises, and your Restaurant is not located in the Designated Area granted to another UNCLE MADDIO'S Restaurant franchisee. Within our sole discretion, we may consider a location proposed by you outside your Area of Responsibility.

You will operate each Restaurant to be developed under the Development Agreement under a separate Franchise Agreement. The Franchise Agreement will grant you a protected territory (the "**Designated Area**"). The Designated Area may not be unilaterally altered, and the continuation of the Designated Area during the term of the Franchise Agreement does not depend on a certain sales or revenue volume or market penetration.

You will market the Products to the general public. You may also market the Products away from your Restaurant at special events where the products will be prepared and cooked at the site (which may include the use of a food truck), including specialty parties, festivals, fairs, street food and food truck events, and business events ("**Special Events**"), provided that Special Events (i) must be conducted within the Designated Area; (ii) approved by us in writing, and (iii) conducted in accordance with the terms and conditions of the Franchise Agreement, the Brand Standards Manual, and any other terms and conditions we place on our approval. You must also provide catering services within a reasonable distance from your Restaurant not to exceed 10 miles from your Restaurant (through delivery to customers' homes, offices, and other locations) ("**Catering**"). Other than Catering, you may not market or offer delivery services for the Products without our prior written approval. You must comply with our Brand Standards Manual and other instructions for all Catering and Special Events activities.

If we allow you to operate a food truck (or any other mobile unit) for Special Events or otherwise, you must comply with all written standards, specifications and procedures prescribed by us in the Brand Standards Manual or otherwise in writing related to the use and operation of a food truck (or other mobile unit, as applicable). We reserve the right to charge initial and/or recurring fees in the event that we allow you to operate a food truck (or other mobile unit) in connection with your UNCLE MADDIO'S Restaurant. You will not have any exclusive rights related to the use or operation of a food truck (or other mobile unit) in your Designated Area.

Our Competition. UNCLE MADDIO'S Restaurants compete primarily with casual restaurants, including fast casual, quick service, take-out, delivery, and fast food restaurants that offer similar menus, including regional and national chains and franchise systems. The casual restaurant business is very competitive that is often driven by fierce price competition; however, we believe that UNCLE MADDIO'S Restaurants will appeal to a niche. Prior business management experience is vital for new franchisees, and prior restaurant management experience is highly desirable.

We may not operate, or permit any other person to operate, an UNCLE MADDIO'S Restaurant in the Designated Area during the term of the Franchise Agreement; although, we may distribute products, or permit others to distribute products, which are the same or similar to those offered by UNCLE MADDIO'S Restaurants, whether under the Marks or under other trademarks, trade names, services marks, logos or other commercial symbols and through any channel of distribution or method other than an UNCLE MADDIO'S Restaurant within the Designated Area, including sales through catalogs, e-commerce, mail order, kiosks, mass merchandise, supermarkets and club stores, even if you sell these products at your Restaurant. See Item 12 for a more detailed description of the rights we retain.

Regulatory Matters. You must comply with all local, state, and federal laws and regulations relating to your Restaurant and businesses in general. Building codes and requirements vary in different jurisdictions and it is important for you and your architect to be aware of and comply with all local laws as well as the federal laws including the Americans with Disabilities Act. You must become familiar with federal, state and local laws and health regulations regulating restaurants and food handling and labeling generally, including any requirements related to nutritional representations and menu labeling, such as United States Department of Agriculture (USDA) standards; truth in menu and labeling laws; storage, preparation, and sale of food and beverage products; and health, sanitation, and safety regulations relating to food service. If you will serve alcohol at your Restaurant, you must become familiar with federal, state and local laws and health regulations regulating liquor licensing, handling liquor, the service of alcoholic beverages, restaurants and food handling generally. These laws and regulations may vary significantly from state to state and even from locality to locality. Some local agencies may require that employees who prepare your food products become certified food handlers. In order to obtain certification, your employees may be required to attend instructional courses, pass required tests and pay a fee. You should check with city, township and county regulatory agencies to determine if certification will be required of your employees. Laws exist in every state and most local units of government (cities, townships, villages, counties, etc.) that govern the food service industry including, without limitation, health, sanitation, and safety regulations regarding food storage, preparation and safety. It is your sole responsibility to obtain, and keep in force, all necessary licenses and permits required by public authorities. The Federal Clean Air Act and various other state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide, and particles, including caps on emissions from commercial food preparation. Some state and local governments also regulate indoor air quality, including prohibiting the use of tobacco products in public places. It is your sole responsibility to maintain compliance with all applicable federal, state, or local laws, regulations, or ordinances, including without limitation, all employment laws, such as the Fair Labor Standards Act, Title VI of the Civil Rights Act, the Equal Employment Opportunity Act, and other federal, state and local laws and regulations governing minimum wage, overtime, and other employment related subjects, as well as all citizenship and immigration requirements for your employees.

In addition, you must ensure compliance with Payment Card Industry ("PCI") Data Security Standard ("DSS") Requirements and Security Assessment Procedures and other applicable PCI requirements ("PCI Requirements"). The purpose of the PCI Requirements is to ensure the protection and privacy of customer information and credit card numbers. The PCI Requirements require secured data connections and other steps to protect information. The PCI Requirements are substantial and complex and change regularly, so you must devote material business and management time and effort to your compliance efforts. You could incur significant liability if there is credit card fraud and you have not complied with the PCI Requirements. You must also comply with the Nutrition Labeling and Education Act (NLEA) that sets regulations for food labeling, including nutritional label standards, nutrient content claims, and health claims. NLEA applies to virtually all foods in the food supply, including food served and sold in restaurants. While NLEA specifies a number of exemptions for restaurants, there are many instances where a nutritional label is required. The *Food and Drug Administration's Nutritional Labeling Guide for Restaurants and Other Retail Establishments* provides answers to commonly asked questions regarding the application of NLEA.

There may be other laws and regulations applicable to your business and we urge you to make inquiries about any laws or regulations that may impact your business.

ITEM 2
BUSINESS EXPERIENCE

President, Chief Executive Officer: James Smith

James Smith has been our President, CEO since our inception in October 2019. Between August 2017 and February 2019, Mr. Smith served as President/CEO of HJ Dynamic Holdings, President/CEO of Dynamic Restaurant Acquisitions, Inc., President/CEO of TS Dynamic Holdings, LLC, and President/CEO of Happy Joe's Franchising, Inc. in Bettendorf, Iowa. From January 2005 to September 2017, Mr. Smith was Director of Restaurant Operations for Sears Holding, Hoffman Estates, Illinois.

Chief Financial Officer: Ned Scherer

Ned Scherer has been our Chief Financial Officer since our inception in October 2019. Since 1989, he has been the managing member of the accounting firm of Kaiser Scherer & Schlegel, PLLC in McLean, Virginia.

Senior Vice President of Franchise Sales and Operations: Robert Cuffaro

Robert Cuffaro has been our Senior Vice President of Franchise Sales and Operations since our inception in October 2019. Between October 2017 and February 2019, Mr. Cuffaro was Vice President of Franchise Services of Dynamic Restaurant Holdings, LLC in Bettendorf, Iowa. From July 2011 to August 2017, he was Manager, Restaurant Field Operations for Sears Holding Corporation, Hoffman Estates, Illinois.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

Our predecessor, Integrity Brands, LLC filed a voluntary Chapter 11 bankruptcy petition in the Northern District of Georgia. Integrity Brands, LLC had a principal place of business at 3575 Piedmont Rd. NE, Building 15, Suite 250, Atlanta, Georgia 30305. The original Chapter 11 petition was filed on April 13, 2019 and assigned Case No. 19-55832-pwb. On October 11, 2019, the Bankruptcy Court approved the sale of substantially all of the assets of Integrity Brands, LLC to its first secured creditor, S&S Group, LLC for the amount of the debt owed to S&S Group, LLC. On November 22, 2019, the Bankruptcy Court issued an order dismissing the case.

ITEM 5
INITIAL FEES

Franchise Fee and Area Development Fee. If you meet our standards, we may award you a Franchise Agreement where you will develop a Restaurant at a location within a Designated Area we designate. When you sign the Franchise Agreement, you must pay us an initial franchise fee equal to $35,000 for each Restaurant franchised by you. The initial franchise fee is uniform for all franchisees purchasing a franchise through this disclosure document and must be paid in full when you sign the Franchise Agreement. You will pay all of the initial franchise fee when you sign the Franchise Agreement. During our last fiscal year, we did not reduce or waive the initial franchise fee described in this Item 5, except in connection with Development Agreements our Predecessor executed in previous years. We use the initial franchise fee to provide training and other services to our franchisees. Initial franchise fees are not refundable under any circumstances.

As discussed in Item 1 of this disclosure document, if you meet our standards, we may award you a Development Agreement where you will commit to develop an agreed number of UNCLE MADDIO'S Restaurants (typically 3 or 5) consistent with the Development Schedule. When you sign the Development Agreement, you must pay us an upfront development fee based on the number of Restaurants that you agree to develop under the Development Agreement (the "**Development Fee**"). If you sign a Development Agreement to develop 3 Restaurants, in addition to the initial franchise fee you will pay for the initial Franchise Agreement you will sign simultaneously with the signing of the Development Agreement, you will pay a Development Fee totaling $70,000, which is the initial franchise fee for the second and third locations. If you sign a Development Agreement to develop 5 Restaurants, in addition to the initial franchise fee you will pay for the initial Franchise Agreement you will sign simultaneously with the signing of the Development Agreement, you will pay a Development Fee totaling $140,000, which is the initial franchise fee for the second, third, fourth, and fifth locations. We may negotiate larger packages than these and the development fee will be calculated accordingly.

If you develop each Restaurant required to be developed under the Development Agreement in accordance with the Development Schedule, the Development Fee attributable to each Restaurant will be credited towards the payment of the initial franchise fee due under the Franchise Agreement for each Restaurant. If, for any reason, the Development Agreement terminates before all or a portion of the Development Fee has been applied to the initial franchise fees, we will retain the unapplied portion of the Development Fee to compensate us for our time, effort and lost opportunities. The Development Fee is uniform for all franchisees purchasing through this disclosure document.

ITEM 6
OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee	The greater of 5% of Net Sales or $750	Weekly or before Wednesday in each week reporting period (as such periods are determined by us) for the preceding Week's Net Sales	We will debit your bank account for the Royalty Fee due. See Notes 2 and 7.
Brand Development Fund Fee	The greater of 2 % of Net Sales or $300	Same as Royalty Fee	You must participate in the Brand Development Fund by contributing 2% of Net Sales and we will provide advertising materials and services to you through the Brand Development Fund which we will control. See Note 7.
Advertising Cooperative	May not exceed 2% of Net Sales. See Note 3.	Same as Royalty Fee or as designated by your cooperative	See Item 11 and Notes 3 and 7.
Local Market Advertising	A minimum of 2% of Net Sales	As Incurred	You must make local market advertising expenditures as required by Section 11.3 of the Franchise Agreement. You may determine the form and media, subject to our prior approval. See Note 7.
Advertising Deficiency	Amount of Local Market Advertising Deficiency	Immediate Upon Demand	If you fail to make local market advertising expenditures as required by Section 11.3 of the Franchise Agreement, we may do so on your behalf and you will reimburse us for those expenditures
Renewal Fee	$5,000	Before renewal	Payable when, and if, you renew your Franchise Agreement. There are other conditions to renew (see Item 17 of this disclosure document)

Name of Fee	Amount	Due Date	Remarks
Transfer/Assignment Fee under Franchise Agreement	$5,000	Before the consummation of the transfer or sale	Payable when, and if, you transfer or sell your franchise. There are other conditions to transfer (see Item 17 of this disclosure document)
Transfer/Assignment Fee under Development Agreement	$5,000	Before the consummation of the transfer or sale	Payable when, and if, you transfer or sell the Development Agreement. There are other conditions to transfer (see Item 17 of this disclosure document)
Interest and Late Payment Fees	Interest up to the highest rate permitted by law but no more than 18% per annum plus $100 per occurrence	Immediate Upon Demand	Payable on all overdue amounts. Interest begins from the date of non-payment or underpayment.
Insufficient Funds Fee	$100 Per Occurrence	Immediate Upon Demand	Payable if any of your payments to us are not honored by your financial institution
Late Report Fee	$500 Per Occurrence	Immediate Upon Demand	If any of the financial reports (or other related reporting information required in the franchise agreement) are not received by us by the required deadlines, we may charge you a late submission fee equal to $500 in our sole discretion.

Name of Fee	Amount	Due Date	Remarks
Audit Expenses	Fee equal to the cost of audit, including the charges of any independent accountants, travel expenses and per diem personnel charges. See Note 4	Immediate Upon Demand	If you understate any payment owed to us by 5% or more, you must reimburse us for our actual costs incurred in conducting the audit, including attorney's fees, accountants' fees, travel expenses and compensation of our employees. These fees will not exceed our actual costs.
Additional Training	Currently $300 per day at our location. You pay for all travel, per diem, and other expenses related to sending your staff to our location for training.	As Incurred	See Note 5
Additional On-Site Training, Assistance or Support	Will vary under the circumstances based on the extent of training, assistance or support necessary. Currently, $300 per day, plus all travel, per diem, and other expenses related to sending staff to your location.	As Incurred	As Incurred
Indemnification	Will vary under the circumstances	As incurred	You must reimburse us if we are held liable for damages or other relief related to the operation of your franchise.
Insurance Premiums	Will vary under the circumstances	Immediately on demand	You must reimburse us if we purchase insurance for you because you failed to do so.

Name of Fee	Amount	Due Date	Remarks
Conferences	Currently, $0 - $500	Upon demand	If we require you to attend a conference or other meeting, you may have to pay a fee, which we expect will not be more than $500 per person. As of the date of this disclosure document, we have not held any conferences. Once the System gets larger, we expect to have annual conferences and we expect to require one or two of your representatives to attend.
Costs and Attorneys' Fees	Will vary under the circumstances	As incurred	Payable only if you do not comply with the Franchise Agreement.
Product/Supplier Approval Costs	Cost of testing not to exceed $500	As incurred	This covers the cost of testing new products or inspecting new suppliers you recommend.
Management Fee	10% of Restaurant's Net Sales plus all costs and expenses incurred by us	Upon demand and by ACH the same as Royalty	If you are in default of the Franchise Agreement or fail to maintain the Restaurant in accordance with our standards, we may send in our personnel to manage the Restaurant until the default is cured or you are able to meet our standards. During our management of your Restaurant, you must pay us 10% of your Restaurant's Net Sales plus all costs and expenses incurred by us in providing the management.

Name of Fee	Amount	Due Date	Remarks
Reimbursement of Costs and Expenses regarding Modification of Franchise Agreement	Costs and attorneys' fees	Upon demand	
Liquidated Damages	Will vary under the circumstances	Immediately upon demand	See Note 6
Maintenance, Service, and Support Contract Fees	The costs will vary based on the items and the contracts you select	As incurred	We may require you to maintain maintenance contracts or service contracts on all equipment and machinery designated by us and we will have the right to designate the vendor(s) for those contracts. You will be responsible for the cost of maintaining these contracts. As of the date of this disclosure document, these fees are not being charged.
Training and Instructional Material Fees	The costs will vary based on the items specified by us	As incurred	As of the date of this disclosure document, these fees are not being charged.
Food Truck Initial and/or Recurring Fees	To be determined (not currently charged).	Upon demand	As of the date of this disclosure document, these fees are not being charged. Franchisees may not operate food trucks (or other mobile units) without our prior written approval. If we consent to the use or operation of food trucks or other mobile units, we may require you to pay us initial and/or recurring fees related to such food truck (or mobile unit).

Explanatory Notes:

Note 1 : Unless this disclosure document specifically provides otherwise, all fees are imposed by and payable to us and are non-refundable. The fees are uniformly imposed but, now or in the future, we have the right to vary these fees in our sole discretion on a case-by-case basis.

Note 2: "**Net Sales**" means the gross sales of the Restaurant, Catering services, delivery services and Special Events (whether such sales are evidenced by cash, check, credit, charge account or otherwise), less (i) sales tax collected on such sales and paid to the state, (ii) any approved allowable discounts, (iii) employee meals, (iv) charitable donations, and (v) third party delivery fees. Gross sales means the amount actually received or receivable from all sales of every kind and nature from the Restaurant, catering services, delivery services and Special Events, including but not limited to, the sale of food, beverages and services, whether sold for consumption on or off the premises, and receipts from food catering, and any insurance proceeds and/or condemnation awards received for loss of sales or business, all whether on a cash or charge basis, paid or unpaid, collected or uncollected.

Note 3: Amounts paid to an advertising cooperative will be credited against your required expenditures for local market advertising under Section 11.3 of the Franchise Agreement. All members of an advertising cooperative (whether a franchisee-owned, company-owned or affiliate -owned Restaurant) have equal voting rights on all matters brought before the advertising cooperative for a vote, including matters relating to the amount of required contributions.

Note 4: You must pay our audit expenses only if an audit of your records reveals an understatement of 5% or more of your total amount owed to us during the audit period. In addition to any unpaid amounts you may owe us, you must reimburse us for the actual costs we incur in conducting the audit, including travel, lodging, meals, and compensation of the auditing personnel that may travel to your Restaurant. The cost of the audit will depend on many factors that will-vary on a case by-case basis, like the condition-and accuracy of your recordkeeping, the extent of your cooperation, the number-of years of your particular audit. As a result, we are unable to estimate a range of these audit costs; however, these audit expenses will not exceed our actual costs.

Note 5: If you are in default under the Franchise Agreement or noncompliance with the System based on your failure to maintain our standards, we may require you to obtain additional training by telephone or at our office. Additionally, we may require you or your manager and employees to attend additional or refresher training for which we may charge a fee.

Note 6: Upon termination of the Franchise Agreement due to your breach, you must pay us, in addition to other amounts owed, liquidated damages in the greater amount of: (i) 2 times the Royalty Fees and Brand Development Fees payable by you to us for the 12 month period immediately preceding the date of termination, however, if the Restaurant has not been open for at least 12 months, the average monthly amount of Royalty Fees and Brand Development Fees payable by you to us for the months in which the Restaurant has been open multiplied by 24; or (ii) 24 months of the Minimum Royalty and Minimum Brand Development Fee. Upon termination of the Area Development Agreement due to your breach, you must pay us, in addition to other amounts owed, liquidated damages in the amount of $50,000 for each undeveloped restaurant.

Note 7: We may require you to pay all fees or contributions due under the Franchise Agreement by automated bank draft or other reasonable means necessary to ensure we receive payment of all fees and contributions. You must comply with any of our payment instructions, including executing any forms which grant us the right to debit your account on a weekly basis for payment of Royalty and Brand Development Fees or contributions and other fees or contributions to be paid to us or required by us under the Franchise Agreement.

ITEM 7
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount of Expenditure	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (See Notes 1 and 14)	$35,000	Lump Sum	Upon Execution of the Franchise Agreement	Us
Rent (See Note 2)	$10,500 to $30,000	As Arranged	As Arranged	Landlord
Security Deposit (See Note 3)	$3,000 to $10,000	As Arranged	As Arranged	Landlord
Real Estate and Improvements (See Note 4)	$75,000 to $250,000	As Arranged	Before Opening	Landlord, Contractors
Travel and Living Expenses while Training (See Note 5)	$0 to $10,800	As Arranged	During Training	Hotels, Restaurants
Furnishing, Fixtures, Equipment, Decorating and Lighting (See Note 6)	$75,000 to $210,000	As Arranged	Before Opening	Suppliers, Contractors
Signage (See Note 7)	$7,500 to $15,000	As Arranged	Before Opening	Suppliers
Opening Inventory	$5,000 to $10,000	As Arranged	Before Opening	Suppliers
POS System, Computer Hardware/Software	$4,500 to $12,000	As Arranged	Before Opening	Suppliers
Small Wares	$10,000 to $16,000	As Arranged	Before Opening	Suppliers
TVs, Music System, Security System, Cameras, and Phone Systems	$3,000 to $9,000	As Arranged	Before Opening	Suppliers
Grand Opening (See Note 8)	$15,000	As Arranged	As Arranged	Suppliers
Professional Fees	$10,000 to $21,000	As Arranged	Before Opening and Ongoing	Your Accountants, Lawyers, Real Estate Broker, Architect, Recruiters

Type of Expenditure	Amount of Expenditure	Method of Payment	When Due	To Whom Payment Is To Be Made
Insurance (See Note 9)	$5,000 to $10,000	As Arranged	As Incurred	Insurance Providers
Miscellaneous Opening Costs (See Note 10)	$20,000 to $50,000	As Arranged	As Arranged	Suppliers, Utilities, Tradesmen, Franchisor
Additional Funds – 3 Months (See Note 11)	$25,000 to $75,000	As Arranged	As Arranged	Suppliers, Employees
Total Estimated Initial Investment (See Notes 12 and 13)	**$303,500 to $778,800**			

Development Agreement

Type of Expenditure	Amount of Expenditure Development Agreement	Method of Payment	When Due	To Whom Payment Is To Be Made
Development Agreement Fee (See Note 14)	$70,000 to $140,000	Lump Sum	Will be prepaid as part of the Development Fee that is paid upon signing the Development Agreement	Us
Estimated Initial Investment for First Restaurant	**$303,500 to $778,800**	As Arranged	As Arranged	Landlord
Total Estimated Initial Investment under the Area Development Program (See Notes 12 and 14)	**$373,500 to $918,800**	As Arranged	As Arranged	Landlord

Explanatory Notes:

Note 1: The initial franchise fee includes the loan of our Brand Standards Manual and initial training for (i) up to two individuals having responsibility for the day-to-day operations of your Restaurant and (ii) you (or one of your owners if you are an entity). See Item 11 of this disclosure document for additional information about the initial training program. The initial franchise fee is not refundable under any circumstances.

Note 2: These figures presume that you will be leasing the Restaurant premises and only represent rents for 3 months. We are unable to estimate the total cost of purchasing suitable premises for your Restaurant or the amount of any down payment that would be required. Rent will vary depending upon the prevailing market rent, size of the premises, the site's condition, its location, demand for the site, the build-out requirements and construction or other allowances from the landlord, and the requirements of individual landlords. These figures are based upon our experience developing franchised UNCLE MADDIO'S Restaurants within the last fiscal year, based on information provided by our franchisees. These figures may vary considerably in other parts of the United States. Regardless of whether you lease or purchase the Restaurant premises, a typical UNCLE MADDIO'S Restaurant occupies approximately 1,400 to 3,500 square feet of space. An UNCLE MADDIO'S Restaurant may be located in either a freestanding building or an in-line retail plaza space, but, in any UNCLE MADDIO'S Restaurant event, the Restaurant requires ample parking, good visibility and availability of prominent signage. Because of the wide variation in lease rates for retail space, you should thoroughly investigate the costs of obtaining a location.

Note 3: Your lessor may require a security deposit before you take possession of the premises. This deposit may or may not be refundable.

Note 4: The cost of leasehold improvements will vary widely depending upon the size and condition of the premises, whether or not there are any existing and comparable leasehold improvements in the premises, the extent and quality of improvements desired by you over and above our minimum requirements, landlord's cash contribution to the cost of the improvements, and the like. Improvements include without limitation, electrical, carpentry, floor covering, and painting.

Note 5 : We provide initial training at no charge for (i) up to two managers and (ii) you (or one of your owners if you are an entity), but you must arrange and pay for all food and lodging expenses for the people who attend the initial training program. You must send a minimum of two managers to become certified through the training program for each Restaurant that you operate. Additionally, if you will not be one of the managers for the Restaurant attending initial training (or one of your owners if you are an entity), you (or one of your owners if you are an entity) must still attend our initial training program for 2 weeks. Costs vary depending on the distance traveled and the type of lodging. See Item 11 of this disclosure document for a description of the initial training program.

Note 6: You must purchase or lease certain equipment (like kitchen equipment), machinery, furniture and decorations that comply with our specifications and standards. Costs will vary depending on a number of factors including, without limitation, building codes and health requirements of the state where your Restaurant is located. Special Events are optional and, as optional services, we cannot estimate your expenses if you chose to offer those services. The costs related to furnishings, fixtures, decorating and lighting for these optional services are not included in this estimate.

Note 7: The cost of your exterior sign will vary depending upon the size, color and back-lite channel letters of the sign and other specifications as may be required by us.

Note 8: You must conduct a grand opening advertising campaign with the opening of your Restaurant. You must pay all costs of the grand opening, including publicity costs, promotional costs, plus the full cost of any price reductions or other customer inducements. Costs may vary depending on your market and the type of advertising used, however, you must spend a minimum of $15,000 during the period 30 days before and 90 days after the opening of your Restaurant or, if you purchased an existing Restaurant, 90 days after the purchase of your Restaurant.

Note 9: This figure is an estimate of the annual cost of maintaining the insurance required by the Franchise Agreement.

Note 10: This figure includes amounts for utility costs, business licenses, permits, opening assistance, and the cost of training your employees.

Note 11: This estimates the funds needed to cover your expenses during the first 3 months of operation. These expenses include payroll costs (excluding any wage or salary paid to you), other miscellaneous expenses and working capital. Your costs will vary depending on how rapidly your business grows. These figures are estimates based on our past business experience. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors like how closely you follow our methods and procedures; your management skill, experience and business knowledge; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level achieved during the initial period. All of these expenses are paid to third parties.

Note 12: To compile these estimates, we relied on (i) our management's business acumen, (ii) information received from our franchisees, and (iii) preferred vendors that we have established relationships with for the benefit of the System. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The amount shown is based upon our experience in the Southeast United States. These figures may vary considerably in other parts of the United States. In addition, your costs will depend on factors like your compliance with our methods and procedures; your management skill; your business experience and business acumen; local economic conditions; the prevailing wage rate; and the growth of your franchise during the initial period.

Note 13: We do not offer direct or indirect financing to franchisees for any of these items. The availability and terms of financing will depend on factors like the availability of financing generally, your credit worthiness, collateral you pledge, policies of your lending institution, and economic conditions in your area.

Note 14: As discussed in Item 5 of this disclosure document, you will pay a Development Fee based on the number of Restaurants you must develop under the Development Agreement. We currently plan to offer Development Agreements for the development of 3, or 5 Restaurants. If you develop each Restaurant required to be developed under the Development Agreement in accordance with the Development Schedule, the Development Fee attributable to each Restaurant will be credited towards the payment of the initial franchise fee due under the Franchise Agreement for each Restaurant. If a Restaurant is not established in accordance with the Development Schedule, the Development Fee that would have otherwise been credited towards payment of the initial franchise fee for that Restaurant will be forfeited and retained by us. The Development Fee is not refundable under any circumstance.

Unless otherwise stated, the costs and expenses described in the table are not refundable.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to maintain the reputation, goodwill, high standards, quality and uniformity of the System, the Franchise Agreement restricts the sources of Products and services you utilize in establishing and operating your Franchised Business. We have the right to require some items to be purchased only from us or our affiliates. Some items can only be purchased from suppliers we have designated or approved, and others only in accordance with our standards and specifications. The source for virtually all of your purchases is restricted in some way.

Purchases from Us.
You may be required to purchase certain products, equipment or services directly from us or our affiliates. Currently, we do not require you to purchase any items from us or our affiliates. During 2019 we did not derive any revenue from direct sales of equipment, products or services to franchisees.

There are no suppliers in which any of our officers own an interest.

Purchases from Approved Suppliers.
To maintain the superior quality of the goods and services sold by UNCLE MADDIO'S Restaurants and the reputation of the UNCLE MADDIO'S PIZZA® franchise network, you must purchase or lease fixtures, equipment and supplies, furnishings, products and services, and related items from suppliers that we designate or approve ("Approved Suppliers").

We have negotiated price terms with some suppliers. Except as noted in this Item, we have not currently, but may in the future, negotiate formal supply arrangements with suppliers for the benefit of franchisees. In the future, there may be various vendors and suppliers that contribute to the cost of the annual convention for the System (the "**Convention**"). Monies from vendors and suppliers that are used to pay for the cost of the Convention will not be revenue to us. See "Rebate" section in Item 8 related to your required purchases or operating the Franchise business.

We may change approved suppliers periodically upon written notice to you. We will identify all designated and approved suppliers in our Brand Standards Manual or other written or electronic communications. We do not make any express or implied warranties for any products or goods that we recommend for your use.

Purchases According to Standards and Specifications.
In order to maintain the uniformly high standards and reputation of the System, you are required to purchase or lease certain items in accordance with the specifications and guidelines issued by us. This requirement applies to design and build-out standards, computerized point-of-sale and cash register system, signage,

menu boards, uniforms, beverage and food products, branded paper goods, and supplies to be used in developing and operating the UNCLE MADDIO'S Restaurant (some of which must be purchased from approved suppliers). Specifications may include minimum standards for quality, quantity, delivery, performance, design, appearance, durability, style, warranties, price range, and other related restrictions. We consider these specifications to be of critical importance to the success of the System. (All of these specifications and guidelines are more fully described in our Brand Standards Manual).

Point of Sale Computer System.

You must purchase a point of sale ("**POS**") system (see Item11). We have the right to designate a single supplier for a particular POS system. Currently, we have designated Toast as the POS system for use in UNCLE MADDIO'S Restaurants. We have the right to appoint additional suppliers or different suppliers for this POS system or other POS systems we may designate in the future. Neither our affiliates nor we derive revenue from your purchase of the POS system, although we reserve the right to do so in the future. We may require you to maintain support service contracts and/or maintenance service contracts and implement and periodically make upgrades and changes to the POS system, computer hardware and software, and credit card, debit card and other non-cash payment systems. We may designate the vendor(s) for these support service contracts and maintenance service contracts.

Real Estate Broker.

We must approve the site for your Restaurant and the site must meet our then-current site criteria. If you will occupy the Restaurant under a lease or sublease, you must, before executing the lease or sublease, submit the lease or sublease to us for our review to ensure the lease or sublease contains the terms that we require, which are described in the Development Agreement. We may designate a national real estate broker(s) that franchisees must use to locate sites for UNCLE MADDIO'S Restaurants. The designated national real estate broker(s) may identify a local real estate broker(s) to be used in connection with the site search.

Insurance.

You must obtain and maintain, at your own expense, the minimum insurance coverage we require, and you must meet the other insurance-related obligations in the Franchise Agreement. The types of insurance includes comprehensive general liability insurance with coverages for products liability, contractual liability, personal and advertising injury, fire damage, medical expenses, employment practices, and liquor liability, workers' compensation insurance, comprehensive crime and employee dishonesty insurance, business interruption and extra expense insurance, cyber security, and personal property insurance. The cost of coverage will vary depending on the insurance carrier's charges, terms of payment and your history. You should check with your insurance agent and determine whether you are protected by our minimum insurance requirements. You may desire to obtain a greater amount of insurance than what we require. All insurance policies must name us as an additional insured party.

Maintenance, Service and Support Contracts.

We may require you to maintain maintenance contracts or service contract on all equipment and machinery designated by us (the costs may vary based on the items and the contract you select) and we will have the right to designate the vendor(s) for those contracts. We may also require you to maintain a contract(s), or participate in any of our contracts, with third-party(ies) offering customer service, customer loyalty, shopper experience, food safety or other service programs designed to audit, survey, evaluate or inspect business operations. We have the right to specify the third party(ies) and the required level of participation in these programs. You will be responsible for the cost of maintaining these contracts and/or participating in these programs.

Request for Supplier Approval.

If (i) you wish to purchase any item from a supplier (manufacturer or distributor) we have not previously approved or an item that does not comply with our standards and specifications and (ii) the item has not been designated by us to be exclusively supplied by a designated supplier(s), you must first submit to us a written request for approval. We will establish a procedure for submitting these requests. We will require the proposed supplier to provide us with certain financial and operational information and other information regarding the supplier and the items to be approved. In addition, the proposed supplier must permit our representatives to inspect its facilities (e.g. business offices and/or manufacturing facilities, as applicable). Before we approve a supplier, we will evaluate the economic terms of a possible relationship and ensure that the proposed supplier meets our requirements. We reserve the right, at our option, and at the proposed supplier's expense, to inspect or re-inspect the facilities, equipment, and raw materials of any supplier, at any time. The proposed supplier or you must pay, in advance, a fee not to exceed the reasonable cost of any evaluation, testing, and inspections we undertake. Within a reasonable time frame after we receive the completed request and after we complete any evaluation and inspection or testing (not to exceed 90 days), we will notify you in writing of our approval or disapproval of the proposed supplier or item. Generally, we will respond to your requests for supplier approval within a reasonable time period not to exceed 90 days. We are not required to approve any supplier or item not meeting our standards and specifications. We may deny approval for any reason, including our determination to limit the number of approved suppliers. You must not use, offer for sale or sell any of the proposed supplier's products or any other product that does not meet our standards or specifications until you receive our written approval of the proposed supplier or item.

We may revoke our approval of particular goods or services, or of the supplier that supplies them, if we determine, in our sole discretion, that they no longer meet our standards or specifications. If you receive a written notice of revocation from us, you must stop selling disapproved products and/or stop purchasing from the disapproved supplier.

Rebates

We may receive additional fees from a supplier as a condition of our approval of that supplier. We may negotiate supply arrangements with suppliers for the benefit of franchisees. We and our affiliates have the right to receive payments from Approved Suppliers or other authorized suppliers based upon their dealings with you and other franchisees, and we may use the monies we receive without restriction for any purpose we deem appropriate or necessary. Suppliers may pay us based upon the quantities of products the System purchases from them. These fees will usually be based upon an amount per case or an amount per pound. Currently, there are no suppliers who contribute money to our System, except as noted below.

During the fiscal year ended December 31, 2022, we received rebates from suppliers in the amount of $54,955 based on purchases by franchisees. In 2022, we contributed the rebates we received to the Brand Development Fund, but we reserve the right in the future to retain the rebates, contribute the rebates to the Brand Development Fund, or use the rebates as we determine in our discretion.

Refurbishments.
In addition to all your other obligations in the Franchise Agreement and Brand Standards Manual related to repairing and maintaining the Restaurant, you must refurbish the premises of the Restaurant at your expense, to conform to the restaurant, trade dress, color schemes and presentation of the Marks in a manner consistent with the then-current image for new UNCLE MADDIO'S Restaurants ("**Refurbishments**") but not more often than once every 5 years, unless sooner required by your lease. Before beginning any refurbishment project, you must submit to us the proposed scope of work for our review and approval. Refurbishments may include structural changes, installation of new equipment and signs, remodeling, redecoration and modifications to existing improvements. We are unable to estimate your costs for future Refurbishments which will vary from Restaurant to Restaurant based on a number of factors like: (i) the market where your franchise is located; (ii) the size of your Restaurant; (iii) when your Restaurant was last refurbished, if applicable; (iv) the amount of System changes since the last refurbishment; and (v) the overall condition of your Restaurant site and equipment.

We estimate that the required purchases described above are 70% to 80% of the cost to establish your Restaurant and approximately 50% – 60% of operating expenses.

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.

	Obligation	Section or Schedule in Development Agreement	Section or Exhibit in Franchise Agreement	Item in Disclosure Document
a.	Site selection and acquisition/lease	Sections 7 and 8 and Schedule A	Section 3.1	Items 7, 11 and 12
b.	Pre-opening purchases/leases	Sections 7 and 8	Sections 3.1, 9 and 10	Items 7 and 8
c.	Site development and other pre - opening requirements	Sections 2.1, 6, 7, and 8	Sections 1,3.1, 3.2, 10 and 11.1	Items 6, 7, 8 and 11
d.	Initial and ongoing training	None	Sections 1,2,9, 13 and 14	Items 7, 11 and 15
e.	Opening	Sections 6 and 8 and Schedule A	Sections 1,3.1,11.1 and 13	Items 6, 7 and 11

	Obligation	Section or Schedule in Development Agreement	Section or Exhibit in Franchise Agreement	Item in Disclosure Document
f.	Fees	Sections 4 and 5	Sections 2.2, 4, 5, 6.2, 6.3, 11, 14, 21.4 and 22.1	Items 5, 6, 7 and 11
g.	Compliance with standards and policies/operating manual	Section 8	Sections 8, 9 and 15	Items 8, 11, 13, 14 and 16
h.	Trademarks and proprietary information	Section 11	Sections 8, 9, and 15	Items 11, 13 and 14
i.	Restrictions on products/services offered	None	Sections 9 and 25	Items 8 and 16
j.	Warranty and customer service requirements	None	None	Not Applicable
k.	Territorial development and sales quotas	Sections 1, 2 and 6 and Schedule A	None	Items 1, 5, 6 and 12
l.	Ongoing product/service purchases	None	Section 9	Item 8
m.	Maintenance, appearance and remodeling requirements	Section 8	Sections 2.2, 9 and 19.4	Items 7, 11 and 17
n.	Insurance	None	Section 18.2	Items 6, 7 and 8
o.	Advertising	None	Sections 9 and 11	Items 6, 7, 11 and 12
p.	Indemnification	None	Section 18.1	Item 6
q.	Owner's participation/ management/staffing	None	Sections 9 and 14.1	Item 15
r.	Records and reports	None	Sections 6.1 and 6.2	Item 6
s.	Inspections and audits	Section 8	Sections 6.3 and 9	Item 6
t.	Transfer	Section 13	Section 19	Items 6 and 17
u.	Renewal	None	Section 2.2	Items 6 and 17
v.	Post-termination obligations	Sections 12.4 and 14	Sections 20 and 22	Items 14, 15 and 17
w.	Non-competition covenants	Sections 14.1, 14.2, 14.4, 14.5 and Schedule B	Sections 20.1, 20.2, 20.4, and 20.5 and Exhibit C	Items 14, 15 and 17
x.	Dispute resolution	Section 21	Section 30	Item 17
y.	Personal Guaranty	Section 16 and Schedule C	Section 25, 26 and Exhibit D	Item 15
z.	Confidential Information	Sections 14.3, 14.4 and 14.5 and Schedule B	Sections 7, 20.2, 20.3, 20.4 and 20.5 and Exhibit C	Items 11, 14 and 15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligations.

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

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

Pre-Opening Obligations: Before you open your Restaurant, we or a third party designated by us will:

(a) Assist you in selecting and analyzing a lease, sublease or purchase agreement for your Restaurant site. We do not choose the site but may give you support and guidance. (See Development Section 7, Franchise Agreement, Section 3.1)

(b) Provide you with a set of standard architectural plans and specifications for a prototype UNCLE MADDIO'S Restaurant. We must approve any and all changes or revisions proposed to the site and construction plans and specifications which do not conform to the current brand standards for image and operational flow. (See Development Agreement, Section 8., Franchise Agreement, Section 3.1)

(c) License you the Marks necessary to commence the franchised business. (See Franchise Agreement, Section 1.)

(d) Loan you one copy of, or provide you with electronic access to, our confidential Brand Standards Manual, which may consist of printed manuals, computerized documents or software, information provided on the internet or an extranet, audiotapes, videotapes, or any other medium we adopt periodically for use with the System and designates as part of the Brand Standards Manual. The Brand Standards Manual will contain information and specifications concerning the standards and specifications of the System, the development and operation of the Restaurant and any other information and advice we may periodically provide to our franchisees. We may update and change the Brand Standards Manual periodically to reflect changes in the System and the operating requirements applicable to UNCLE MADDIO'S Restaurants, and you expressly agree to comply with each requirement within such reasonable time as we may require, or if no time is specified, within 30 days after receiving notification of the requirement. We acknowledge and agree that the Brand Standards Manual may be modified from time to time to reflect changes in the standards of authorized services or the System. The Brand Standards Manual will contain proprietary information belonging to us and you acknowledge that the Brand Standards Manual is, and shall remain, our property. You shall at all times ensure that its copy of the Brand Standards Manual and any other confidential materials supplied by us to you are kept current and up to date. You must keep any printed Brand Standards Manual in a secure location at the Restaurant, and must restrict employee access to the Brand Standards Manual on a need to know basis, and take reasonable steps to prevent unauthorized disclosure or copying of any information in any printed or computerized Brand Standards Manual. If we and you have any disagreement about the most current contents of the Brand Standards

Manual, our master copy of the Brand Standards Manual will control. Upon the expiration or termination of this Agreement for any reason, you must return all copies of the Brand Standards Manual to us, and upon our request, certify to us that you have not kept any copies in any medium. The Brand Standards Manual is confidential, copyrighted and our exclusive property. You understand and agree that it is of substantial value to us and other franchisees of ours, as well as to you, that the System establish and maintain a common identity. You agree and acknowledge that full compliance with the Brand Standards Manual is essential to preserve, maintain and enhance the reputation, trade demand, and goodwill of the System and the Marks and that failure of yours to operate the Restaurant in accordance with the Brand Standards Manual can cause damage to the us and all other franchisees within the System as well as to yourself. Notwithstanding the foregoing, and consistent with the goals of the System, you shall be responsible for the day-to-day operation of the Restaurant. Attached to this disclosure document as Exhibit D is a copy of the Table of Contents of the Brand Standards Manual. (See Franchise Agreement, Section 7.)

(e) Provide you with grand opening assistance from our personnel, including planning and developing a grand opening promotional program. (See Franchise Agreement, Sections 11.1 and 13.)

(f) Give you periodic guidance (as we deem necessary) about the development, opening and operation of the Restaurant, including advice regarding equipment selection and layout and employee selection and training. (See Development Agreement, Section 9 and Franchise Agreement, Section 12.)

(g) Before you commence operating the Restaurant, provide initial training for the 2 persons that (i) will assume primary responsibility for managing your Restaurant and (ii) will devote full time and best efforts to the management operation of your Restaurant (the "**Managers**") and you (or one of your owners if you are an entity). (See Franchise Agreement, Section 14.1.)

Post-Opening Obligations: During the operation of your Restaurant, we will:

(a) Give you periodic guidance (as we deem necessary) about (i) the methods and procedures to be utilized at the Restaurant; (ii) advertising and promotion; (iii) recipes, food formulas and specifications; (iv) bookkeeping and accounting; (v) purchasing and inventory control; (vi) inspections; and (vii) new developments and improvements to the System. (See Development Agreement, Section 9 and Franchise Agreement, Section 12.)

(b) Notify you of changes to, or the creation of, Restaurant standards and specifications and approved or designated suppliers, or the termination of existing approved or designated suppliers. (See Franchise Agreement, Sections 7 and 8.)

(c) Refrain from operating or granting a third party the right to operate an UNCLE MADDIO'S Restaurant in the Designated Area. (See Franchise Agreement, Section 3.3 and Item 12 of this disclosure document.)

(d) Give you access to advertising and promotional materials we develop. (See Franchise Agreement, Section 11.2.)

(e) Provide you with one of our employees to assist you in training of your initial employees (Franchise Agreement, Section 13.)

(f) Provide additional training for your managers. (See Franchise Agreement, Section 14.3.)

Advertising.

We have established a Brand Development Fund (the "**Brand Development Fund**"). You must participate in the Brand Development Fund by contributing 2% of Net Sales and we will provide advertising materials and services to you through the Brand Development Fund, which we will control. All affiliate-owned Restaurants or Restaurants we own will also contribute to the Brand Development Fund on an equal percentage basis with all franchised Restaurants. The Brand Development Fund is established as a separate banking account and monies received for the Brand Development Fund are accounted for separately from our other funds. There is no fiduciary or trust relationship created by our administering the Brand Development Fund. We may cause the Brand Development Fund to be incorporated or operated through a separate entity if we deem appropriate. (See Franchise Agreement, Section 11.2.) We anticipate all of our franchisees will contribute to the Brand Development Fund, although there is no prohibition against us charging higher or lower rates for future franchisees. (See Franchise Agreement, Section 11.2.) We also may forgive, waive, settle or compromise claims by or against the Brand Development Fund. We may defer or reduce a franchisee's contribution based on the peculiarities of a particular territory or circumstance, existing business practices or other factors that we deem to be important to the operation of any UNCLE MADDIO'S Restaurant or the System. If we terminate the Brand Development Fund, we will distribute all unused monies to the contributors in proportion to their respective contributions during a pre-determined period.

We use the Brand Development Fund to create, among other things, promotional advertising, marketing programs, market research and marketing and advertising activities, and it may be used to meet any and all costs (including, without limitation, reasonable salaries and overhead incurred by us) of maintaining, administering, directing, and preparing national, regional or local advertising materials, programs and public relations activities including, without limitation, the costs of preparing and conducting television, radio, magazine, billboard, newspaper, direct response literature, direct mailings, brochures, collateral advertising material, implementing websites for us and/or our franchises, surveys of advertising effectiveness and other media programs and activities (including social media), employing advertising agencies to assist therewith and providing promotional brochures, decals and other marketing materials. The expenditure of funds is under our (or such other entities designated by us) discretion and control at all times. You understand and acknowledge that the Brand Development Fund is intended to maximize and support general public recognition, brand identity, sales, and patronage of UNCLE MADDIO'S Restaurants for the benefit of all UNCLE MADDIO'S Restaurants. We direct all advertising programs developed with funds from the Brand Development Fund and have sole discretion over the creative concepts, materials, media used, media placement, and allocation of these programs. Any advertising program or campaign we develop may include dissemination of advertising through print, radio, television, point-of-purchase materials, or other media. This coverage may be local, regional or national in scope. We may employ an advertising agency or other agency to assist in the development, production and dissemination of advertising materials, or we may hire personnel to perform these functions. We have no obligation to spend any amount on advertising in the area where your Restaurant is located. (See Franchise Agreement, Section 11.2.) In fact, we have no obligation to spend monies collected for the Brand Development Fund to benefit all franchisees or to ensure the monies are used proportionately or equivalent to a franchisee's contributions to the Brand Development Fund.

We may charge all costs of the formulation, development and placement of advertising and promotional materials to the Brand Development Fund. These costs will include the proportionate share of our employees who devote time and render services for advertising and promotion or the administration of the Brand Development Fund, including administrative costs, salaries, overhead expenses related to administering the Brand Development Fund and its programs. In any fiscal year, we may spend more or less than the aggregate of contributions to the Brand Development Fund in that year. The Brand Development Fund may borrow from third party lenders including us or our affiliates, to cover deficits, and any lenders will receive interest on the borrowed funds. Any amounts that remain in the Brand Development Fund at the end of each fiscal year will be applied toward the next year's expenses. We assume no liability or obligations to you or any franchisee for collecting amounts due to the Brand Development Fund or to administering or maintaining the Brand Development Fund. Currently, we do not intend to audit the Brand Development Fund. If we prepare financial statements for the Brand Development Fund, we will make them available to you; however, on request, we will provide you with information on how the Brand Development Fund's monies were spent. We will not use funds from the Brand Development Fund for advertising that is principally a solicitation for the sale of franchises. (See Franchise Agreement, Section 11.2.)

In our fiscal year ending December 31, 2022, we collected $88,436 in Brand Development Fees from our franchisees and we contributed the rebates we received from vendors in the amount of $54,955. In our fiscal year ending December 31, 2022, our Brand Development Fund expenditures were $152,130 and were spent as follows:

Item	**2022 Percentage of Total**
Social Media	77.36%
Miscellaneous	12.64%
Administrative/Consultants	10.00%
Total	**100%**

We do not restrict where you can conduct your advertising and other franchisees will not be precluded from advertising in your Designated Area just like you will not be restricted from advertising in someone else's Designated Area. We or our affiliates may advertise within your Designated Area for the sale of products and supplies. You must participate in any promotional and advertising programs that we establish. No advertising or promotion may be conducted by you over the Internet/worldwide web or through other forms of electronic media, whether within or outside your Designated Area, without our express prior written consent, which we can withhold for any or no reason. (See Franchise Agreement, Section 11.6) We may use collection agents and bring legal proceedings to collect amounts owed to the Brand Development Fund.

Although we can establish a cooperative in a marketing area and require you to participate, as of the date of this disclosure document, we have not done so. If we establish an advertising cooperative in a designated marketing area where you are located, you must participate and abide by any rules and procedures adopted by the cooperative and approved by us. (See Franchise Agreement, Section 11.4.) All affiliate-owned Restaurants or Restaurants we own will become a member of the advertising cooperative for their marketing area and contribute to the applicable advertising cooperative in accordance with the rules and procedures for the advertising cooperative. Each of our marketing areas will encompass a group of franchisees located in a geographically defined local, regional or national marketing area. You will contribute to your respective cooperative, but not more than 2% of your Net Sales, the exact amount to be set by us. Amounts contributed by you to a cooperative will be credited against monies you are otherwise required to spend on local market advertising (See Item 6 of this disclosure document). We have the right to draft your bank account for your advertising cooperative contributions and to pass those funds on to your cooperative.

Members of the advertising cooperative will be responsible for administration of their respective advertising cooperative, as stated in the bylaws and any payment agreements that may govern the cooperative. The bylaws and governing agreements will be made available for review by the cooperative's members. We have the right to require a cooperative to prepare annual or periodic financial statements for review. Each cooperative will maintain its own funds; however, we have the right to review the cooperative's finances, if we so choose. Funds used by the cooperative will consist only of contributions made by the members as described above. The funds will be spent on regional advertising and marketing as approved by a majority of the members who vote as more specifically set out in the bylaws governing the cooperative. We maintain the right to approve all of a cooperative's marketing programs and advertising materials. Upon 30 days written notice to affected franchisees, we may terminate or suspend a cooperative's program or operations. We have no liability or obligation to you for maintaining any cooperative and each cooperative will be organized and governed in the form and manner that we determine in advance. We may form, change, dissolve or merge any advertising cooperative.

Any advertising or marketing materials not prepared or previously approved by us must be submitted to us at least 2 weeks before any publication or run date for approval. All advertising and promotion must be factually accurate and must not detrimentally affect the Marks or the System. We may grant or withhold our approval of any advertising or marketing materials, in our sole discretion. We will provide you with written notification of our approval or disapproval within a reasonable time. If we do not notify you of our approval or disapproval within 10 days of our receipt of the materials, the materials will be deemed approved. You must discontinue your use of any unapproved advertising within five days of your receipt of our request if we subsequently request you to do so. (See Franchise Agreement, Section 11.6).

Advertising Council.
In 2019 we formed an Advertising Council composed of Franchisees to advise us on advertising policies. The Advertising Council is composed of 4 franchisee representatives that are selected by vote of the Franchisees and 1 Franchisor representative. The Advertising Council serves in an advisory capacity. We have the power to change or dissolve the Advertising Council.

Local Market Advertising.

You must spend a reasonable amount each month for local market advertising but in no event will the aggregate amount spent in the months of each calendar quarter be less than 2% of the total Net Sales for such calendar quarter. As noted above, contribution to an advertising cooperative will count toward your local market advertising requirement. We have the right to require that you provide us with proof that these funds were spent. If you fail to spend the minimum of 2% of Net Sales each calendar quarter we may collect any deficiency from you and spend it on your behalf in your market. All affiliate-owned Restaurants must spend money for local market advertising on an equal percentage basis with all franchised Restaurants.

Website.

We currently operate a website related to the System at www.unclemaddios.com (the "**Website**"). We have the right to designate a successor Website. Subject to the terms of the Franchise Agreement and Brand Standards Manual, we may make available to you a sub-page on the Website that will be located at a sub-domain of the Website to be specified by us (the "**Subpage**"). You will be permitted to upload content onto the Subpage solely to promote, and provide customers information related to, your Restaurant. You may only upload content onto the Subpage in accordance with terms of the Franchise Agreement and any guidelines, directives or specifications (collectively, "**Subpage Standards**") issued by us. The Subpage may not contain content which references any other Restaurants other than your Restaurant. You may not upload, publish, display, or otherwise include or use any content on the Subpage without receiving our approval. Once we approve the initial content of the Subpage, you must submit any changes to us before you make any changes. We may, at any time, cease to make the Subpage available to you or the public. Upon the termination or expiration of the Franchise Agreement for any reason or a default under the Franchise Agreement for any reason, you may not upload, content, onto, or otherwise use, the Subpage shall immediately cease and we may cease to make the Subpage available to you.

Grand Opening.

You must develop and implement a grand opening promotion approved by us for your Restaurant. You must spend a minimum of $15,000 for the grand opening promotion.

Brand Standards Manual.

Exhibit D to this disclosure document is a table of contents of our Brand Standards Manual. The total number of pages in our Brand Standards Manual is 263 pages.

Computer Hardware and Software.

You must purchase an electronic POS system from one of our designated sources (see Item 8) or from some other source designated by us. The main functions of the POS system are to collect and manage information about the various sales transactions at your Restaurant. For example, you will likely use the POS system to post all product and service sales, keep inventory control, post sales tax, refunds and credits, and maintain customer information. We have the right to electronically and manually access the information that the POS system generates. You must cooperate with us in helping us access this information. You must supply the appropriate communications devices in order to permit the POS system to operate. You may be required to establish Internet access through a reputable Internet service provider and at service standards we require.

The currently approved POS system is the Toast system. Toast is the designated supplier for the POS system. We estimate that your costs for the POS system and computer hardware and software will be $4,500 to $12,000. We are not contractually obligated to provide any maintenance, repairs, upgrades or updates. Our designated vendors may do so from time, but you will need to contact them to determine what services (e.g. maintenance services) they provide and the cost of those services.

You are contractually required at your expense to upgrade and update the POS system to remain in compliance with our standards and specifications. We estimate that the cost of support service for the computer system is around $4,860 per year, but you will need to contact a vendor to determine the scope of the services they offer and the actual cost of those services. There are no contractual limitations on the frequency and cost of this requirement. We require the POS system to be accessible by us via modem or otherwise and have the right at any time to poll your system to retrieve and compile information concerning your Restaurant. In other words, we will have independent access to your sales information and data produced by your POS system. There are no contractual limitations on our right to access this information and data. (See Franchise Agreement, Section 10.) In addition to the POS system, we may require in the future that you install other computer systems meeting our standards and specifications. The computer systems would be used to assist you in the operation of your Restaurant. You would be responsible for all costs associated with any computer systems including accessing the Internet. We would have the right to access the information generated by the computer systems, without limitation. At this time, any additional computer systems would be at your discretion.

Site Selection.

Each proposed site for a Restaurant established must be located in your Area of Responsibility for the Development Agreement or Designated Areas for the Franchise Agreement. Within our discretion, we may consider sites proposed by you outside your Development Agreement Area of Responsibility provided a proposed site is not in another franchisee's area of responsibility or Designated Area. The proposed site for your Restaurant must be accepted by us along with any applicable lease, sublease or purchase agreement. The national real estate broker(s) we have designated for the System, and any local real estate broker identified by the national real estate broker(s), will assist you in selecting and evaluating the site for your Restaurant. You will interface directly with this broker. The site for your Restaurant may be leased or owned by you. Our approval of a site will be based on the information you give us to review on our Site Submittal Form, including site and leasing plans. The information we need should include: (i) square footage; (ii) traffic patterns, flow, and total count; (iii) density and income level of the surrounding population; (iv) land and building costs; (v) zoning patterns; (vi) surrounding educational and recreational facilities; (vii) terms of the lease, if any the distance from competing businesses, including other UNCLE MADDIO'S Restaurants; and (ix) other factors having a substantial bearing on the proposed site. (See Development Agreement, Section 7.) In addition, you must submit for acceptance by us proposed site and construction plans and any modification to our specifications you propose. The construction of the premises must be completed according to our specifications. If you lease the premises, you and the landlord must enter into a lease with certain lease terms (see Item 8). If we do not accept a site, you must propose a new site. If we and you are unable to agree upon a site for a Restaurant and, as a result, you fail to open within the time required by the Franchise Agreement or fail to meet your Development Schedule, we may terminate your Franchise Agreement or Development Agreement, as applicable. While there is no contractual limit on the time it takes us to approve or disapprove your proposed site and lease, once we have all the necessary documentation for review, we typically take 30 days to approve or disapprove the proposed site and lease and we will send you our decision in writing.

Start-up Time.
We expect that you will open your Restaurant within 9 months after you sign the Franchise Agreement. The factors that affect this timing are financing, building permits, zoning, local ordinance issues, and delayed installation of equipment, fixtures, and signs. If you do not commence operation of the Restaurant within 9 months after the effective date of the Franchise Agreement, we may terminate the Franchise Agreement or begin to collect the Minimum Royalty Fee and Minimum Brand Development Fee.

Conferences and Meetings.
Although we are not obligated under the Franchise Agreement, we may hold periodic conferences, management meetings or refresher courses to discuss sales techniques, personnel training, bookkeeping, accounting, inventory control, and the like. These conferences may be held at our McLean, Virginia location or any other place that we may designate and may generally last 1 to 3 days. We may charge you a fee to attend these meetings or conferences, which we expect will not be more than $500 per person. You must pay your own travel and accommodation expenses. (See Franchise Agreement, Section 14.4.)

Training.
Below is a description of our initial training program as of the issuance date of this disclosure document. Training programs are subject to change as procedures and processes change. You must send a minimum of two managers to become certified through the training program for each Restaurant that you operate. We will train the two managers that (i) will assume primary responsibility for managing the Restaurant and (ii) will devote full time and best efforts to the management and operation of the Restaurant. We may permit additional managers of your Restaurant to attend the initial training program, and, if we do, you will be responsible for all costs and expenses incurred by us in providing the training to these additional managers. Additionally, even if you (or one of your owners if you are an entity) will not act as a manager, you (or one of your owners if you are an entity) must attend our initial training program for 2 weeks. Your designated managers must successfully complete the training program to become certified managers, as determined by us, before the Restaurant opens for business. In addition, we may require you and your

managers and employees to attend additional training programs and you may be charged a reasonable fee for the additional training. Our current training fee is $300 per person per day.

The initial training program instructional materials include various training aids and manuals including the employee handbook, vendor manuals, POS vendor manual, marketing manual, business publications, and the Brand Standards Manual.

The initial training program will last approximately 4 weeks and will be comprised of classroom training and in-Restaurant training in an approved facility in a training facility that we will designate. If you (or one of your owners if you are an entity) will not act as a manager, the initial training program will not exceed 2 weeks. Training will be conducted as often as we deem necessary, but at least monthly. See Item 7 of this disclosure document for a discussion of your costs and expenses associated with the initial training program. (See Franchise Agreement, Section 14.1.)

Robert Cuffaro is responsible for implementing our training program. He has 30 years of industry experience and he has been with us since October 2019. Other employees or vendors may assist in the training. Generally, these people will have 2 years of experience with the subject matter for which they are responsible and 1 year with the Uncle Maddio's System.

TRAINING PROGRAM

Subject	**Hours of Classroom Training**	**Hours of On the Job Training**	**Location**
Position Training	11	88	McLean, VA
Human Resources	3	1	McLean, VA
Administrative	2	2	McLean, VA
Food Safety	2	2	McLean, VA
Shift Management	6	88	McLean, VA
Food Cost, Labor Cost Analysis, Inventory Procedures	4	4	McLean, VA
POS System	3	6	McLean, VA
Marketing	3	2	McLean, VA
Franchise Support/Compliance	2	2	McLean, VA
TOTALS	**36**	**195**	

We will also provide you one of our staff for a period of approximately 7 days to assist you in the opening of the Restaurant and the training of your employees.

ITEM 12
TERRITORY

Development Agreement.

The Development Agreement will specify an Area of Responsibility within which you will focus your development efforts. Although you will receive an Area of Responsibility, you will not receive an exclusive territory for the development program. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or from competitive brands that we control. You may establish a Restaurant at any location within your Area of Responsibility provided that we consent to the location, which may be granted or withheld in our sole discretion, the location is in a state where we are permitted to sell UNCLE MADDIO'S Restaurant franchises, and the location is not located in another franchisee's Designated Area. An area of responsibility is a geographic territory within which we expect you to concentrate your development efforts. During the term of the Development Agreement and for as long as you are not in default of the Development Agreement or any Franchise Agreement, we will not operate or authorize another to operate an Uncle Maddio's Restaurant in your Area of Responsibility. If you fail to meet your Development Schedule, we may terminate your Development Agreement.

Franchise Agreement.

You will receive the right to operate an UNCLE MADDIO'S Restaurant only at a site we accept, in our sole discretion. The site will be designated in the Franchise Agreement. Your Designated Area will be negotiated by you and us before your execution of the Franchise Agreement and specifically described in the Franchise Agreement. In negotiating the Designated Area, we may examine population, traffic flow, presence of businesses, location of competitors (including other UNCLE MADDIO'S Restaurant franchisees), demographic and other market conditions. There is no minimum territory that we grant to our franchisees. Each territory is assessed individually based on factors such as whether the Restaurant is urban or suburban and the population.

Although you will receive a Designated Area as noted above, you will not receive an exclusive territory for your franchise. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or from competitive brands that we control. As long as you are in compliance with the Franchise Agreement, we will not operate an UNCLE MADDIO'S Restaurant within your Designated Area, and we will not authorize anyone else to do so. You will operate your Restaurant only from the accepted site, and you must receive our permission before you relocate your Restaurant. Should it become necessary to relocate your Restaurant from the site we have accepted on account of condemnation or destruction of the site, we will authorize you to relocate to a site acceptable to us that is within the Designated Area, is reasonably suited for an UNCLE MADDIO'S Restaurant, does not infringe on the territorial rights of any other UNCLE MADDIO'S Restaurant, and is reasonably distant from other UNCLE MADDIO'S Restaurants provided that (a) your new Restaurant is open and operating within 180 days after you discontinue operation of the relocated Restaurant at the former site, all in accordance with our then-current standards at that time, and (b) you reimburse us for our costs and expenses incurred in connection with the relocation (including legal fees and time spent by our employees) . It shall be your responsibility to apply for relocation of you Restaurant from the site on account of condemnation or destruction of the site in order to avoid termination of the Franchise Agreement for failure to operate. We have not established any other set of conditions or criteria under which we evaluate or approve relocation requests.

You may solicit customers and advertise your Restaurant anywhere you choose. There are no restrictions on you, any of our other franchisees, or us to prevent any soliciting or advertising in someone else's Designated Area. No party is obligated to pay compensation to any other party for soliciting customers from the other franchisee's Designated Area. In addition, you must provide Catering within a reasonable distance from your Restaurant, but not more than 10 miles, provided the deliveries are made by ground transportation. Subject to this maximum mileage requirement, you must request our approval to provide Catering in another franchisee's Designated Area, and other UNCLE MADDIO'S Restaurant franchisees must also request our approval to provide the same services in your Designated Area. You may not ship products within or without your Designated Area.

If you desire to sell and serve products at a Special Event located outside your Designated Area, you must submit a written request to us for our prior approval. If we grant you permission to sell and serve Products at a Special Event that is located outside your Designated Area, or perform Catering more than 10 miles from your Restaurant, we will revoke our permission for you to hold the Special Event or Catering if we permit someone to open a Restaurant within the area in which your Special Event or Catering is taking place.

Additionally, if we determine the selling and serving of products at a Special Event in your Territory is desirable, we may send you a Request for Notice. If we send you a Request for Notice and you desire to sell and serve Products at the Special Event, you must send us a signed Notice of Intent to Serve within 5 business days after receipt by you of the Request for Notice. If you do not send us a Notice of Intent to Serve within 5 business days after the date of receipt by you of the Request for Notice and proof of authorization to sell and serve Products at such Special Event as required by the Brand Standards Manual, you will be deemed to have waived your right to sell and serve Products at the Special Event. If you waive the right to sell and serve Products at any Special Event, we may sell and serve products or grant another franchisee (or licensee) the right to sell and serve products at the Special Event. If you desire to sell and serve products at a Special Event outside your Territory, you must submit (according to the procedures that we may specify from time to time) such notices and information to us related to the Special Event, in the form and manner, and at such times, that we may reasonably request.

If we allow you to operate a food truck (or any other mobile unit) at Special Events or otherwise, you must comply with all written standards, specifications and procedures prescribed by us in the Brand Standards Manual or otherwise in writing related to the use and operation of a food truck (or other type of mobile unit). We reserve the right to charge initial and/or recurring fees in the event that we allow you to operate a food truck (or other mobile unit) in connection with your UNCLE MADDIO'S Restaurant. You will not have any exclusive rights related to the use or operation of a food truck (or other mobile unit) in your Territory, except for Special Events that we authorize in writing.

Our Reserved Rights.

We and our affiliates have reserved the right to establish and operate and grant to other franchisees or licensees the right to establish and operate, an UNCLE MADDIO'S Restaurant or any other business using the Marks, the System or any variation of the Marks and the System, in any location outside the Designated Area, on any terms and conditions that we deem appropriate. We and our affiliates have also reserved the right to establish anywhere franchises and/or company-owned or affiliate-owned restaurants or outlets selling similar products and providing similar services (including within your Designated Area and Area of Responsibility) under names and symbols other than the Marks, even if these restaurants or outlets are near your Restaurant. Nevertheless, as of the date of this disclosure document, we have no present plans to exercise any of these rights. We also reserve the right to operate, for ourselves or others, businesses using the Marks to distribute products or offer services that may be similar to or different from those found in UNCLE MADDIO'S Restaurants, both within and outside your Designated Area and Area of Responsibility, so long as we do not do so through the operation of an UNCLE MADDIO'S Restaurant.

We also reserve the exclusive right to sell products identified with the Marks both within and outside your Designated Area and Area of Responsibility through any distribution channel or method (whether at retail or wholesale), including sales through catalogs, mass merchandise, grocery stores, club stores, convenience stores, Internet (or any other existing or future form of electronic commerce), Special Events (subject to your rights related to certain Special Events), food trucks (or other mobile units), and delivery services, except through the operation of an UNCLE MADDIO'S Restaurant, even if you sell these products at your Restaurant. As one example, we have the right to sell UNCLE MADDIO'S food products through a nationwide retail chain even if the chain has facilities located within your Designated Area and Area of Responsibility. Except for any Special Events and Catering activities you may conduct, you have no right to sell and serve any products from any location other than your Restaurant and you have no right to sell products through the Internet or worldwide web, through mail order or catalogs, or through mobile units or any other form of distribution channel or method.

We may own, acquire, establish, and/or operate and license others to establish and operate, UNCLE MADDIO'S Restaurants and other businesses using the Marks, the System or any variation of the System, at non-traditional venues, special or limited purpose facilities, limited access or captive audience facilities, and other types of institutional accounts (which include airports and other public transportation facilities; casinos, parks; stadiums; business, industrial and military complexes; educational facilities; hospitals and other health care facilities; theaters; museums; art centers; and amusement centers) (collectively, "**Institutional Facilities**") at any location within or outside the Designated Area or Area of Responsibility.

We will provide written notice to you of our intent to establish, or franchise or license another to establish, a business under the Marks at any an Institutional Facility within your Franchised Territory, unless the foodservice rights at the Institutional Facility are held by the owner or a contract feeder, or in our reasonable judgment are not readily available to independent franchisees. If, within 30 days of our notice, you obtain or demonstrate your ability (in our reasonable judgment) to obtain the right to establish an UNCLE MADDIO'S Restaurant at the Institutional Facility instead of the business proposed by us, we will not unreasonably withhold our consent for you to establish an UNCLE MADDIO'S Restaurant at the Institutional Facility.

We have affiliates that operate and/or franchise competitive restaurant concepts and these concepts may be operated in close proximity to your Restaurant. You have no right to use the Marks in connection with any business other than an UNCLE MADDIO'S Restaurant. We may give, donate, or contribute products to charitable and community organizations and events for fund raising and other events and use the products for promotions and product demonstrations in your Designated Area or Area of Responsibility, and offer products for sampling by consumers and organizations for product testing, promotions and demonstrations in your Designated Area and Area of Responsibility.

We have the right to engage in any other activities not expressly prohibited in the Franchise Agreement and Development Agreement. You may face competition from other franchisees, from Restaurants that we own, or from other channels of distribution or competitive brands we may control. You have no right of first refusal or similar rights to acquire additional franchises or establish additional UNCLE MADDIO'S Restaurants. We have not established any minimum sales quota and do not require any certain level of volume or market penetration in order for you to maintain your Designated Area and Area of Responsibility. We may reduce the size or configuration, or both, of your Designated Area and Area of Responsibility as population in it increases. We will not alter your Designated Area and Area of Responsibility until you give us your written consent within the timeframe we request, typically 30 days. Any rights that are not specifically granted to you under the Franchise Agreement are retained by us. Other restaurant concepts owned now or in the future by us or our affiliates may be established in close proximity to your Restaurant.

ITEM 13
TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right to operate your Restaurant under the name "UNCLE MADDIO'S PIZZA®" and to use the other Marks we authorize you to use. We have registered the following Marks on the Principal Register of the United States Patent and Trademark Office ("**USPTO**").

Mark	Registration No.	Registration Date	Owner
UNCLE MADDIO'S PIZZA ®	4,992,114	07/05/16	Us

UNCLE MADDIO'S PIZZA®	5,115,699	01/03/17	Us
uncle MADDIO'S pizza joint®	3,881,517	11/23/10	Us
UNCLE MADDIO'S PIZZA® (Word Mark)	3,881,516	11/23/10	Us
SERVED WITH LOVE® (Word Mark)	4,564,082	07/08/14	Us
GET YOUR CRAVE ON® (Word Mark)	4,970,305	05/31/16	Us
FOLDWICH® (Word Mark)	5,087,470	11/22/16	Us

There are no agreements currently in effect which significantly limit our rights to use or license the use of our Marks in a manner material to the franchise. There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, and, except as summarized below, there are no pending infringements, opposition or cancellation proceedings, or material litigation involving the principal trademarks. All affidavits and renewals required by the PTO where necessary have been filed.

On October 30, 2009, Mazzio's Corporation ("**Oklahoma Company**") and our Predecessor entered into a settlement agreement (the "**Settlement Agreement**") related to the use of the name "MADDIO'S PIZZA JOINT" (the "**Old Marks**"). Oklahoma Company objected to the use of the Old Marks because Oklahoma Company was currently franchising and operating restaurants under the trademarks MAZZIO'S and MAZZIO'S PIZZA (collectively, "**Oklahoma Marks**"). Oklahoma Company is located at 4441 S. 72nd East Avenue, Tulsa, Oklahoma and has restaurants in Arkansas, Georgia, Illinois, Iowa, Kansas, Mississippi, Missouri, Oklahoma, and Texas. The restaurants that the Oklahoma Company franchises and operates sell Italian food (including pizza) . The Oklahoma Marks are registered on the Principal Register of the USPTO. Under the Settlement Agreement, (a) Oklahoma Company agreed (i) that the registered Marks shown above are not confusingly similar to the Oklahoma Marks and not to contest our applications for and use of the registered Marks shown above; and (b) we agreed (i) not to interfere with Oklahoma Company's use and enjoyment of the Oklahoma Marks, (ii) not to open any additional restaurants under the System using the Old Marks, (iii) to cease using the Old Marks at the TM MADDIO'S Restaurant within 6 months of opening the second MADDIO'S Restaurant under the System, (iv) to abandon all applications for the Old Marks filed with the USPTO, and (v) to let any state trademark registrations for the Old Marks lapse. The TM MADDIO'S Restaurant ceased using the Old Marks in May 2010.

You must follow the Franchise Agreement, the Brand Standards Manual and our specifications when you use the Marks. The Marks are the only Marks you may use to identify the Restaurant. You may not use any Mark as part of any corporate or trade name or as part of any domain name or electronic address you maintain on the Internet, the worldwide web, or any other similar proprietary or common carrier electronic delivery system unless we expressly authorize you to do so in writing. You may not use the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. Your use of the Marks and any goodwill is to our exclusive benefit and you retain no rights in the Marks other than a license to use the Marks during the terms of the Franchise Agreement. You are not permitted to make any changes of any kind in or to the use of the Marks unless we permit.

You must notify us immediately when you learn about an infringement of or challenge to your use of a Mark. We will take the action we think appropriate. We have the right to exclusively control any litigation, USPTO proceeding, or other proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark.

You must not directly or indirectly contest our right to the Marks, trade secrets or business techniques that are part of our business. We have no contractual obligation to protect or indemnify you against claims of infringement regarding your use of the Marks, but we might do so when your rights require protection. In that case, if you cooperate with us, we would pay all cost, including attorneys' fees and court costs, associated with any litigation required to defend or protect your authorized use of the Marks. We will not pay any of your attorneys' fees if you hire your own attorney.

You must modify or discontinue the use of a Mark if we instruct you to do so. If this happens, you must bear the tangible costs of compliance (i.e. changing signs) and we do not have to reimburse you for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute Mark. We may develop or acquire additional Marks and make them available for your use.

Except as disclosed in this Item 13, we are not aware of any superior rights or infringing uses that could materially affect your use of the Marks.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

There are no patents, pending patents or registered copyrights that are material to your UNCLE MADDIO'S franchise.

We claim common law rights and copyright protection in a number of items you will use in the operation of your UNCLE MADDIO'S Restaurant, including without limitation, our Brand Standards Manual, and in certain other materials and information related to the System, like our marketing materials, specifications, architectural drawings, Restaurant designs, marketing techniques, advertising programs, advertising strategies, supplier lists, expansion plans, and other information we create or use. We have not registered any of these copyrighted materials with the United States Registrar of Copyrights, although we may do so.

All materials or information of any kind that are designated "confidential" orally or in writing or which, under the circumstances surrounding disclosure, ought to be treated as confidential, are deemed confidential and are loaned to you only under and during the term of the Franchise Agreement and Development Agreement. All confidential materials and the information contained in them must be treated by you as confidential and you must use your best efforts to keep them confidential during and after the terms of the Franchise Agreement and Development Agreement as provided in each agreement. This means that you cannot make copies in any medium of any confidential information or use any confidential information outside of the scope of the Franchise Agreement or Development Agreement or disclose any confidential information to any third party or other persons identified by us as not having authorization to receive disclosure of confidential information. You may disclose confidential information contained in the Brand Standards Manual only to your employees who have a business need to have access to the confidential information, but only if you first secure from them an agreement to maintain the confidentiality of the confidential information disclosed.

All copyrighted materials and confidential information are owned exclusively by us. Your right to use copyrighted materials and confidential information is derived solely from the Franchise Agreement and Development Agreement and is limited to the conduct of the business under and in compliance with the Franchise Agreement and Development Agreement and all applicable specifications, standards, and operating procedures we prescribe during the term of the Franchise Agreement and Development Agreement. Any unauthorized use of our copyrighted materials or any unauthorized use or disclosure of confidential information will constitute an infringement of our rights in and to the copyrighted materials and confidential information.

We may claim copyright protection in certain techniques we create and may patent certain processes and equipment we develop. If we do, we will notify you and, if the copyrights and patents are material to your obligations under the Franchise Agreement, we will authorize you to use them at no additional charge. Any modifications or improvements that you make to the System will be deemed works made for hire which shall be owned exclusively by us. We do not have to compensate you for your modification or improvement. You must promptly notify us of any unauthorized use of our copyrighted materials or any unauthorized use or disclosure of confidential information, including by your employees.

You must notify us of any challenge to your right to use or the ownership of any copyrighted materials or confidential information. We are not required to protect or defend our copyrights, although we intend to do so when it is in the best interests of the System. We have the exclusive right to control any copyright litigation. We have the right to keep all sums obtained in settlement or as a damages award in any proceeding or litigation without any obligation to share any portion of the settlement sums or damages award with you. While we are not required to participate in your defense or to indemnify you for damages or expenses you incur if you are a party to any administrative or judicial proceeding involving our confidential information or other information in which we claim common law rights and copyright protection, we may reimburse you for your liability and reasonable costs in connection with defending our confidential information and other information in which we claim common law rights and copyright protection.

We will have the right at any time, on notice to you, to make additions to, deletions from, and changes in any item in which we claim common law copyright or registered copyright protection including the Brand Standards Manual. You must adopt and use all additions, deletions, and changes as we direct, at your expense.

The Development Agreement and Franchise Agreement require that your owners, holding at least a 10% equity interest in you, sign written agreements (a) to protect and not disclose confidential information to which you and they have access, and (b) not to compete with you, us, and other franchisees. See Items 14 and 17 for a description of these obligations. We have the right to require your other employees who have access to our confidential information to execute a noncompetition and/or nondisclosure agreement in the form(s) prescribed by us from time to time. We have the right to take legal action against you if there has been an unauthorized use of our confidential information or trade secrets through you or your employees.

There is currently no litigation pending involving the copyrighted materials or confidential information. We do not know of any effective material determinations of the U.S. Copyright Office or any court regarding any of the copyrighted materials or confidential information. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials or confidential information.

We do not know of any superior rights or infringing uses that could materially affect your use of our confidential information or copyright materials.

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

You must maintain direct responsibility over the Restaurant; however, we do not require that you personally supervise the day-to-day operations of the Restaurant or attend our initial training program. We may require that at least one equity owner, an individual person, have some restaurant operational experience. During operations hours, a Manager who (i) satisfies the minimum qualifications and experience requirements in the Brand Standards Manual and (ii) has successfully completed the initial training program described in Section 14.1 of the Franchise Agreement, must at all times be at your Restaurant. We must confirm each Manager as meeting the minimum requirements for a Manager of an UNCLE MADDIO'S Restaurant. The Managers must directly supervise and be responsible for the day-to-day management and proper operation of your Restaurant, and the Managers may not assist in any business that competes with your Restaurant. The Managers must invest their full time and attention and devote their best efforts to the on-premises management of the Restaurant. The Managers cannot have an interest or business relationship with any of our business competitors. The Managers need not have an ownership interest in a corporate, limited liability company, or partnership franchisee. If the Managers are not already bound by the Franchise Agreement, we may require them to sign a noncompetition and/or nondisclosure agreement in the form(s) prescribed by us. This noncompetition and/or nondisclosure agreement will prohibit them from directly or indirectly engaging in activities that compete with the operations of your Restaurant or any other UNCLE MADDIO'S Restaurant and disclosing our confidential and proprietary information and trade secrets. We also may require those employees who have received our confidential and proprietary information to enter into the same noncompetition and/or nondisclosure agreement.

The Development Agreement and Franchise Agreement require you to have your owners holding at least a 10% equity interest in you, to sign written agreements (a) to protect and not disclose confidential information to which you and they have access, and (b) not to compete with you, us, and other franchisees. See Items 14 and 17 for a description of these obligations. We may (i) regulate the forms of agreements required above to protect confidential information and not compete and (ii) require that we be named as a third-party beneficiary of those agreements with independent enforcement rights.

We may also require each of your owners holding at least a 10% equity interest in you, to personally guarantee your obligations to us under the Development Agreement and the Franchise Agreement. The guarantees are contained in the guaranty provisions found in the Development Agreement and the Franchise Agreement, respectively.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must conduct the business operated at your Restaurant as required by the Brand Standards Manual and the Franchise Agreement. You must offer and sell only those products and services approved by us. Further, you must offer all goods and services that we designate as required for all franchisees. These required goods and services include fresh pizzas, salads, subs, and other various related foods, and various beverages. We have the right to add additional authorized goods and services that you must offer. This means that we have the right to require you to carry the required menu items that we dictate and that we determine are appropriate for UNCLE MADDIO'S Restaurants. There are no limits on our right to make modifications to our approved menu, whether by a change in the Brand Standards Manual or through an amendment to the Franchise Agreement or by another form of written directive. We will not restrict you from soliciting any customers, no matter who they are or where they are located. However, you may only sell products to consumers for consumer purposes (and not for resale). You may not sell products at wholesale. In addition, you must provide Catering within a reasonable distance from your Restaurant not to exceed 10 miles from your Restaurant, provided the deliveries are made by ground transportation. Subject to this maximum mileage requirement, you may provide Catering in the Franchise Territories of other UNCLE MADDIO'S Restaurant franchisees, and other UNCLE MADDIO'S Restaurant franchisees may provide the same services in your Designated Area. You may not ship products within or without your Designated Area. You may not have or use, or permit the presence or use of, video game machines or vending machines or any similar device or machine at the Restaurant unless we consent in writing.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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.

Development Agreement

	Provision	**Section in Development Agreement**	**Summary**
a.	Length of the franchise term	Section 3	Expires the date after operations of the final Restaurant to be established are required to begin as provided on the Development Schedule.
b.	Renewal or extension of the term	None	None
c.	Requirements for you to renew or extend	None	None
d.	Termination by franchisee	Section 12.1	You can terminate only if we fail to cure a default under the Development Agreement within 90 days (or 150 days in some instances) after you give us written notice of termination.
e.	Termination by franchisor without cause	None	None
f.	Termination by franchisor with "cause"	Sections 12.2 and 12.3	We can terminate only if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default.
g.	"Cause" defined – curable defaults	Section 12.3	Failure to comply with any provisions of the Development Agreement not covered in "h" below. You have 30 days (or 60 days in some instances) after we give you written notice to cure the default.
h.	"Cause" defined – non-curable defaults	Section 12.2	Insolvency; bankruptcy; liquidation; reorganization; general assignment for benefit of creditors; failure to pay us or any creditor, supplier or lessor of any of your Restaurants any sums due after written notification; failure to comply with Development Schedule; conviction of a felony or crime involving moral turpitude; evidence of substance abuse, sexual harassment, or abusive behavior by you or an equity owner; making of material misrepresentations; unauthorized transfer; unauthorized use or disclosure of confidential information; failure to comply with non- competition provisions; failure to comply with any applicable law; dissolution; default under the Franchise Agreement or any other agreement between you and us; or receipt of three default notices within a 12 month period.

	Provision	Section in Development Agreement	Summary
i.	Franchisee's obligations on termination/non renewal	Sections 12.4 and 14	No investment in competitive business; no disclosure of confidential information; and strictly comply with non-compete prohibition.
j.	Assignment of contract by franchisor	Section 13.1	No restriction on our right to assign.
k.	"Transfer" by franchisee – defined	Section 13.2	Includes transfer of Development Agreement, any interest in Development agreement, or any equity interest in you if you are an entity or any equity interest in any owners of you if they are an entity.
l.	Franchisor approval of transfer by franchisee	Sections 13.2 and 13.3	We have the right to approve all transfers.
m.	Conditions for franchisor approval of transfer	Section 13.4	Transferee qualifies; transferee assuming obligations under Development Agreement and/or entering into new Development Agreement and any other agreements we require; terms and conditions of transfer are satisfactory to us; you are not in default under the Development Agreement, any Franchise Agreement, or any other agreement between you and us; signing of a general release, transfer fee paid; we decline to exercise our right of first refusal; you and your equity owners guaranty the performance of transferee's obligations to effectuate the transfer; and the Marks not being used in any advertisement for any prohibited transfer.
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 15	We can match any offer for the transfer of your business or any ownership interest.
o.	Franchisor's option to purchase franchisee's business	None	None
p.	Death or disability of franchisee	Sections 13.3 and 13.4	Franchise must be assigned by estate to an approved buyer.
q.	Non competition covenants during the term of the franchise	Sections 14.1, 14.2, 14.4 and 14.5	No involvement in competitive business.
r.	Non competition covenants after the franchise is terminated or expires	Sections 14.1, 14.2, 14.4 and 14.5	For two year, no involvement in competitive business located within a 25-mile radius of the Area of Responsibility or any UNCLE MADDIO'S Restaurant. Competitive business includes any business operating, franchising or licensing a restaurant or food establishment (including establishments that deliver food) where 20% or more of the sales of such business are from pizza sales.

	Provision	Section in Development Agreement	Summary
s.	Modification of the agreement	Section 30	Generally, no modifications are allowed unless agreed to in writing.
t.	Integration/merger clause	Section 30	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Development Agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 21.2	Except for certain claims, disputes must be settled by arbitration. Arbitration must occur in the office of the American Arbitration Association closest to our principal executive office.
v.	Choice of forum	Sections 21.1 and 21.2	Litigation must be held in the federal or state court for the district where our principal executive office is located (subject to state law). Arbitration must occur in the office of the American Arbitration Association closest to our principal executive office.
w.	Choice of law	Section 21.1	Subject to state law, the law of our principal place of business (Virginia) applies, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.) and disputes over copyrights will be governed by federal copyright laws of the United States, except that the Virginia Retail Franchising Act does not apply to you unless you are a resident of the Commonwealth of Virginia or your designated area is within the Commonwealth of Virginia

Franchise Agreement

	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	Section 2.1	10 years
b.	Renewal or extension of the term	Section 2.2	If you meet the requirements, you can renew for one additional consecutive 10-year term; after that you will have no right to renew the Franchise Agreement. “Renewal” may require you to sign a contract with materially different terms and conditions than your original contract.
c.	Requirements for franchise to renew or extend	Section 2.2	You must provide written notice of election to renew; not be in default of the Franchise Agreement or any other agreement relating to the Restaurant; shall have fully and faithfully performed all of its obligations under the Franchise Agreement and any other agreement relating to the Restaurant; sign the then-current form of Franchise Agreement; pay a renewal fee; refurbish the Restaurant, if required

	Provision	Section in Franchise Agreement	Summary
			(refurbishments are intended to be large-scale re-equipping, refurbishing and remodeling of the Restaurant and nothing contained in the Franchise Agreement will limit Franchisee's other obligations under the Franchise Agreement or the Brand Standards Manual); shall be current in payment of all obligations to us and to any of its affiliates and subsidiaries as well as lessors, vendors, and suppliers of the Restaurant; complete any required retraining program; sign a general release; and maintain ownership or leasehold interest in the Restaurant location or secure a suitable alternative. Terms of the then-current form of Franchise Agreement may differ materially from any and all of those contained in the Franchise Agreement attached to this Disclosure Agreement including the Royalty Fee and Brand Development Fee.
d.	Termination by franchisee	Section 21.1	You can terminate only if we fail to cure a default under the Franchise Agreement within 90 days (or 150 days in some instances) after you give us written notice of termination.
e.	Termination by franchisor without cause	None	None
f.	Termination by franchisor with cause	Sections 21.2 and 21.3	We can terminate only if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default.
g.	"Cause" defined – curable defaults	Section 21.3	Failure to comply with our standards and procedures or any term of the Franchise Agreement not covered in "h" below, including: failure to submit required reports; failure to relocate; failure to comply with any of the terms and conditions of any other agreement entered into by you in connection with your Restaurant; failure to maintain required insurance; and failure to restore Restaurant to full operation if it is rendered inoperable by casualty (not to exceed 90 days). You have 30 days (or 60 days in some instances) after we give you written notice to cure the default.

	Provision	Section in Franchise Agreement	Summary
h.	"Cause" defined – non-curable defaults	Section 21.2	Franchisee files bankruptcy or reorganization; deemed insolvent; trustee or receiver appointed by court; ceasing to operate at the Franchised Site after commencement of the operation of the Restaurant; seeks to affect a plan of liquidation, reorganization, composition, or arrangement of its affairs; the Franchise Agreement (or any right thereunder) being deemed an asset in any insolvency, receivership, bankruptcy, composition, liquidation, arrangement, or reorganization; involuntary proceeding of bankruptcy, reorganization, or similar law and such proceeding is not dismissed within 60 days; general assignment for benefit of creditors; failure to pay us or any creditor, supplier or lessor of the Restaurant any sums due after written notification and does not correct such failure within 10 days after notice; failure to complete initial management training and failure to commence operation of Restaurant within 9 months of execution of Franchise Agreement; conviction of a felony or crime involving moral turpitude; evidence of substance abuse, sexual harassment, or abusive behavior by you, an equity owner, or a Manager; operation of the Restaurant as a safety hazard; making of material misrepresentations; unauthorized transfer; failure to comply with non-competition provisions; unauthorized use of any Mark or disclosure of confidential information (including Brand Standards Manual); failure to comply with any applicable law; unauthorized seizures; failure to maintain possession of the Restaurant premises; knowingly maintaining false books or records; denying us access to your books or records; understatement of fees by more than 5%; receipt of three default notices within a 12 month period; dissolution; or changing banking information or withdrawing our approval for bank drafts from your account and is not corrected within 10 days after notice.
i.	Franchisee's obligations on termination/non renewal	Sections 20, 21.4, and 22	Obligations include returning all material furnished by containing confidential information (including Brand Standards Manual); payment of amounts due including lost profits; complete de-identification of Restaurant and discontinue use of all Marks; refrain from operating or doing business in any manner that may give general public the impression that the Franchise Agreement is still in force; cancel assumed name registration; transfer telephone, fax numbers, Internet listings, and other electronic

	Provision	Section in Franchise Agreement	Summary
			media or electronic communication assets to us; no disclosing confidential information a specified in the Franchise Agreement; no investment in competitive business follow any procedures in the Brand Standards Manual related to discontinuing operations of the Restaurant; and offer us the right to purchase the Restaurant. We may assume the Restaurant's management.
j.	Assignment of contract by franchisor	Section 19.1	No restriction on our right to assign.
k.	"Transfer" by franchisee – defined	Section 19.2	Includes transfer of Franchise Agreement, any interest in Franchise Agreement, any assets of Restaurant, or any equity interest in you if you are an entity or any equity interest in any owners of you if they are an entity.
l.	Franchisor approval of transfer by franchisee	Sections 19.2	We have the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Sections 19.2 and 19.4	Transferee qualifies; transferee assuming obligations under Franchise Agreement and/or entering into new Development Agreement, Franchise Agreement and any other agreements we require; terms and conditions of transfer are satisfactory to us; your monetary obligations to us are paid in full; you are not in default under the Development Agreement, Franchise Agreement or any other agreement between you and us; signing of a general release; fee paid; we decline to exercise our right of first refusal; the Marks not being used in any advertisement for any prohibited transfer; you and your equity owners guaranty the performance of transferee's obligations to effectuate the transfer; and at our request, transferee or assignee refurbishes the Restaurant as specified in Section 2.2 of the Franchise Agreement.
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 19.4 and 22.3	We can match any offer for the transfer of your business or any ownership interest.
o.	Franchisor's option to purchase franchisee's business	Section 22.3	Upon expiration or termination of the Franchise Agreement, you must offer us the right to purchase the Restaurant.
p.	Death or disability of franchisee	Section 19.3	Franchise must be assigned by estate to an approved buyer.

	Provision	Section in Franchise Agreement	Summary
q.	Non competition covenants during the term of the franchise	Sections 20.1, 20.2, 20.4, and 20.5	No involvement in competitive business solicitation of any employee of UNCLE MADDIO'S
r.	Non competition covenants after the franchise is terminated or expires	Sections 20.1, 20.2, 20.4 and 20.5	For two year, no involvement in competitive business located within a 25-mile radius of the Designated Area the Restaurant or 25-mile radius of the designated area of any UNCLE MADDIO'S Restaurant. Competitive business includes any business operating, franchising or licensing a restaurant or food establishment (including establishments that deliver food) where 20% or more of the sales of such business are from pizza sales.
s.	Modification of the agreement	Sections 7, 8.1 and 39	Generally, no modifications are allowed unless agreed to in writing. We may revise the Brand Standards Manual and you must comply with each requirement.
t.	Integration/merger clause	Section 39	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 31.2	Except for certain claims, disputes must be settled by arbitration. Arbitration must occur in the office of the American Arbitration Association closest to our principal executive office.
v.	Choice of forum	Sections 30.1 and 30.2	Litigation must be held in the federal or state court for the district where our principal executive office is located at the time the action is filed (subject to state law). Arbitration must occur in the office of the American Arbitration Association closest to our principal executive office.
w.	Choice of law	Section 30.1	Subject to state law, the law of our principal place of business (Virginia) applies, except that disputes over the Marks will be governed by the United States Trademark Ac of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.) and disputes over copyrights will be governed by federal copyright laws of the United States, except that the Virginia Retail Franchising Act does not apply to you unless you are a resident of the Commonwealth of Virginia or your designated area is within the Commonwealth of Virginia

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

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATION

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Bob Cuffaro, at 1410 Spring Hill Road, Suite 400, McLean, Virginia 22102; (404) 430-6699; or robert.cuffaro@unclemaddios.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System wide Outlet Summary
For Years 2020 - 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	21	16	-5
	2021	16	15	-1
	2022	15	14	-1
Company Owned	2020	0	0	0
	2021	0	1	+1
	2022	1	1	0
Total Outlets	**2020**	**21**	**16**	**-5**
	2021	**16**	**16**	**0**
	2022	**16**	**15**	**-1**

Table No. 2
Transfers of Outlets from Franchisees to New Owners
For Years 2020 - 2022

State	Year	Number of Transfers
All States	2020	1
	2021	0
	2022	0
Totals	**2020**	**1**
	2021	**0**
	2022	**0**

Table No. 3
Status of Franchised Outlets
For Years 2020 - 2022

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
Alabama	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Arkansas	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	1	0	0	0	0
Colorado	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Florida	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Georgia	2020	7	0	0	0	0	2	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
North Carolina	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
North Dakota	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Tennessee	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	0	1
Virginia	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Totals	**2020**	**21**	**0**	**0**	**0**	**0**	**5**	**16**
	2021	**16**	**0**	**0**	**0**	**0**	**1**	**15**
	2022	**15**	**0**	**1**	**0**	**0**	**0**	**14**

Table No. 4
Status of Company-Owned Outlets
For Years 2020 - 2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Arizona	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
Ohio	2020	0	0	0	0	0	0
	2021	0	1	0	1	0	0
	2022	0	0	0	0	0	0
Total	**2020**	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**2**	**0**	**1**	**0**	**1**
	2022	**1**	**0**	**0**	**0**	**0**	**1**

Table No. 5
Projected Openings as of December 31, 2022

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year (2023)	Projected New Company-Owned Outlet In the Next Fiscal Year (2023)
Florida	0	2	0
Georgia	0	2	0
All other states	0	0	0
Totals	0	4	0

Exhibit G lists the names of all current franchisees with their addresses and telephone numbers as of the date of this disclosure document.

Exhibit G lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of franchisees who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our 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.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are currently no trademark-specific franchisee organizations associated with the System.

ITEM 21
FINANCIAL STATEMENTS

Our Audited Financial Statements dated December 31, 2022, our Audited Financial Statements dated December 31, 2021, and our Audited Financial Statements dated December 31, 2020 are attached as Exhibit F.

ITEM 22
CONTRACTS

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

(a) Area Development Agreement – Exhibit B
(b) Franchise Agreement -- Exhibit C
(c) State Specific Addenda and Riders -- Exhibit E
(d) Form of Release - Exhibit H
(e) Form of Franchisee Disclosure Questionnaire – Exhibit J

ITEM 23
RECEIPT

Exhibit L to this disclosure document are detachable Receipts acknowledging your receipt of this disclosure document. Please return one Receipt to us and retain the other for your records. If you are missing these Receipts, please contact us at the following address or telephone number:

S & S Maddio's LLC
1410 Spring Hill Rd Suite 400
McLean, Virginia 22102
(404) 430-6699

EXHIBIT A

EXHIBIT A TO THE DISCLOSURE DOCUMENT

STATE AGENCIES AND ADMINISTRATORS FOR SERVICE OF PROCESS

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed below.

Our registered agent in the Commonwealth of Virginia
Ned Scherer
1410 Spring Hill Rd, Suite 400
McLean, VA 22102
(703) 847-4660

The following is a list of state administrators responsible for registration and review of franchises for these states. We may register in one or more of these states.

State Administrator	Agent for Service of Process in State
California (**filing required**) Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, California 94104 Commissioner of Financial Protection and Innovation 320 W. 4th Street, Suite 750 Los Angeles, California 90013 Commissioner of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, California 95834 (866) 275-2677 Toll Free	**California** Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, California 94104 Commissioner of Financial Protection and Innovation 320 W. 4th Street, Suite 750 Los Angeles, California 90013 Commissioner of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, California 95834 (866) 275-2677 Toll Free
Hawaii (filing required) Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	**Hawaii** Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, Hawaii 96813
Illinois (filing required) Franchise Division Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	**Illinois** Illinois Attorney General 500 South Second Street Springfield, Illinois 62706
Indiana (filing required) Illinois Office of Attorney General Securities Division 302 West Washington Street Room E-111 Indianapolis, IN 46204 (317) 232-6681	**Indiana** Illinois Office of Attorney General Franchise Bureau 500 South Second St. Springfield, IL 62706 (217) 782-4465

State Administrator	Agent for Service of Process in State
Maryland (filing required) Office of Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-7042	**Maryland** Maryland Securities Commissioner 200 St. Paul Place, 20th Floor Baltimore, Maryland 21202-2020
Michigan (only notice required) Michigan Department of Attorney General Consumer Protection Division Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913 (517) 335-7567	**Michigan** Michigan Department of Commerce Corporations and Securities Bureau 670 Law Building Lansing, MI 48913
Minnesota (filing required) Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600	**Minnesota** Minnesota Commissioner of Commerce 85 Seventh Place East, Suite 280 St. Paul, Minnesota 55101
New York (filing required) New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, New York 10005 (212) 416-8222	**New York** New York Secretary of State 99 Washington Avenue, 6th Floor Albany, New York 12231
North Dakota (filing required) Securities Department 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505 (701) 328-2910	**North Dakota** Securities Department 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505 (701) 328-2910
Oregon (no filing) Corporate Securities Section Dept. of Insurance & Finance Labor & Industries Bldg. Salem, OR 97310 (503) 378-4387	**Oregon** Director Department of Insurance and Finance 21 Labor and Industries Building Salem, Oregon 97310

State Administrator	Agent for Service of Process in State
Rhode Island (filing r<u>equired</u>) State of Rhode Island and Providence Plantations Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex Bldg 69-1 Cranston, Rhode Island 02920 (401) 462-9527	**<u>Rhode Island</u>** Director of Rhode Island Department of Business Regulation 1511 Pontiac Avenue John O. Pastore Complex, Bldg 69-1 Cranston, Rhode Island 02920
South Dakota (filing r<u>equired</u>) South Dakota Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	**<u>South Dakota</u>** South Dakota Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
Virginia (filing r<u>equired</u>) State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, Ninth Floor Richmond, Virginia 23219 (804) 371-9051	**<u>Virginia</u>** State Corporation Commission Clerk's Office 1300 E. Main Street, First Floor Richmond, Virginia 23219 (804) 371-9733
Washington (filing r<u>equired</u>) Department of Financial Institutions Securities Division PO Box 9033 Olympia, Washington 98507-9033 (360) 902-8760	**<u>Washington</u>** Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
Wisconsin (filing r<u>equired</u>) Department of Financial Institutions Division of Securities 4th Floor 345 W. Washington Avenue Madison, Wisconsin 53703 (608) 266-1064	**<u>Wisconsin</u>** Department of Financial Institutions Division of Securities 4th Floor 345 W. Washington Avenue Madison, Wisconsin 53703 (608) 266-1064

EXHIBIT B

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FORM OF
AREA DEVELOPMENT AGREEMENT

S & S MADDIOS'S LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into this ____ day of ________, 201__ (the "Effective Date"), by and between S & S MADDIOS'S LLC a Virginia limited Liability company with its principle office at 1410 Spring Hill Rd Suite 400 McLean, Virginia 22102 ("Franchisor"), and ________________________, a ______________________________ with (its principal office) (his/her residence) at _______________________________ ("Developer"), who agree as follows:

W I T N E S S E T H:

WHEREAS, Franchisor at a substantial expenditure of time, effort and money has developed (and is further refining) a system (the "System") of developing, opening, operating, and promoting fast casual restaurants offering fresh pizza, salads, subs and various other food products and beverages, and related restaurant services under the name "Uncle Maddio's Pizza" ("Uncle Maddio's Restaurants" or "Restaurants").

WHEREAS, Developer has applied to Franchisor for, and Franchisor desires to grant to Developer, the right to establish and operate a specified number of Uncle Maddio's Restaurants in accordance with a specified development schedule, all in accordance with the terms and conditions contained herein.

NOW, THEREFORE, for and in consideration of the covenants and agreements hereinafter set forth, it is mutually understood, agreed and covenanted as follows:

1. GRANT OF DEVELOPMENT RIGHTS

During the term of this Agreement, Franchisor hereby grants to Developer, subject to the terms and conditions contained herein, the right to establish and operate the number of Uncle Maddio's Restaurants set forth on the development schedule (the "Development Schedule") attached hereto as Schedule A. Each Uncle Maddio's Restaurant to be established hereunder shall be located in the area described in Schedule A (the "Area of Responsibility"). Within Franchisor's discretion, Franchisor may consider sites proposed by Developer outside the Area of Responsibility which will count toward the Development Schedule if approved by Franchisor. The operation of any Uncle Maddio's Restaurant established pursuant to this Agreement shall be governed by an individual **S & S MADDIOS'S LLC** Franchise Agreement to be entered into between Franchisor and Developer in accordance with Section 10 below (each, a "Franchise Agreement").

2. TERRITORIAL PROTECTION AND RESERVATION OF RIGHTS

2.1. Area of Responsibility. Developer may establish the Restaurants required to be developed hereunder at any location within the Area of Responsibility provided that Franchisor, in its sole discretion consents in writing to the location, the location is in a state where Franchisor is permitted to sell Uncle Maddio's Restaurant franchises, and the location is not located in a territory in which any other Uncle Maddio's Restaurant franchisee has territorial rights or a right of first refusal. During the Term of the Development Agreement and so long as Developer is not in default of the Development Agreement or any Franchise Agreement, Franchisor will not operate or authorize any other party to operate an Uncle Maddio's restaurant in the Area of Responsibility at the expiration or early termination of the Developer Agreement. Developer has no rights related to the Area of Responsibility except as may be provided in a Franchise Agreement.

2.2. Reservation of Rights. Franchisor retains the right, in its sole discretion, to: i) establish and operate, and grant to other franchisees or licensees the right to establish and operate, an Uncle Maddio's Restaurant or any other business using the name "Uncle Maddio's Pizza" and all other trade names, trademarks, service marks, commercial symbols, logos, emblems, signs, slogans, and insignia developed for use with the System from time to time (collectively, the "Marks"), the System or any variation of the Marks or the System, in any location (including inside the Area of Responsibility) and on any terms and conditions that Franchisor deems appropriate; (ii) develop, use, and franchise anywhere the rights to any trade names, trademarks, service marks, commercial symbols, logos, emblems, signs, slogans, insignia, patents, or copyrights not designated by Franchisor as Marks, for use with similar or different franchise systems for the sale of similar or different products or services than those constituting a part of the System, without granting Developer any rights therein; (iii) offer, ship, sell, and provide products or services identified by the Marks or other trademarks, service marks, commercial symbols, or emblems to customers located anywhere through any distribution channel or method, including catalogs, mass merchandise, grocery stores, club stores, convenience stores, Internet (or any other existing or future form of electronic commerce), special events, and delivery services within and outside the Area of Responsibility, irrespective of the proximity to any Restaurant established hereunder without compensation to Developer; (iv) own, operate, franchise, or license anywhere, even in close proximity to any Restaurants developed hereunder, restaurants of any other type whatsoever operating under marks other than the Marks; and (v) engage in any other activity, action, or undertaking that Franchisor is not expressly prohibited from taking under this Agreement.

3. TERM

Unless earlier terminated in accordance with the terms and conditions set forth herein, this Agreement shall commence as of the Effective Date and shall automatically expire, without any action on the part of either party being necessary, on the date after operations of the final Restaurant to be developed hereunder are required to commence as set forth on the Development Schedule.

4. DEVELOPMENT FEE

Developer shall pay to Franchisor a development fee in an amount set forth on Schedule A (the "Development Fee"). The Development Fee shall be paid in accordance with the payment schedule set forth on Schedule A. Developer acknowledges and agrees that the Development Fee is paid as consideration for Franchisor granting Developer the right to establish, open and operate the number of Uncle Maddio's Restaurants set forth on the Development Schedule, and that the Development Fee is fully earned by Franchisor at the time this Agreement is signed and shall not be refundable for any reason. The Development Fee shall equal the total of all initial franchise fees (the "Franchise Fees") due under each of the Franchise Agreements covering the cumulative number of Uncle Maddio's Restaurants to be developed hereunder. Provided that a Restaurant is established in accordance with the Development Schedule, that portion of the Development Fee applicable to the Franchise Fee due under the Franchise Agreement for such Restaurant shall be credited towards the payment of such Franchise Fee. In the event a Restaurant is not established in accordance with the Development Schedule, that portion of the Development Fee that would have otherwise been credited towards the payment of the Franchise Fee shall be forfeited and retained by Franchisor. If for any reason this Agreement terminates before all or a portion of the Development Fee has been applied to the Franchise Fees, Franchisor will retain the unapplied portion of the Development Fee to compensate itself, in part for its time, effort, and foregone opportunities.

5. FRANCHISE FEES

As long as Developer is in compliance with the Development Schedule, the amount of the Franchise Fee for each Restaurant to be established hereunder is $35,000. However, the Development Fee will be credited against Franchise Fees as provided for in Section 4 above. Each Franchise Fee associated with a Restaurant, to the extent any is due and no Development Fee credit is available, will be paid upon the execution and delivery of the Franchise Agreement covering such Restaurant.

6. DEVELOPMENT SCHEDULE

Developer must (i) establish and open the specified minimum number of Restaurants on or before each of the dates specified on the Development Schedule and (ii) maintain the specified minimum number of Restaurants in continuous operation as specified on the Development Schedule. Developer's failure to comply with the foregoing requirements shall constitute a default under this Agreement. Developer understands that time is of the essence with respect to its obligations to comply with the Development Schedule. Developer acknowledges and understands that this Agreement requires it to open Restaurants in the future pursuant to the Development Schedule. Developer further acknowledges and understands that the estimated investment requirement and fees and expenses set forth in Franchisor's franchise disclosure document are subject to increase and change over time, and that future Restaurants developed hereunder will most likely require a greater initial investment and increased operating capital than those detailed in the franchise disclosure document provided to Developer in connection with the execution of this Agreement.

7. SITE SELECTION AND ACCEPTANCE

7.1. <u>Site Selection and Acceptance</u>. Using the national real estate broker(s) designated by Franchisor (and any local real estate broker(s) identified by the national real estate broker(s) or selected by the Developer), Developer is responsible for locating proposed sites for the Uncle Maddio's Restaurants to be established hereunder. Franchisor, in its sole discretion, may counsel and offer advice to Developer with respect to such site selection; provided, however, in no event shall Franchisor be liable to Developer in connection with providing advice or any such assistance. Upon Developer's selection of a proposed site for a Restaurant, Developer shall promptly submit to Franchisor such site, demographic and other data and information about the proposed site as reasonably requested by Franchisor, utilizing Franchisor's site submittal form and any other such forms as may be required by Franchisor, and a copy of any letter of intent, lease, sublease, or purchase agreement to be entered into in connection with the acquisition of such site. Franchisor shall either accept or reject the proposed site utilizing its then-current site selection policies and procedures. As a condition of accepting a proposed site to be leased or subleased, the lease or sublease for the proposed site must contain the provisions as required by this Agreement of the Franchise Agreement. In addition, Developer acknowledges and agrees that Franchisor's acceptance of a proposed site may be conditioned upon Developer meeting certain other requirements (including, without limitation, the negotiation of additional terms and conditions satisfactory to Franchisor to any lease, sublease, or purchase agreement for the proposed site), and if Developer does not, or is unable to meet such requirements within a reasonable time, the site will be deemed rejected. Franchisor has the right to reject any proposed site should Developer be in default of this Agreement, any Franchise Agreement entered into pursuant to this Agreement or any other agreement between Developer and Franchisor. To be effective, any acceptance of a proposed site by Franchisor must be in writing. Developer acknowledges and agrees that Franchisor will use its business experience to assess whether a site meets the Franchisor's site criteria to reject any proposed site, in which event, Developer may not develop a Restaurant at the rejected site, but must locate another proposed site for the Restaurant and submit it to Franchisor for acceptance in accordance with this Section 7.1.

7.2. <u>Lease Rider</u>. If Franchisee will occupy the Accepted Location under a lease/sublease, either Franchisee or Developer shall, prior to the execution thereof, submit such lease/sublease to Franchisor. The party signing the Lease and the Landlord must execute our current form of Lease Rider.

7.3. <u>Disclaimer</u>. The acquisition in any manner of any proposed site, whether by option, purchase, lease, or otherwise, prior to written acceptance by Franchisor shall be at the sole risk and responsibility of Developer and shall not obligate Franchisor in any way to accept such site or enter into a Franchise Agreement with Developer for the operation of an Uncle Maddio's Restaurant at such site. Developer understands and agrees that Franchisor's approval of a site (including any lease, sublease, or purchase agreement) for a Restaurant is not an assurance or a guarantee by Franchisor of the suitability of such site for an Uncle Maddio's Restaurant or the success of any particular Uncle Maddio's Restaurant established at such site. Developer acknowledges and agrees that the suitability of a site and the success of any Restaurant depends on many factors outside the control of either Franchisor or Developer (including, without limitation, such factors as interest rates, unemployment rates, demographic trends, and the general economic climate) and further principally depends on Developer's efforts in the operation of the Restaurant. In no event shall

Franchisor be liable to Developer in connection with providing any assistance or advice with respect to the selection of a site. In no event shall Franchisor be obligated to loan money, guarantee leases, subleases or purchase agreements, provide financing or otherwise become directly involved and/or obligated to Developer or to any third party in respect of such site Selection or development of any Restaurant; these activities and undertakings, financially and otherwise, shall be the exclusive responsibility of Developer.

8. CONSTRUCTION OF THE ACCEPTED SITE

Upon Franchisor's written acceptance of a proposed site in accordance with this Section 3.1, Developer shall proceed promptly to enter into the accepted lease, sublease or purchase agreement for the accepted site and obtain all necessary zoning, building and other governmental or regulatory approvals and permits required for the establishment of the Restaurant. Before commencing with the construction of the Uncle Maddio's Restaurant to be established at the approved site, Developer shall, at its expense, furnish to Franchisor for Franchisor's written approval, a proposed site and construction plans and specifications for the Uncle Maddio's Restaurant which, if accepted, shall not thereafter be modified, altered or changed without Franchisor's prior written consent. In addition, Developer shall furnish Franchisor with such information relating to the construction of the Restaurant and development of the site as Franchisor may from time to time request, which may include, without limitation, copies of all commitments and plans for construction and financing, the contact name, address and telephone number for any lenders and contractors, and a copy of any construction or financing agreements. Developer shall commence construction of the Uncle Maddio's Restaurant in accordance with the accepted site and construction plans and specifications as soon as possible and shall complete construction thereof, including the acquisition and installation of all equipment specified by Franchisor, and have the Restaurant ready to open for business within six months after Franchisor's execution of this Agreement. Franchisor and its agents shall have the right to inspect the construction site at any reasonable time without prior notice. To the extent applicable, Developer agrees to give Franchisor written notice (i) at least 10 days prior to the pouring of the concrete slab for the Restaurant and (ii) immediately after completion of the electrical and mechanical rough-ins to enable Franchisor to inspect the construction site at such times. Developer shall correct, upon Franchisor's request and at Developer's expense, any deviation from any approved site or construction plans or specifications. Franchisor assumes no responsibility for the quality of any construction because of any inspections made by it or any reports or recommendations made as a result of such inspections.

9. COUNSELING AND ADVISORY SERVICES

During the term of this Agreement, Franchisor may, in its sole discretion, upon request of Developer, furnish counseling and advisory services to Developer with respect to the development, construction and operation of the Uncle Maddio's Restaurants to be established hereunder, including consultation and advice regarding the following: (i) parking and building layouts; (ii) traffic planning; (iii) construction and financing of the Restaurant and other improvements; (iv) equipment selection and layout; (v) employee selection and training; advertising and promotion; (vii) bookkeeping and accounting; and (viii) purchasing and inventory control. These counseling and advisory services shall occur at Developer's offices, via telephone, or email. In Franchisor's sole discretion, Franchisor shall provide such assistance at no expense to Developer. In no event shall Franchisor be liable to Developer in connection with providing or failing to provide such services.

10. FRANCHISE AGREEMENTS

Within 10 days after Franchisor approves the proposed site, Developer must (a) sign and deliver to Franchisor two copies of Franchisor's Franchise Agreement, in the same form attached as an exhibit to Franchisor's Franchise Disclosure Document (the "Franchise Agreement"), for the Restaurant, together with any ancillary agreements required by the Franchise Agreement and (b) pay Franchisor the applicable Franchise Fee as required therein but consistent with Section 5 above. Once Franchisor has received the signed Franchise Agreement, the Franchise Fee and all ancillary items it requires in satisfactory form, Franchisor will countersign the Franchise Agreement and return one fully signed copy to Developer. Developer understands that any obligation or liability Developer incurs with respect to the proposed Restaurant or location before Franchisor has approved it in writing and sent Developer the countersigned Franchise Agreement is at Developer's sole risk and will be Developer's sole responsibility. Developer shall comply with Franchisor's then-current franchising policies and procedures for execution of each Franchise Agreement. Franchisor shall be under no obligation to execute a Franchise Agreement unless Developer has complied in a timely manner with all of the terms and conditions of this Agreement and has satisfied all requirements set forth herein to the execution of the Franchise Agreement. In addition, Franchisor shall be under no obligation to execute a Franchise Agreement if Developer is in breach or default of any other Franchise Agreement, Area Development Agreement or any other agreement between Franchisor and Developer. If any Franchise Agreement contemplated by this Agreement is executed by Franchisor, it shall supersede this Agreement and govern the relationship between the parties hereto with respect to the Restaurant that is the subject matter of such Franchise Agreement.

11. NO RIGHT TO OPERATE OR USE TRADEMARKS

Developer acknowledges and agrees that (i) until a Franchise Agreement has been entered into for a specific Restaurant, Developer shall not have, nor be entitled to exercise, any of the rights, powers, and privileges granted by the Franchise Agreement, including, without limitation, the right to use the Marks or the System; the execution of this Agreement shall not be deemed to grant any such rights, powers, or privileges to Developer; and (iii) Developer may not under any circumstances commence operations of any Uncle Maddio's Restaurant prior to Franchisor's execution of a Franchise Agreement for that particular Restaurant.

12. TERMINATION

12.1. Termination by Developer. Developer may terminate this Agreement if Developer is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure such material breach within 90 days after written notice thereof is delivered to Franchisor. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured within such 90 day period and Franchisor has commenced and is continuing to make good faith efforts to cure such breach, Franchisor shall be given an additional 60 day period to cure the same, and this Agreement shall not terminate. In the event of termination by Developer, all post-termination obligations of Developer described herein shall not be waived but shall be strictly adhered to by Developer.

12.2. Termination by Franchisor without a Cure Period. Franchisor may immediately terminate this Agreement upon written notice to Developer, without opportunity to cure, if:

(i) Developer files a petition under any bankruptcy or reorganization law, becomes insolvent, or has a trustee or receiver appointed by a court of competent jurisdiction for all or any part of its property;

(ii) Developer seeks to effect a plan of liquidation, reorganization, composition, or arrangement of its affairs, whether or not the same shall be subsequently approved by a court of competent jurisdiction; it being understood that in no event shall this Agreement or any right or interest hereunder be deemed an asset in any insolvency, receivership, bankruptcy, composition, liquidation, arrangement, or reorganization proceeding;

(iii) Developer has an involuntary proceeding filed against it under any bankruptcy, reorganization, or similar law and such proceeding is not dismissed within 60 days thereafter;

(iv) Developer makes a general assignment for the benefit of its creditors;

(v) Developer fails to pay when due any amount owed to Franchisor or its affiliates or subsidiaries, whether under this Agreement or not, and Developer does not correct such failure within 10 calendar days after written notice thereof is delivered to Developer;

(vi) Developer fails to pay when due any amount owed to any creditor, supplier or lessor of any Restaurant developed hereunder or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Developer does not correct such failure within 10 calendar days after written notice is delivered thereof to Developer;

(vii) Developer fails to establish and open Restaurants in accordance with the Development Schedule;

(viii) Developer fails to maintain in continuous operation the minimum cumulative number of Restaurants required by the Development Schedule to be in operation during the applicable time period;

(ix) Developer or any of Developer's owners are convicted of or plead no contest to a felony, a crime involving moral turpitude, or any other crime or offense that is likely to adversely affect the reputation of the System and the goodwill associated with the Marks;

(x) Developer or any of Developer's owners exhibit evidence of substance abuse, sexual harassment, or abusive behavior;

(xi) Developer makes a material misrepresentation to Franchisor at any time, before or after the Effective Date;

(xii) Developer makes an unauthorized Transfer of this Agreement, the franchise, any Restaurant, or an ownership interest in Developer;

(xiii) Developer or any Bound Party (as defined below) breaches or fails to comply fully with Section 14 below;

(xiv) Developer fails to comply with any federal, state or local law or regulation applicable to the operation of the franchise (including any failure to comply with the Anti Terrorism Laws (as defined below) as set forth in Section 31.2 below);

(xv) Developer is dissolved either voluntarily or involuntarily;

(xvi) Developer commits a breach or default under any Franchise Agreement or any other agreement between Developer and Franchisor and the breach or default is not cured during the time period required under such Franchise Agreement or other agreement, regardless of whether Franchisor in fact terminates such Franchise Agreement or other agreement; or

(xvii) Developer has received at least three default notices from Franchisor within a 12-month period, even if such default is subject to a right to cure or is cured after notice is delivered to Developer.

12.3. Termination by Franchisor with a Cure Period. Franchisor shall have the right to terminate this Agreement upon 30 days written notice if Developer fails to comply with any other provisions of this Agreement and such failure remains uncured in Franchisor's sole discretion; provided, however, if the breach is curable but is of a nature which cannot reasonably be cured within such 30 day period and Developer has commenced and is continuing to make good faith efforts to cure such breach, Developer shall be given an additional 30 day period to cure the same, and this Agreement shall not terminate.

12.4. Effect of Expiration or Termination. Upon the expiration or termination of this Agreement for any reason, any and all rights granted to Developer hereunder shall be extinguished immediately, and Developer shall not be relieved of any of its obligations, debts or liabilities hereunder. All rights and licenses granted to Developer hereunder to develop Restaurants shall revert to Franchisor and Franchisor shall have the right to develop, or license others to develop, Restaurants. Developer shall have no further rights to develop further Restaurants and Developer shall immediately cease all use of the Marks, except as permitted under the terms of a fully executed Franchise Agreement, which is in effect at the time of the termination or expiration. With respect to such then-effective Franchise Agreements, Developer shall retain its interest as a franchisee thereunder, provided that Developer is not in default under such Franchise Agreements. Developer shall pay all sums due to Franchisor or its affiliates. In addition to the Development Fee, you agree to pay us, as fair and reasonable liquidated damages (but not as a penalty) an amount equal to Fifty Thousand Dollars ($50,000) for each undeveloped Restaurant. You agree that this amount is for lost revenue from Royalty and other amounts payable to us, including the fact that you were holding the development rights for those Restaurants and precluding the development of certain Restaurants in the Area of Responsibility, and that it would be difficult to calculate with certainty the amount of damages we will incur. Notwithstanding your agreement, if a court determines that this liquidated damages payment is unenforceable, then we may pursue all other available remedies, including without limitation, consequential damages. Upon the termination or expiration of this Agreement, Developer shall also undertake the following: (i) strictly comply with the post-termination/post-expiration covenant not to compete set forth herein; and (ii) continue to abide by those restrictions pertaining to the use of Franchisor's confidential information and proprietary information as set forth herein. The expiration and termination of this Agreement will be without prejudice to the rights of Franchisor against Developer and the expiration or termination will not relieve Developer of any of its obligations to Franchisor existing at the time of such expiration or termination, or terminate those obligations of the Developer which by their nature survive the expiration or termination of this Agreement.

13. ASSIGNMENT

13.1. Assignment by Franchisor. This Agreement may be unilaterally assigned by Franchisor and shall inure to the benefit of its successors and assigns. Developer agrees and affirms that Franchisor may sell itself, its assets, the Marks and/or the System to a third party; may go public, may engage in private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring. Developer further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or noncompetitive franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise, or license those businesses and/or facilities as Uncle Maddio's Restaurants operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition, or affiliation, regardless of the location of these facilities, which Developer acknowledges may be proximate to any of its Restaurants. With regard to any of the above sales, assignments, and dispositions, Developer expressly and specifically waives any claims, demands, or damages arising from or related to the loss of Franchisor's name, the Marks (or any variation thereof), and the System and/or the loss of association with or identification of **S & S MADDIOS'S LLC** under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the Uncle Maddio's Restaurant Business or to offer or sell any products or services to Developer.

13.2. Assignment by Developer. Developer shall not subfranchise, sell, assign, transfer, merge, convey, or encumber (each, a "Transfer") this Agreement or any of its rights or obligations hereunder, or suffer or permit any such Transfer of this Agreement or its rights or obligations hereunder to occur by operation of law or otherwise without the prior express written consent of Franchisor. In addition, if Developer is a corporation, limited liability company, partnership, business trust, or similar association or entity, the shareholders, members, partners, beneficiaries, investors, or other equity holders, as the case may be, may not Transfer their equity interests in such corporation, limited liability company, partnership, business trust, or similar association or entity, without the prior written consent of Franchisor. Furthermore, in the event that any shareholder, member, partner, investor, or other equity holder of Developer (the "Equity Holder") is a corporation, limited liability company, partnership, business trust, or similar association or entity, the interests of the shareholders, members, partners, beneficiaries, investors, or other equity holders, as the case may be, in such Equity Holder, may not be Transferred, without the prior written consent of Franchisor. Notwithstanding anything to the contrary in this Agreement, Franchisor shall have the right to approve or disapprove a Transfer under this Section 13.2 in its sole discretion. Any Transfer in violation of this Section shall be void and of no force and effect.

13.3. Death or Disability of Developer. Upon Developer's death or Disability (as such term is hereinafter defined), this Agreement or the ownership interest of any deceased or disabled shareholder, partner, member, or other equity holder of the Developer or an Equity Holder must be Transferred to a party approved by Franchisor. Any Transfer, including, without limitation, transfers by devise or inheritance or trust provisions, shall be subject to the same conditions for Transfers set forth in Section 13.4 below. Franchisor shall not unreasonably withhold its consent to the Transfer of this Agreement or any ownership interest to the deceased or disabled Developer's or Equity Holder's spouse, heirs, or members of his or her immediate family, provided all requirements of Section 13.4 have been complied with (except payment of the transfer fee, which shall not apply to such Transfers). A "Disability" shall have occurred with respect to Developer if Developer, or, if Developer is a corporation, partnership or limited liability company, its controlling shareholder, partner, member, or other equity holder, is unable to actively participate in its activities as Developer hereunder for any reason for a continuous period of six months. As used in this Section 13.3, "Developer" may include a disabled or deceased controlling shareholder, partner, or member where the context so requires.

13.4. Approval of Assignment. Franchisor's approval of any Transfer is, in all cases, contingent upon the following: (i) the purchaser and/or the controlling persons of the purchaser having a satisfactory credit rating, being of good moral character, having business qualifications satisfactory to Franchisor, and being willing to enter into an agreement in writing to assume and perform all of Developer's duties and obligations hereunder and/or enter into a new Area Development Agreement for the Area of Responsibility, if so requested by Franchisor, and agreeing to enter into any and all agreements with Franchisor that are being required of all new market developers, including a guarantee provision or agreement and any other agreement which may require payment of different or increased fees from those paid under this Agreement; (ii) the terms and conditions of the proposed transfer (including, without limitation, the purchase price) being satisfactory to Franchisor; (iii) all monetary obligations (whether hereunder or not) of Developer to Franchisor or Franchisor's affiliates or subsidiaries being paid in full; (iv) Developer not being in default hereunder or any other agreement between Developer and Franchisor, including any Franchise Agreement; (v) Developer and its owners executing a general release of any and all claims against Franchisor and its affiliates, subsidiaries, members, managers, officers, directors, employees, and agents, in a form satisfactory to Franchisor; (vi) Developer paying to Franchisor a transfer fee of $5,000 plus reimbursement for all legal, training, and other expenses incurred by Franchisor in connection with the Transfer; (vii) Developer and its equity owners guaranteeing the performance of the purchaser's and/or the controlling persons of the purchaser's obligations to effectuate the Transfer; and (viii) the Marks not being used in any advertising for any Transfer prohibited by Sections 13.2 and 13.3 hereof.

13.5. Removal of General Partner. If Developer is a limited partnership, Developer may not remove or appoint, or permit the limited partners to remove or appoint, a new or successor general partner without the prior written consent of Franchisor (even if such appointment is due to the resignation, death or disability of the General Partner).

14. RESTRICTIVE COVENANTS

14.1. Covenants Not to Compete.

(i) Non-Competition during Term. In addition to and not in limitation of any other restrictions on Developer contained herein, Developer and Developer's spouse, and, if Developer is not an individual, its shareholders, members, partners, and managers, as applicable, and their spouses (each, a "Bound Party"), agree that they will not, during the term of this Agreement, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

(ii) Post-Term Non-Competition. In addition to and not in limitation of any other restrictions on Developer contained herein, Developer and the Bound Parties agree that they will not, for two years following the effective date of termination or expiration of this Agreement for any reason, or following the date of a Transfer by Developer, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within 25 miles of the Areas of Responsibility on Schedule A, or within a 25-mile radius of any Uncle Maddio's Restaurant.

(iii) General. For purposes of this Agreement, the term "Competitive Business" means any business that derives 20% or more of its sales (including delivery sales) from pizza sales, or any business granting franchises or licenses to others to operate such a business. Neither Developer nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding. The parties acknowledge that the covenants contained in Section 14.1 are based on the reason and understanding that Developer and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees. Developer further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

14.2. Trade Secrets and Confidential Information.

(i) Developer acknowledges and agrees that in connection with the operation of Uncle Maddio's Restaurants and the System, Franchisor has developed at a great expense competitively sensitive proprietary and confidential information which are not commonly known by or available to the public. This proprietary and confidential information does not include any information that (a) is commonly known by or available to the public; (b) has been voluntarily disclosed to the public by Franchisor; or (c) has otherwise entered the public domain through lawful means. All information which comprises the System including the information and data contained in any of Franchisor's Brand Standards Manuals will be presumed to be confidential information of Franchisor.

(ii) Developer and each Bound Party agree that while this Agreement remains in effect such party will not, directly or indirectly, disclose or publish to any party, or copy or use for such party's own benefit, or for the benefit of any other party, any of Franchisor's proprietary or confidential information, except as required to carry out Developer's obligations under this Agreement or as Franchisor has otherwise expressly approved in writing. All proprietary and confidential information of Franchisor is the sole and exclusive property of Franchisor. Developer also agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's confidential information from any unauthorized disclosure, copying, or use. At any time upon Franchisor's request, and in any event upon termination or expiration of this Agreement, Developer will immediately return any copies of documents where there are materials containing confidential information and will take appropriate steps to permanently delete and render unusable any confidential information stored electronically.

14.3. Agreements of Certain Bound Parties. Developer shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Section 14 (including covenants applicable upon the termination of a person's relationship with Developer as modified to apply to an individual) from all Bound Parties. Every covenant required by this Section 14.4 shall be in a form approved by Franchisor, including specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

14.4. Agreements by Other Third Parties. As a condition to Franchisor's execution of this Agreement, Developer, if requested by Franchisor, shall cause each of its management and supervisory employees and other employees to whom disclosures of confidential information are made to execute a noncompetition, and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

14.5. Reasonable Restrictive Covenants. Developer acknowledges and agrees that (a) Developer and the others individuals and entities required to comply with this Section 14 have received an advantage through the specialized training provided under this Agreement, the knowledge of the day-to-day operations of an Uncle Maddio's Restaurant and access to Franchisor's standards, the Brand Standards Manual, the System, Franchisor's confidential information and Franchisor's trade secrets, and (b) the covenants and restrictions in this Section 14 (i) are reasonable, appropriate and necessary to protect Franchisor's standards, the System, Franchisor's confidential information, Franchisor's trade secrets, other franchisees operating under the System, the goodwill of the System, relationships with Franchisor's prospective and existing customers, and Franchisor's legitimate interests; and (ii) do not cause undue hardship on Developer or any of the other individuals and entities required by this Section 14 to comply with the covenants and restrictions.

15. OWNERSHIP OF DEVELOPER

If Developer is a Business Entity, like a corporation, limited liability company, or partnership, then Developer must complete Franchisor's standard Developer Information, a copy of which is attached as an Exhibit to its Franchise Disclosure Document and requires the legal organization of Developer, the names and addresses of each person or entity owning a 10% or greater interest in Developer (the "Principal Owners") and the percentage of such interest owned by such person or entity. Developer agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interest of Developer. At Franchisor's request, Developer shall provide to Franchisor a copy of all Developer's governing and/or organizational documents and any amendments thereto. Franchisor may require each Principal Owner to execute the Guarantee Provision in the form attached as an exhibit to the Franchisor's Franchise Disclosure Document.

16. SUCCESSORS AND THIRD-PARTY BENEFICIARIES

This Agreement and the covenants, restrictions and limitations contained herein shall be binding upon and shall inure to the benefit of Franchisor and its successors and assigns and shall be binding upon and shall inure to the benefit of Developer and its permitted heirs, successors, and assigns. Nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. This Agreement is, however, intended to bind the Bound Parties to the extent set forth in this Agreement.

17. CONSTRUCTION

All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, and any other gender, as the context or sense of this Agreement or any provision hereof may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements, and obligations assumed herein by Developer shall be deemed to be joint and several covenants, agreements, and obligations of each of the persons named as Developer, if more than one person is so named. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval of any of Developer's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Developer makes or to withhold its approval of any of Developer's proposed or effected actions that require Franchisor's approval.

18. INTERPRETATION AND HEADINGS

The parties agree that this Agreement should be interpreted according to its fair meaning. Developer waives to the fullest extent possible the application of any rule which would construe ambiguous language against Franchisor as the drafter of this Agreement. The words "include," "includes" and "including" when used in this Agreement will be interpreted as if they were followed by the words "without limitation". References to section numbers and headings will refer to sections of this Agreement unless the context indicates otherwise. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

19. NOTICES

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally, by certified, express or registered mail, or by an overnight delivery service (e.g., Federal Express or other reputable overnight courier), postage prepaid, addressed to the party to be notified at the respective address first above written, or at such other address or addresses as the parties may from time to time designate in writing. Notices shall be deemed delivered on the date shown on the return receipt or in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made.

20. GOVERNING LAW AND ENFORCEMENT

20.1. 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 PROVIDED BY THE FEDERAL ARBITRATION ACT AS REQUIRED HEREBY, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §1051 ET SEQ.) OR OTHER APPLICABLE FEDERAL LAW, THE LAW OF THE STATE OF VIRGINIA SHALL APPLY TO THE CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT WITHOUT REGARD TO ITS CONFLICTS OF LAWS; PROVIDED, HOWEVER, THAT THE VIRGINIA RETAIL FRANCHISING ACT DOES NOT APPLY TO YOU UNLESS YOU ARE A RESIDENT OF THE COMMONWEALTH OF VIRGINIA OR YOUR AREA OF RESPONSIBILITY IS WITHIN THE COMMONWEALTH OF VIRGINIA. FOR ACTIONS THAT ARE NOT SUBJECT TO MANDATORY ARBITRATION UNDER SECTION 20.2, THE DEVELOPER HEREBY SUBMITS AND IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS FOR THE DISTRICT WHERE FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE IS LOCATED ON THE DATE OF FILING OF THE ACTION AND AGREES NOT TO RAISE, AND HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION BASED UPON *FORUM NON CONVENIENS* OR ANY OTHER OBJECTION IT MAY NOW HAVE OR HEREAFTER HAVE TO SUCH JURISDICTION OR VENUE. FURTHER, NOTHING HEREIN CONTAINED SHALL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT THAT WILL CAUSE IRREPARABLE HARM, UNDER THE USUAL EQUITY RULES INCLUDING THE APPLICABLE RULES FOR OBTAINING SPECIFIC PERFORMANCE, RESTRAINING ORDERS AND PRELIMINARY INJUNCTIONS.

20.2. ARBITRATION. EXCEPT TO THE EXTENT FRANCHISOR SEEKS INJUNCTIVE OR OTHER EQUITABLE RELIEF TO ENFORCE PROVISIONS OF THIS AGREEMENT, AND EXCEPT FOR CONTROVERSIES, CLAIMS OR DISPUTES BASED ON DEVELOPER'S FAILURE TO PAY ANY FEES DUE HEREUNDER WHEN DUE; DEVELOPER'S VIOLATION OF ANY HEALTH OR SAFETY LAW; OR DEVELOPER'S USE OF THE MARKS, ALL CONTROVERSIES, CLAIMS OR DISPUTES BETWEEN FRANCHISOR AND DEVELOPER ARISING OUT OF OR RELATING TO (I) THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND DEVELOPER, (II) THE RELATIONSHIP BETWEEN DEVELOPER AND FRANCHISOR, OR (III) THE SCOPE AND VALIDITY OF THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND DEVELOPER (INCLUDING THE SCOPE AND VALIDITY OF THE ARBITRATION OBLIGATIONS UNDER THIS SECTION, WHICH FRANCHISOR AND DEVELOPER ACKNOWLEDGE IS TO BE DETERMINED BY AN ARBITRATOR AND NOT A COURT) SHALL BE DETERMINED BY ARBITRATION WITH THE AMERICAN ARBITRATION ASSOCIATION ("AAA") AT THE OFFICE OF THE AAA CLOSEST TO FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE ON THE DATE OF SUBMISSION OF THE MATTER TO THE AAA. THE ARBITRATORS SHALL HAVE NO AUTHORITY TO SELECT A HEARING LOCALE OTHER THAN AS DESCRIBED IN THIS SECTION 20.2. EXCEPT AS THIS SECTION 20.2 OTHERWISE PROVIDES, SUCH ARBITRATION SHALL BE CONDUCTED BEFORE THREE ARBITRATORS (UNLESS THE PARTIES AGREE TO ONE ARBITRATOR) CHOSEN AS FOLLOWS: FRANCHISOR AND DEVELOPER SHALL EACH SELECT ONE ARBITRATOR. THESE TWO ARBITRATORS SHALL MUTUALLY AGREE ON ONE OTHER ARBITRATOR TO ACT AS THE THIRD ARBITRATOR. THE DECISION OF THE ARBITRATORS SHALL BE FINAL AND BINDING UPON ALL PARTIES CONCERNED. SUCH DECISION SHALL BE RENDERED WITHIN 30 DAYS OF THE CLOSE OF THE ARBITRATION HEARING RECORD. THE ARBITRATION PROCEEDING SHALL BE CONDUCTED AT THE OFFICE OF THE AAA CLOSEST TO FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE ON THE DATE OF SUBMISSION OF THE MATTER TO THE AAA. IN ANY ARBITRATION PROCEEDING, FRANCHISOR AND DEVELOPER AGREE THAT EACH MUST SUBMIT OR FILE ANY CLAIM WHICH WOULD CONSTITUTE A COMPULSORY COUNTERCLAIM (AS DEFINED BY THE THEN CURRENT RULE 13 OF THE FEDERAL RULES OF CIVIL PROCEDURE) WITHIN THE SAME PROCEEDING AS THE CLAIM TO WHICH IT RELATES. ANY CLAIM NOT SUBMITTED OR FILED AS REQUIRED IS FOREVER BARRED. THE ARBITRATOR MAY NOT CONSIDER ANY SETTLEMENT DISCUSSIONS OR OFFERS THAT MIGHT HAVE BEEN MADE BY EITHER PARTY. FRANCHISOR RESERVES THE RIGHT, BUT HAS NO OBLIGATION, TO ADVANCE DEVELOPER'S SHARE OF THE COSTS OF ANY ARBITRATION PROCEEDING IN ORDER FOR SUCH ARBITRATION PROCEEDINGS TO TAKE PLACE AND BY DOING SO WILL NOT BE DEEMED TO HAVE WAIVED OR RELINQUISHED FRANCHISOR'S RIGHT TO SEEK THE RECOVERY OF THOSE COSTS IN SUCH ARBITRATION AWARD. THE ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THE ARBITRATION PROCEEDING MAY NOT BE CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER PERSON. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY IN THIS SECTION OR SECTION 23, IF ANY COURT OR ARBITRATOR DETERMINES THAT ALL OR ANY PART OF THE PRECEDING SENTENCE IS UNENFORCEABLE WITH RESPECT TO A DISPUTE

THAT OTHERWISE WOULD BE SUBJECT TO ARBITRATION UNDER THIS SECTION 20.2, THEN ALL PARTIES AGREE THAT THIS ARBITRATION CLAUSE SHALL NOT APPLY TO THAT DISPUTE AND THAT SUCH DISPUTE SHALL BE RESOLVED IN A JUDICIAL PROCEEDING IN ACCORDANCE WITH THIS SECTION 20 (EXCLUDING THIS SECTION 20.2). THE FEDERAL RULES OF CIVIL PROCEDURE, AS THEY RELATE TO PRETRIAL DISCOVERY, AND THE FEDERAL RULES OF EVIDENCE SHALL APPLYTO THE ARBITRATION. IN ALL OTHER RESPECTS, THE RULES OF THE AAA AND THE UNITED STATES ARBITRATION ACT SHALL CONTROL. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATION MAY BE ENTERED IN ANY COURT HAVING COMPETENT JURISDICTION THEREOF.

20.3. DAMAGES AND TIMING OF CLAIMS. THE PARTIES AGREE THAT NEITHER PARTY SHALL HAVE THE RIGHT TO RECEIVE OR COLLECT PUNITIVE OR EXEMPLARY DAMAGES FROM THE OTHER PARTY. ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP BETWEEN DEVELOPER AND FRANCHISOR, OR THE OPERATION OF THE FRANCHISE AND THE RESTAURANT BROUGHT BY ANY PARTY TO THIS AGREEMENT AGAINST ANOTHER PARTY TO THIS AGREEMENT, SHALL BE COMMENCED WITHIN ONE YEAR FROM THE DISCOVERY OF THE FACTS GIVING RISE TO ANY SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE BARRED; PROVIDED, HOWEVER, THAT THIS TIME LIMITATION SHALL NOT APPLY TO ANY UNPERFORMED FINANCIAL OBLIGATION OF DEVELOPER TO FRANCHISOR. THE PARTIES UNDERSTAND THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW. DEVELOPER AND THE BOUND PARTIES AGREE THAT THEIR SOLE RECOURSE FOR CLAIMS ARISING BETWEEN THE PARTIES SHALL BE AGAINST FRANCHISOR AND ITS SUCCESSORS AND ASSIGNS. DEVELOPER AND THE BOUND PARTIES AGREE THAT THE OWNERS, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS OF FRANCHISOR AND ITS AFFILIATES SHALL NOT BE PERSONALLY LIABLE NOR NAMED AS A PARTY IN ANY ACTION BETWEEN FRANCHISOR AND DEVELOPER AND ANY BOUND PARTY.

21. COSTS AND ATTORNEYS' FEES

If Franchisor incurs any expenses in connection with Developer's failure to pay any amounts it owes when due or otherwise to comply with this Agreement, Developer agrees to reimburse Franchisor for any and all of the costs and expenses that Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', expert witness, and related fees.

22. WAIVER

No waiver, delay, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising from any default or breach by Developer shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or a different kind; nor shall any delay or omission of Franchisor to exercise any right arising from any such default affect or impair Franchisor's rights as to such default or any future default.

23. SEVERABILITY

If any term, restriction or covenant of this Agreement is deemed invalid or unenforceable, all other terms, restrictions, and covenants and the application thereof to all persons and circumstances subject hereto shall remain unaffected to the extent permitted by law; and if any application of any term, restriction, or covenant to any person or circumstance is deemed invalid or unenforceable, the application of such terms, restriction, or covenant to other persons and circumstances shall remain unaffected to the extent permitted by law.

24. RELATIONSHIP OF THE PARTIES

This Agreement is purely a contractual relationship between the parties and does not appoint or make Developer an agent, fiduciary, legal representative, joint venturer, partner, employee, servant, independent contractor of Franchisor, joint employer, or other special relationship between the parties for any purpose whatsoever. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Developer may not represent or imply or hold itself out to third parties that Developer is an agent, fiduciary, legal representative, joint venture, partner, employee, servant, independent contractor, joint employer, or other special relationship of or with Franchisor, and Developer is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. Neither this Agreement nor our course of conduct is intended, nor may anything in this Agreement (nor our course of conduct) be construed, to state of imply that Franchisor is Developer's employer or the employer of Developer's employees and/or independent contractors, nor vice versa. During the term of this Agreement, and any extension or renewal hereof, Developer shall hold itself out to the public only as a Developer of Franchisor. Developer shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Developer. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Developer's business or Restaurant. Any third party contractors and vendors retained by Developer to convert or construct any premises are independent contractors of Developer alone. None of Developer's employees will be considered Franchisor's employees. Neither Developer nor any of its employees whose compensation Developer pays may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor's employee for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state, or federal government agency. Franchisor shall not have the power to hire or fire Developer's employees. Developer expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify certain of Developer's employees for qualification to perform certain functions for the Restaurant does not directly or indirectly vest in Franchisor the power to hire, fire, or control such employee. Developer acknowledges and agrees, and will never contend otherwise, that Developer alone will exercise day-to-day control over all operations, activities and elements of the Developer's business or Restaurant and that under no circumstance shall Franchisor do so or be deemed to do so. Developer further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications, and procedures of the System which Developer is required to comply with under this Agreement, whether set forth in the Brand Standards Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Developer's business or Restaurant, which Developer alone controls, but only constitute standards Developer must adhere to when exercising its control of the day-to-day operations of the Developer's business or Restaurant. Except as expressly provided in this Agreement, Franchisor may not control or have access to Developer's funds or the expenditure of Developer's funds or in any other way exercise dominion or control over the Restaurant. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or in behalf of the other party, or represent that the relationship between Franchisor and Developer is other than that of franchisor and Developer. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Developer which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Developer's operation of the Developer's business or Restaurant. Developer shall have no right or power to, and shall not, bind or obligate us or our affiliates in any way or manner, nor represent that Developer has any right to do so. Developer is an independent contractor, and Developer is solely responsible for all aspects of the development and operation of the Developer's business or Restaurant, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Developer acknowledges that Franchisor has no responsibility to ensure that the Developer's business or Restaurant is developed and operated in compliance with all applicable laws, ordinances, and regulations and that Franchisor shall have no liability in the event the development or operation of the Developer's business or Restaurant violates any law, ordinance, or regulation. Developer's business is, and shall be kept, totally separate and apart from any that may be operated by Franchisor. In all public records, in relationships with others, and on letterhead and business forms, electronic communications, bulletins and posters to Developer's employees, paychecks, checks, and other communications to customers, Developer shall indicate that developer is solely a developer of Franchisor.

25. DELEGATION BY FRANCHISOR

Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Developer hereby agrees to such delegation.

26. REVIEW OF AGREEMENT

Developer acknowledges that it has had a copy of the Franchisor's franchise disclosure document for at least 14 calendar days before signing any franchise or related agreement; or at least 14 calendar days before the payment of any consideration to Franchisor. Developer has had the opportunity to have this Agreement and the business offered hereunder reviewed by professionals of Developer's choosing prior to executing this Agreement.

27. NO RIGHT OF SET OFF

Developer agrees that it will not set off or withhold payment of any amounts it owes Franchisor on the grounds of Franchisor's alleged nonperformance of any of Franchisor's obligations under this Agreement or for any other reason. Developer agrees that all such claims will, if not otherwise resolved, be submitted to arbitration as provided in Section 20.2.

28. CUMULATIVE RIGHTS

The rights granted hereunder are cumulative, and no exercise or enforcement by either party of any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy to which either Franchisor or Developer are entitled.

29. ENTIRE AGREEMENT

This Agreement and any addendum, schedule, or exhibit attached hereto contains the entire agreement between the parties hereto relating to the development of the Restaurants and the franchised business and no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, have been made or relied upon by the parties other than those set forth herein. No agreement altering, changing, waiving, or modifying any of the terms and conditions of this Agreement shall be binding upon either party unless and until the same is made in writing and executed by all interested parties. This Agreement may not be amended or supplemented by a course of conduct. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Developer to waive reliance on any representation that Franchisor made in the disclosure document (including its exhibits, schedules and amendments) that Franchisor delivered to Developer or Developer's representative as part of the Agreement.

30. COUNTERPARTS

This Agreement may be signed in multiple counterpart copies, each of which will be deemed an original. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

31. DEVELOPER'S ACKNOWLEDGMENTS

31.1. Success Depends on Developer and No Warranties. Developer assumes sole responsibility for the operation of the business franchised hereunder and acknowledges that, while Franchisor may furnish advice and assistance to Developer from time to time during the term of this Agreement, Franchisor has no legal or other obligation to do so except as specifically set forth herein. In addition, Developer acknowledges that Franchisor does not guarantee the success or profitability of the business franchised hereunder in any manner whatsoever and shall not be liable therefore; in particular Developer understands and acknowledges that the success and profitability of the business franchised hereunder depend on many factors outside the control of either Franchisor or Developer (such as interest rates, unemployment rates, demographic trends, and the general economic climate) and there are significant risks in any business venture, but principally depend on Developer's efforts in the operation of the business and the primary factor in Developer's success or failure in the business franchised hereunder will be Developer's own efforts. IN ADDITION, DEVELOPER ACKNOWLEDGES AND AGREES THAT FRANCHISOR AND ITS REPRESENTATIVES HAVE MADE NO REPRESENTATIONS OR WARRANTIES TO DEVELOPER OTHER THAN OR INCONSISTENT WITH THE MATTERS SET FORTH IN THIS AGREEMENT, AND THAT DEVELOPER HAS UNDERTAKEN THIS VENTURE SOLELY IN RELIANCE UPON THE MATTERS SET FORTH HEREIN AND DEVELOPER'S OWN INDEPENDENT INVESTIGATION OF THE MERITS OF THIS VENTURE.

31.2. Anti-Terrorism Laws.

(i) Developer and its owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws. In connection with such compliance, Developer and its owners certify, represent, and warrant that none of their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Developer and its owners are not otherwise in violation of any of the Anti-Terrorism Laws.

(ii) "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States ("Executive Order 13224"), the Terrorism Sanctions Regulation (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances regulations, policies, lists and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control, and any other government agency with jurisdiction over the parties to this Agreement and/or their actions) addressing or in any way relating to terrorist acts and/or acts of war.

(iii) Developer and its owners certify that none of them, their respective employees, agents, bankers, affiliates or anyone associated with them is listed in the Annex to Executive Order 13224. Developer agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex. (A copy of the Annex can be accessed on the internet at the following address: http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html.)

(iv) Developer certifies that it has no knowledge or information that, if generally known, would result in (a) Developer, (b) Developer's owners, employees, agents, bankers or affiliates or (c) anyone associated with Developer to be listed in the Annex to executive Order 13224.

(v) Developer is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws.

(vi) Any misrepresentation under this Section or any violation of the Anti- Terrorism Laws by Developer or Developer's owners, agents, bankers, employees and affiliates shall constitute grounds for immediate termination of this Agreement and any other agreement Developer has entered with Franchisor or an affiliate of Franchisor, in accordance with Section 12.2(xiii) above.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:
S & S MADDIOS'S LLC

By:_______________________________________
Name:_____________________________________

Title:______________________________________

DEVELOPER:

If an Individual:

Signature:_________________________________
Printed Name:_____________________________

If other than an Individual:

[INSERT ENTITY NAME]

By:_______________________________________

Name:_____________________________________

Title:______________________________________

Schedule A

Area of Responsibility, Development Schedule, Development Fee and Payment Schedule

The Area of Responsibility Per Section 1:

____

____

____

Development Schedule: Developer agrees to (i) have open and operating at least the following minimum, cumulative number of Restaurants by the date specified below and Developer and (ii) pay the Development Fee in accordance with the schedule set forth below:

Cumulative Number of restaurant to be Developed (If Known)	Open Restaurant Date By Store Number (If Assigned)	Payment Schedule for Development Fee	Restaurant Address (If Known)	Store Number (If Assigned)
1		$_______ upon signing this Agreement		
2		$________ upon _____________		
3		$_________ upon _____________		
4		$_________upon ___________		
5		$_________ upon_____________		

Total Development Fee Per Section 4: $___________________________________

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Schedule A as of __________________, 20__.

FRANCHISOR:

S & S MADDIOS'S LLC

By:_______________________________________

Name:_____________________________________

Title:______________________________________

DEVELOPER:

If an Individual:

Signature:_________________________________

Printed Name:_____________________________

If other than an Individual:

[INSERT ENTITY NAME]

By:_______________________________________

Name:_____________________________________

Title:_____________________________________

Schedule B

Confidentiality and Nondisclosure Agreement and Covenant Not to Compete

(Principal Owners must execute the following)

As of _________________, 20__, as an inducement to Franchisor to enter into the Area Development Agreement between ________________ ("Developer") dated ______________________, 20___ (the "Area Development Agreement"), the undersigned (each individually a "Principal Owner" and collectively, to the extent applicable, the "Principal Owners") hereby agree as follows:

1. Non-Competition During Area Development Agreement Term. In addition to and not in limitation of any other restrictions on Principal Owner contained herein, Principal Owner, and, if Principal Owner is not an individual, its shareholders, members, partners, and managers, as applicable, and their spouses (each, a "Bound Party"), agree that they will not, during the term of the Area Development Agreement, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

2. Post-Term Non-Competition. In addition to and not in limitation of any other restrictions on Principal Owner contained herein, Principal Owner and the Bound Parties agree that they will not, for two (2) years following the effective date of termination or expiration of the Area Development Agreement for any reason, or following the date of a transfer by Developer, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within 25 miles of the Areas of Responsibility on Schedule A, or within a 25-mile radius of any Uncle Maddio's Restaurant.

3. Competitive Business. For purposes of this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete, the term "Competitive Business" means any business that derives 20% or more of its sales (including delivery sales) from pizza sales, or any business granting franchises or licenses to others to operate such a business. Neither Principal Owner nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding. The parties acknowledge that the covenants contained in this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete are based on the reason and understanding that Principal Owner and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees. Principal Owner further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be

reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

4. Trade Secrets and Confidential Information.

a. Principal Owner acknowledges and agrees that in connection with the operation of Uncle Maddio's Restaurants and the System, Franchisor has developed at a great expense competitively sensitive proprietary and confidential information which are not commonly known by or available to the public. This proprietary and confidential information does not include any information that (a) is commonly known by or available to the public; (b) has been voluntarily disclosed to the public by Franchisor; or (c) has otherwise entered the public domain through lawful means. All information which comprises the System including the information and data contained in any of Franchisor's Brand Standards Manuals will be presumed to be confidential information of Franchisor.

b. Principal Owner and each Bound Party agree that while this Agreement remains in effect such party will not, directly or indirectly, disclose or publish to any party, or copy or use for such party's own benefit, or for the benefit of any other party, any of Franchisor's proprietary or confidential information, except as required to carry out Principal Owner's and Developer's obligations under Area Development Agreement or as Franchisor has otherwise expressly approved in writing. All proprietary and confidential information of Franchisor is the sole and exclusive property of Franchisor. Principal Owner also agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's confidential information from any unauthorized disclosure, copying, or use. At any time upon Franchisor's request, and in any event upon termination or expiration of Area Development Agreement, Principal Owner will immediately return any copies of documents where there are materials containing confidential information and will take appropriate steps to permanently delete and render unusable any confidential information stored electronically.

5. Agreements by Other Third Parties. Principal Owner shall cause each of Developer's management and supervisory employees and other employees to whom disclosures of confidential information are made to execute a noncompetition and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

6. Reasonable Restrictive Covenants. Principal Owner acknowledges and agrees that (a) Principal Owner has received an advantage through the specialized training provided under the Area Development Agreement, the knowledge of the day-to-day operations of an Uncle Maddio's Restaurant and access to Franchisor's standards, the Brand Standards Manual, the System, Franchisor's confidential information and Franchisor's trade secrets, and (b) the covenants and restrictions in this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete are reasonable, appropriate and necessary to protect Franchisor's standards, the System, Franchisor's confidential information, Franchisor's trade

secrets, other franchisees operating under the System, the goodwill of the System, relationships with Franchisor's prospective and existing customers, and Franchisor's legitimate interests; and (ii) do not cause undue hardship on Principal Owner.

7. Federal Law. Pursuant to the federal Defend Trade Secrets Act of 2016, Principal Owner acknowledges that it has been notified and understands that they will not be held criminally or civilly liable under any federal or state trade secrets law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

8. Governing Law; Jurisdiction. The United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.) or other applicable federal law and/or the law of the state of Virginia shall apply to the construction and enforcement of this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete without regard to its conflicts of laws. The Principal Owner hereby submits and irrevocably consents to the exclusive jurisdiction of the federal and state courts for the district where Franchisor's principal executive office is located on the date of filing of the action and agrees not to raise, and hereby irrevocably waives, to the fullest extent permitted by law, any objection based upon forum non conveniens or any other objection it may now have or hereafter have to such jurisdiction or venue. Further, nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause irreparable harm, under the usual equity rules including the applicable rules for obtaining specific performance, restraining orders and preliminary injunctions.

9. Definitions. All capitalized terms not otherwise defined in this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete will have the same meaning as in the Area Development Agreement.

10. Counterparts. This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete.

DEVELOPER (acknowledgement):	FRANCHISOR:
_________________________	S & S MADDIO'S LLC
By: ________________________	By: _____________________________
Title: _______________________	Title:
Dated: _____________________	Dated: ___________________________

PRINCIPAL OWNER:

____

Dated: _____________________

Schedule C

GUARANTEE
(Principal Owners must execute the following)

As an inducement to Franchisor to enter this Agreement between Franchisor and Developer, the undersigned, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Developer's obligations under this Agreement will be punctually paid and performed. Upon demand by Franchisor, the undersigned will immediately make each contribution or payment required of Developer under this Agreement.

The undersigned herby waives: (i) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Developer arising as a result of the undersigned's execution of and performance under this guarantee provision, for the express purpose that none of the undersigned shall be deemed a "creditor" of Developer under any applicable bankruptcy law with respect to Developer's obligations to Franchisor; (ii) all rights to require Franchisor to proceed against Developer for any payment required under this Agreement, proceed against or exhaust any security from Developer, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this guarantee provision or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Developer; (iii) any benefit of, any right to participate in, any security now or hereafter held by Franchisor; and (iv) acceptance and notice of acceptance by Franchisor of his, her or its undertakings under this guarantee provision, all presentments, demands and notices of demand for payment of any indebtedness or non- performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. Franchisor shall have no present or future duty or obligation to the undersigned under this guarantee provision, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Developer, any other guarantor, or any collateral securing any obligations of Developer to Franchisor. Without affecting the obligations of the undersigned under this guarantee provision, Franchisor may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of this Agreement or any indebtedness or obligation of Developer, or settle, adjust, release, or compromise any claims against Developer or any other guarantor, make advances for the purpose of performing any obligations of Developer under this Agreement, assign this Agreement or the right to receive any sum payable under this Agreement, and the undersigned each hereby jointly and severally waive notice of same and agree to be bound by any and all amendments and changes to this Agreement. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of this Agreement.

The undersigned hereby agrees to defend, indemnify, and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) ("Claims") resulting from, consisting of, or arising out of or in connection with any failure by Developer, its officers, directors, agents, or employees to perform any obligation under this Agreement, any amendment thereto, or any other agreement executed by Developer referred to therein. Notwithstanding any other language contained herein, the obligations of Guarantor(s) under this guarantee provision (including both the payment and performance obligations, and the indemnification obligations) shall not apply to any obligations or Claims arising due to the actions of third parties not under the operation, direction or control of Developer.

This guarantee provision shall terminate upon the termination or expiration of this Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of this Agreement shall remain in force according to their terms. Upon the death of any undersigned, the estate of such individual shall be bound by this guarantee provision, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other undersigned will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this guarantee provision shall have the same meaning as in this Agreement. This guarantee provision shall be interpreted and construed under the laws of the State of Virginia. In the event of any conflict of law, the laws of Virginia shall prevail, without regard to, and without giving effect to, the application of the State of Virginia conflict of law rules. Nothing in this guarantee provision is intended by the parties to subject this guarantee provision to any franchise or similar law, rule, or regulation of the State of Virginia or of any other state to which it would not otherwise be subject. Any and all notices required or permitted under this guarantee provision shall be in writing and shall be personally delivered, in the manner provided under Section 20 of this Agreement.

This guarantee provision may be signed in multiple counterpart copies, each of which will be deemed an original. This guarantee provision may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this guarantee provision.

IN WITNESS WHEREOF, the undersigned has signed this guarantee provision as of the date of this Agreement.

GUARANTOR(S)

______________________________ ______________________________

______________________________ ______________________________

EXHIBIT C

EXHIBIT C TO THE DISCLOSURE DOCUMENT
FORM OF
FRANCHISE AGREEMENT

S & S UNCLE MADDIOS'S LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made and entered into this _____ day of ______________, 20______ (the "Effective Date"), by and between S & S MADDIOS'S LLC a Virginia Limited Liability Company with its principle office at 1410 Spring Hill Rd Suite 400 McLean, Virginia 22102 ("Franchisor"), and ____, an individual/partnership/corporation/limited liability company established in the State of __________ _____________ and whose principal address is ____ ____ ("Franchisee").

W I T N E S S E T H:

WHEREAS, Franchisor at a substantial expenditure of time, effort, and money has developed (and is further refining) a system of developing, opening, operating, and promoting fast casual restaurants offering fresh pizza, salads, subs and various other food products and beverages under the name "UNCLE MADDIO'S PIZZA" ("Uncle Maddio's Restaurants" or "Restaurants") (the "System"); and

WHEREAS, the distinguishing features of the System, include, but are not limited to, the name "UNCLE MADDIO'S PIZZA" and all such other service marks, trademarks, trade names, logos, emblems, signs, slogans, insignia and commercial symbols developed for use with the System from time to time (collectively, the "Marks"); specially designed fixtures, equipment, facilities, containers, and other items used in serving and dispensing food products; products, methods, procedures, recipes, distinctive food products, and the formula and quality standards therefore; and instructional materials and training courses; all of which may be changed, improved and further developed by Franchisor from time to time; and

WHEREAS, Franchisor has acquired knowledge and experience in the composition, distribution, advertising, and sale of food products by Restaurants using the System and with respect to the style of the facilities and signs used by Uncle Maddio's Restaurants; and

WHEREAS, Uncle Maddio's Restaurants and the products sold therein have a reputation for quality that has been acquired and is being maintained by requiring all franchisees of the System to maintain high standards of quality and service; and

WHEREAS, Franchisee recognizes the value and benefits to be derived from utilizing the System and being associated with Franchisor, the Marks, and other distinctive features of the System, and now desires to obtain a franchise from Franchisor to use the System and to operate an Uncle Maddio's Restaurant at an approved location, and Franchisor is willing to grant Franchisee the right to operate an Uncle Maddio's Restaurant, all subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the covenants and agreements hereinafter set forth, it is mutually understood, agreed, and covenanted as follows:

1. GRANT OF FRANCHISE

During the term of this Agreement, Franchisor hereby grants to Franchisee the non-exclusive right and license, and Franchisee undertakes the obligation, to develop and operate an Uncle Maddio's Restaurant and to use solely in connection therewith, the Marks and the System in accordance with the terms and conditions of this Agreement only at the Franchised Site (defined below). Franchisee agrees to use the Marks and System, as they are changed, improved and further developed by Franchisor from time to time. Franchisee must obtain Franchisor's written approval prior to commencing operation of the Restaurant.

2. TERM AND RENEWAL

2.1 Initial Term. Unless terminated earlier in accordance with the terms and conditions set forth herein, this Agreement and the license granted hereunder shall have an initial term of 10 years commencing as of the Effective Date (the "Initial Term").

2.2 Renewal. Upon the expiration of the Initial Term, Franchisee shall have the right to renew the franchise granted hereunder for one (1) additional 10-year period provided that all of the following conditions are met:

(i) Franchisee gives Franchisor written notice of its election to renew the franchise not less than 6 months prior to the expiration of the Initial Term;

(ii) Franchisee is not, when notice is given, and does not become prior to the expiration of the Initial Term, in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor or its subsidiaries or affiliates or with any other creditor or supplier of the Restaurant or lessor or sublessor of the Franchised Site, and Franchisee shall have fully and faithfully performed all of its obligations under this Agreement and all such other agreements throughout their terms;

(iii) Franchisee shall execute, at Franchisor's option, Franchisor's then-current form of Franchise Agreement, which Franchise Agreement shall supersede in all respects the terms and conditions of this Agreement and may include substantially different terms including the Royalty Fees and Brand Development Fees.

(iv) Franchisee shall pay a renewal fee to Franchisor in the amount of $5,000;

(v) Franchisee shall complete, at its own expense and to Franchisor's satisfaction, all maintenance, refurnishing, renovation, modernizing, and remodeling of the Restaurant as Franchisor shall reasonably require so as to reflect the current image and standards of Uncle Maddio's Restaurants. Refurbishments are intended to be large-scale re-equipping, refurbishing and remodeling of the Restaurant and nothing contained in this Agreement will limit Franchisee's other obligations under this Agreement or the Brand Standards Manual;

(vi) Franchisee shall be current in the payment of all obligations to Franchisor and to any of its affiliates and subsidiaries as well as lessors, vendors, and suppliers of the Restaurant;

(vii) Prior to renewal, Franchisee and/or Franchisee's supervisory and operational manager(s) shall at Franchisee's expense, attend and successfully complete to Franchisor's reasonable satisfaction any retraining program Franchisor may require;

(viii) Franchisee and its owners execute a general release, in a form satisfactory to Franchisor, of any and all claims it may have against Franchisor, including any affiliates or subsidiaries, and its and their officers, directors, shareholders, managers, members, partners, employees, and agents; and

(ix) Franchisee provides Franchisor with evidence that Franchisee has the right to remain in possession of the Franchised Site or to secure and develop a suitable alternative site acceptable to Franchisee for the renewal term.

3. FRANCHISED SITE AND DESIGNATED AREA

3.1 Site Selection and Acceptance. Using the national real estate broker(s) designated by Franchisor (and any local real estate broker(s) identified by the national real estate broker(s) or selected by the Franchisee), Franchisee is responsible for locating proposed sites for the Uncle Maddio's Restaurants to be established hereunder. Franchisor, in its sole discretion, may counsel and offer advice to Franchisee with respect to such site selection; provided, however, in no event shall Franchisor be liable to Franchisee in connection with providing advice or any such assistance. Upon Franchisee's selection of a proposed site for a Restaurant, Franchisee shall promptly submit to Franchisor such site, demographic, and other data and information about the proposed site as reasonably requested by Franchisor, utilizing Franchisor's site submittal form and any other such forms as may be required by Franchisor, and a copy of any letter of intent, lease, sublease or purchase agreement to be entered into in connection with the acquisition of such site. Franchisor shall either accept or reject the proposed site utilizing its then-current site selection policies and procedures. Franchisee acknowledges and agrees that Franchisor's acceptance of a proposed site may be conditioned upon Franchisee meeting certain other requirements (including, without limitation, the negotiation of additional terms and conditions satisfactory to Franchisor to any lease, sublease, or purchase agreement for the proposed site), and if Franchisee does not, or is unable to meet such requirements within a reasonable time, the site will be deemed rejected. Franchisor has the right to reject any proposed site should Franchisee be in default of this Agreement, or any Franchise Agreement entered into pursuant to this Agreement or any other agreement between Franchisee and Franchisor. To be effective, any acceptance of a proposed site by Franchisor must be in writing. Franchisee acknowledges and agrees that Franchisor will use its business experience to assess whether a site meets the Franchisor's site criteria to reject any proposed site, in which event, Franchisee may not open a Restaurant at the rejected site, but must locate another proposed site for the Restaurant and submit it to Franchisor for acceptance in accordance with this Section 3.1.

Upon Franchisor's written acceptance of a proposed site in accordance with this Section 3.1, Franchisee shall proceed promptly to enter into the accepted lease, sublease or purchase agreement for the accepted site and obtain all necessary zoning, building and other governmental or regulatory approvals and permits required for the establishment of the Restaurant. Before commencing with the construction of the Uncle Maddio's Restaurant to be established at the approved site, Franchisee shall, at its expense, furnish to Franchisor for Franchisor's written approval, a proposed site and construction plans and specifications for the Uncle Maddio's Restaurant which, if accepted, shall not thereafter be modified, altered or changed without Franchisor's prior written consent. In addition, Franchisee shall furnish Franchisor with such information relating to the construction of the Restaurant and development of the site as Franchisor may from time to time request, which may include, without limitation, copies of all commitments and plans for construction and financing, the contact name, address and telephone number for any lenders and contractors, and a copy of any construction or financing agreements. Franchisee shall commence construction of the Uncle Maddio's Restaurant in accordance with the accepted site and construction plans and specifications as soon as possible and shall complete construction thereof, including the acquisition and installation of all equipment specified by Franchisor, and have the Restaurant ready to open for business within nine (9) months after Franchisor's execution of this Agreement. Franchisor and its agents shall have the right to inspect the construction site at any reasonable time without prior notice. To the extent applicable, Franchisee agrees to give Franchisor written notice (i) at least 10 days prior to the pouring of the concrete slab for the Restaurant and (ii) immediately after completion of the electrical and mechanical rough-ins to enable Franchisor to inspect the construction site at such times. Franchisee shall correct, upon Franchisor's request and at Franchisee's expense, any deviation from any approved site or construction plans or specifications. Franchisor assumes no responsibility for the quality of any construction because of any inspections made by it or any reports or recommendations made as a result of such inspections.

3.2 Franchised Site. The rights granted to Franchisee hereunder shall be non-exclusive and shall be restricted to the operation of a single Uncle Maddio's Restaurant to be located at the address and location set forth on Exhibit A attached hereto (the "Franchised Site"). During the term of this Agreement, the Franchised Site shall be used exclusively to operate an Uncle Maddio's Restaurant. In connection with the execution of the any lease or sublease for the Franchised Site, Franchisee must execute, and cause the lessor and/or sublessor of the Franchised Site to execute, the Lease Addendum attached hereto as Exhibit B. The rights granted to Franchisee are for the specific Franchised Site and cannot be transferred to any other location, except (i) for Special Events (defined below) in accordance with the terms and conditions stated in this Agreement and in the Brand Standards Manual (defined below), including without limitation guidelines and requirements relating to insurance coverage and any vehicle used for Special Events activities, or (ii) as provided in written approval by Franchisor. Should it become necessary to relocate the Restaurant from the Franchised Site on account of condemnation or destruction of the Franchised Site, Franchisor will grant Franchisee authority to do so at a site acceptable to Franchisor that is within the Designated Area (defined below), is reasonably suited for an Uncle Maddio's Restaurant, does not infringe on the territorial rights of any other Uncle Maddio's Restaurant, and is reasonably distant from other Uncle Maddio's Restaurants provided that (a) the new Restaurant is open and operating within 180 days after Franchisee's discontinuing operation of the relocated Restaurant at the former Franchised Site, all in accordance with Franchisor's then-current standards at that time, and (b) Franchisee reimburse Franchisor for Franchisor's costs and expenses incurred in connection with the relocation (including legal fees and time spent by our employees). It shall be Franchisee's responsibility to apply for relocation of Restaurant from the Franchised Site on account of condemnation or destruction of the Franchised Site in order to avoid termination of the Franchise Agreement for failure to operate.

3.3 Area Protection. Franchisor will not establish for itself or grant a franchise to any other party to establish an Uncle Maddio's Restaurant within the area specified on Exhibit A attached hereto (the "Designated Area"). Notwithstanding anything herein to the contrary, if any disagreement arises regarding the area comprising the Designated Area, then Franchisor's decision as to the definition of the Designated Area shall be final and binding. Except as expressly provided in the first sentence of this Section 3.3, Franchisee acknowledges that the franchise granted under this Agreement is non-exclusive and Franchisee has no territorial protection and Franchisee has no right to exclude, control, or impose conditions on the location or development of other or future franchises under the Marks, or on any sales or distribution of products under the Marks or other business activities of Franchisor or any other party licensed to use the Marks.

3.4 Reservation of Rights. Franchisor retains the right, in its sole discretion, to:

(i) Establish and operate, and grant to other franchisees or licensees the right to establish and operate, an Uncle Maddio's Restaurant or any other business using the Marks, the System or any variation of the Marks and the System, in any location outside the Designated Area, on any terms and conditions that Franchisor deems appropriate;

(ii) Develop, use, and franchise anywhere (including within the Designated Area) the rights to any trade names, trademarks, service marks, commercial symbols, emblems, signs, slogans, insignia, patents, or copyrights not designated by Franchisor as Marks, for use with similar or different franchise systems for the sale of similar or different products or services than those constituting a part of the System, without granting Franchisee any rights therein;

(iii) Offer, ship, sell, and provide products or services identified by the Marks or other trademarks, service marks, commercial symbols, or emblems to customers located in the Designated Area through any distribution channel or method, including catalogs, mass merchandise, grocery stores, club stores, convenience stores, Internet (or any other existing or future form of electronic commerce), Special Events (subject to the terms of Section 9.2 below), food trucks (or other types of mobile units), and delivery services, irrespective of the proximity to the Restaurant without compensation to Franchisee; provided, however, that any such sales will not be made from an Uncle Maddio's Restaurant located in the Designated Area;

(iv) Establish and operate, and grant to other franchisees or licensees the right to establish and operate, Uncle Maddio's Restaurants and other businesses using the Marks, the System or any variation of the System, at non-traditional venues, special or limited purpose facilities, limited access, and captive audience facilities, and other types of institutional accounts (which shall include, without limitation, include airports and other public transportation facilities; casinos, parks; stadiums; business, industrial and military complexes; educational facilities; hospitals and other health care facilities; theaters; museums; art centers; and amusement centers) (collectively, "Institutional Facilities") at any location within or outside the Designated Area. Franchisor shall provide written notice to Franchisee of Franchisor's intent to establish, or franchise or license another to establish, a business under the Marks at any such Institutional Facility within the Designated Area, unless the foodservice rights at such Institutional Facility are held by the owner or a contract feeder, or in the reasonable judgment of Franchisor are not readily available to independent franchisees. If, within 30 days of such notice, Franchisee obtains or demonstrates Franchisee's ability (in the reasonable judgment of Franchisor) to obtain the right to establish an Uncle Maddio's Restaurant at such Institutional Facility in lieu of the business proposed by Franchisor, Franchisor shall not unreasonably withhold its consent for Franchisee to establish such Uncle Maddio's Restaurant at such Institutional Facility;

(v) Own, operate, franchise, or license anywhere, even in close proximity to the Restaurant licensed hereunder, restaurants of any other type whatsoever operating under marks other than the Marks;

(vi) Give, donate, or contribute to charitable and community organizations and events for fund raising and other events and use the products for promotions and product demonstrations in the Designated Area; and to offer products for sampling by consumers and organizations for product testing, promotions and demonstrations in the Designated Area; and

(vii) Engage in any other activity, action, or undertaking that Franchisor is not expressly prohibited from taking under this Agreement.

3.5 Catering Services. Franchisee must provide catering services within a reasonable distance from the Franchised Site not to exceed 10 miles (through delivery to customers' homes, offices, and other locations), within or without the Designated Area, but solely in connection with providing such catering services and provided such services are made by ground transportation. Subject to the foregoing maximum mileage restriction, Franchisee must request our approval to provide catering services in the protected territories of other Uncle Maddio's Restaurant franchisees and other Uncle Maddio's Restaurant franchisees must also request our approval to provide the same services in the Designated Area. Catering services must be conducted in accordance with the terms and conditions stated in this Agreement, the Brand Standards Manual, and any other terms and conditions set forth by Franchisor.

3.6 Special Events. Franchisee may engage in, off the Franchised Site, special events where the products will be prepared and cooked at the site (which may include the use of a food truck), including specialty parties, festivals, fairs, street food and food truck events, and business events ("Special Events"), provided that (i) Special Events must be approved by Franchisor in writing and shall be conducted within the Designated Area; and (ii) Special Events activities must be conducted in accordance with the terms and conditions stated in this Agreement, the Brand Standards Manual, and any other terms and conditions placed on Franchisor's approval. These Special Events rights are subject to the obligations in Section 9.2 below and, as provided in Section 9.2 below, Franchisee's Special Events rights in the Designated Area are not exclusive. Notwithstanding anything to the contrary contained herein, Franchisee may not use or operate a food truck (or other mobile unit) without Franchisor's prior written approval, which may be granted or withheld in Franchisor's sole discretion. If Franchisor allows Franchisee to operate a food truck (or other mobile unit) in connection with Special Events or otherwise, Franchisee shall comply with all written standards, specifications, and procedures prescribed by Franchisor in the Brand Standards Manual or other written directives regarding the use and operation of a food truck (or other mobile unit). Franchisor reserves the right to charge Franchisee initial and/or recurring fees in the event that Franchisor allows Franchisee to operate a food truck (or other mobile unit) in connection with Franchisee's Uncle Maddio's Restaurant. Except as provided in Section 9.2 below for Special Events, Franchisee shall not have any exclusive rights related to the general use or operation of a food truck in the Designated Area.

3.7 No Delivery Services. Except for catering services, delivery services are not authorized and Franchisee shall not market or offer delivery services for the Products without Franchisor's prior written approval. Franchisee may not operate a food truck or other mobile unit without Franchisor's prior written approval, which may be granted or withheld in Franchisor's sole discretion.

4. INITIAL FRANCHISE FEE

Upon the execution of this Agreement, Franchisee shall pay to Franchisor an initial franchise fee in an amount set forth on Exhibit A (the "Franchise Fee"). In the event the Development Agreement requires the payment of a development fee by Franchisee to Franchisor, there shall be credited toward the payment of the Franchise Fee all or a portion of those development fees in the manner and to the extent provided for in the Development Agreement. Franchisee acknowledges and agrees that the Franchise Fee is paid as consideration for Franchisor granting Franchisee the right to develop, open and operate the Restaurant using the Marks and the System, and that the Franchise Fee is fully earned by Franchisor at the time this Agreement is executed, and the Franchise Fee shall not be refundable for any reason.

5. ROYALTY FEE; METHOD OF PAYMENT; LATE PAYMENT

5.1 Royalty Fee. In addition to all other amounts required to be paid hereunder, during the term hereof, Franchisee agrees to pay to Franchisor for the rights granted hereunder a royalty fee equal to the greater of: (i) 5% of the Net Sales (as such term is hereinafter defined) of the Restaurant; or (ii) the Minimum Royalty Fee of $750 per week (the "Royalty Fee"). Payment of the Royalty Fee shall be paid weekly in accordance with the Brand Standards Manual (as such payment date is determined by Franchisor from time to time) and be based upon Net Sales of the Restaurant for the preceding weekly period. Franchisor may begin to collect the Minimum Royalty Fee nine (9) months after Franchisor's execution of this Agreement, regardless of whether the Franchisee has opened the Restaurant for business.

5.2 Definition of Net Sales. Net Sales shall mean gross sales of the Restaurant, catering services, delivery services and Special Events (whether such sales are evidenced by cash, check, credit, charge account or otherwise), less (i) sales tax collected on such sales and paid to the state, (ii) any approved allowable discounts, (iii) employee meals, (iv) charitable donations, and (v) third party delivery fees. Gross sales means the amount actually received or receivable from all sales of every kind and nature from the Restaurant, catering services, delivery services and Special Events, including but not limited to, the sale of food, beverages and services, whether sold for consumption on or off the premises, and receipts from food catering, and any insurance proceeds and/or condemnation awards received for loss of sales or business, all whether on a cash or charge basis, paid or unpaid, collected or uncollected.

5.3 Automated Bank Draft. Franchisee understands and agrees that Franchisor reserves the right and may require, in its sole discretion, that all Royalty Fees, Brand Development Fees, Advertising Cooperative (as defined below) contributions and other fees or contributions required to be paid to Franchisor or any Advertising Cooperative hereunder must be paid by automated bank draft or other reasonable means necessary to ensure payment of such fees are received by Franchisor or the appropriate Advertising Cooperative. Franchisee agrees to comply with Franchisor’s payment instructions (including executing any documents required by Franchisor for automated bank draft/debit or other reasonable means). Franchisee shall not change Franchisee's banking information for drafts/debits from Franchisor or withdraw Franchisor's approval for bank drafts/debits from Franchisee's account without designating replacement information and/or replacement approval.

5.4 Late Payments and Insufficient Funds. All overdue payments for Royalty Fees, Brand Development Fees, and other fees required to be paid hereunder shall bear interest from the date due at the rate specified by Franchisor from time to time, up to the highest rate permitted by the law, but in no event shall such rate exceed 18% per annum. Interest shall accrue on all late payments regardless of whether Franchisor exercises its right to terminate this Agreement as provided for herein. In addition to its right to charge interest as provided herein, Franchisor may charge Franchisee a $100.00 late payment fee for all such overdue payments and a $100.00 insufficient funds fee for each check, automated bank draft payment, or other payment method that is not honored by Franchisee’s financial institution. Franchisee acknowledges that Franchisor has the right to set-off amounts Franchisee owes Franchisor against any amounts Franchisor may owe Franchisee.

5.5 Application of Payments. Notwithstanding designation by Franchisee to the contrary, all payments made by Franchisee hereunder will be applied by Franchisor at its discretion to any of Franchisee’s past due indebtedness.

6. RECORDS, REPORTS AND AUDITS

6.1 Bookkeeping and Recordkeeping. Franchisee agrees to establish a bookkeeping and recordkeeping system conforming to the requirements prescribed from time to time by Franchisor, relating, without limitation, to the use and retention of daily sales slips, coupons, purchase orders, purchase invoices, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, payroll records, journals, and general ledgers. In establishing and maintaining Franchisee’s bookkeeping and recordkeeping system, Franchisee shall use all form documents established by Franchisor in the Brand Standards Manual or otherwise. Franchisee acknowledges and agrees that if Franchisor is required or permitted by statute, rule, regulation, or any other legal requirement to disclose any information regarding Franchisee or the operation of the Restaurant, including, without limitation, earnings or other financial information, Franchisor shall be entitled to disclose such information. In addition, Franchisee hereby expressly permits Franchisor to disclose any such information to potential purchasers and/or investors (and their employees, agents, and representatives) of Franchisor in connection with the sale or transfer of any equity interests or assets of Franchisor or any merger, reorganization or similar restructuring of Franchisor and use such information in its Franchise Disclosure Document as Franchisor deems appropriate in its sole discretion.

6.2 Reporting. Franchisee must provide Franchisor with those financial reports required by Franchisor from time to time. All such reports shall be prepared (i) using any form documents established by Franchisor as set forth in the Brand Standards Manual or otherwise and (ii) in accordance with the generally accepted accounting principles of the United States, to the extent applicable. Franchisee's current reporting obligations include the following:

(i) A statement of relevant Net Sales in the form required by Franchisor to be delivered with each payment of the Royalty Fee and Brand Development Fee no later when due as determined by Franchisor in its sole discretion;

(ii) A monthly unaudited balance sheet and profit and loss statement in a form satisfactory to Franchisor covering Franchisee's business for the prior month and fiscal year to date, all of which shall be certified by Franchisee as true and correct and delivered to Franchisor no later than the 21st day of each month;

(iii) No later than February 15 each year, annual financial statements compiled or reviewed by an independent certified public accountant in a form satisfactory to Franchisor, which shall include a statement of income and retained earnings, a statement of cash flows, and a balance sheet of Franchisee, all for the year recently ended. If Franchisee does not, in the ordinary course, obtain financial statements compiled or reviewed by an independent certified public accountant, then Franchisee may provide internally prepared financial statements which shall be certified as true and correct by Franchisee or Franchisee's principal executive officer or chief financial officer if Franchisee is a partnership, corporation or limited liability company. Franchisor shall have the right at any time to require audited annual statements to be provided to it, at Franchisee's expense;

(iv) An annual copy of Franchisee's signed 1120 or 1120S tax form (including all supporting schedules) as filed with the Internal Revenue Service (or any forms which take the place of those forms), and all other federal, state and local sales and use and income tax reports Franchisee is required to file, all to be delivered within 30 days after filing;

(v) A statement of local market advertising expenditures made pursuant to Section 11.3 below for each calendar quarter and fiscal year to date, in a form satisfactory to Franchisor, along with invoices documenting such expenditures (if required by Franchisor), to be delivered within 15 days after the end of each calendar quarter;

(vi) Insurance certificates upon the annual renewal of the policies and all health and safety inspection reports; and

(vii) Any other data, information and supporting records reasonably requested by Franchisor.

All reports or other information required to be submitted under this Section 6.2 shall be submitted to the attention of Franchisor's franchise department. If any of the reports or other information required to be given to Franchisor in accordance with this Section are not received by Franchisor by the required deadline, Franchisor may charge Franchisee a late submission fee equal to $500.00.

6.3 Audit. Franchisee shall allow representatives of Franchisor to inspect Franchisee's books and records at all reasonable times in order to verify Net Sales that Franchisee reports as well as to verify Franchisee's advertising expenditures required by Section 11.3 below and any other matters relating to this Agreement and the operation of the Restaurant. Franchisor may require Franchisee to submit to Franchisor, or Franchisor's representatives, copies of Franchisee's books and records for any offsite inspection that Franchisor or Franchisor's representatives conduct to audit the Restaurant. If an inspection reveals that Net Sales of Franchisee have been understated, Franchisee shall immediately pay to Franchisor the amount of Royalty Fees and Brand Development Fees overdue, unreported or understated, together with interest as prescribed in Section 5.4 above. All inspections shall be at the expense of Franchisor; provided, however, if the inspection results in a discovery of a discrepancy in the Net Sales reported by Franchisee of 5% or more, then Franchisee shall pay or reimburse Franchisor for any and all reasonable expenses incurred by Franchisor in connection with the inspection, including, but not limited to, attorneys' and accounting fees and travel expenses, room and board and compensation of Franchisor's employees, as well as interest on the amounts owed at the highest legal rates allowed from the date payment was due.

7. BRAND STANDARDS MANUAL

During the term of this Agreement, Franchisor will loan to Franchisee one copy of, or provide Franchisee with electronic access to, Franchisor's confidential Brand Standards Manual (the "Brand Standards Manual"), which may consist of printed manuals, computerized documents or software, information provided on the internet or an extranet, audiotapes, videotapes, or any other medium Franchisor adopts periodically for use with the System and designates as part of the Brand Standards Manual. The Brand Standards Manual will contain information and specifications concerning the standards and specifications of the System, the development and operation of the Restaurant and any other information and advice Franchisor may periodically provide to its franchisees. Franchisor may update and change the Brand Standards Manual periodically to reflect changes in the System and the operating requirements applicable to Uncle Maddio's Restaurants, and Franchisee expressly agrees to comply with each requirement within such reasonable time as Franchisor may require, or if no time is specified, within 30 days after receiving notification of the requirement. Franchisee acknowledges and agrees that the Brand Standards Manual may be modified from time to time to reflect changes in the standards of authorized services or the System. The Brand Standards Manual will contain proprietary information belonging to Franchisor and Franchisee acknowledges that the Brand Standards Manual is, and shall remain, the property of Franchisor. Franchisee shall at all times ensure that its copy of the Brand Standards Manual and any other confidential materials supplied by Franchisor to Franchisee are kept current and up to date. Franchisee must keep any printed Brand Standards Manual in a secure location at the Restaurant, and must restrict employee access to the Brand Standards Manual on a need to know basis, and take reasonable steps to prevent unauthorized disclosure or copying of any information in any printed or computerized Brand Standards Manual. If Franchisor and Franchisee have any disagreement about the most current contents of the Brand Standards Manual, Franchisor's master copy of the Brand Standards Manual will control. Upon the expiration or termination of this Agreement for any reason, Franchisee must return all copies of the Brand Standards Manual to Franchisor, and upon Franchisor's request, certify to Franchisor that Franchisee has not kept any copies in any medium. The Brand Standards Manual is confidential, copyrighted and Franchisor's exclusive property. Franchisee understands and agrees that it is of substantial value to Franchisor and other franchisees of Franchisor, as well as to Franchisee, that the System establish and maintain a common identity. Franchisee agrees and acknowledges that full compliance with the Brand Standards Manual is essential to preserve, maintain and enhance the reputation, trade demand, and goodwill of the System and the Marks and that failure of Franchisee to operate the Restaurant in accordance with the Brand Standards Manual can cause damage to the Franchisor and all other franchisees within the System as well as to Franchisee. Notwithstanding the foregoing, and consistent with the goals of the System, Franchisee shall be responsible for the day-to-day operation of the Restaurant.

8. MODIFICATION AND IMPROVEMENTS TO THE SYSTEM

8.1 Modification by Franchisor. Franchisee recognizes and agrees that from time to time hereafter, Franchisor may change, modify or improve the System, including, without limitation, modifications to the Brand Standards Manual, the menu and format, the processes and systems to support the business, the menu items and other product ingredients, the products offered for sale, the required equipment, the signage, the presentation and usage of the Marks, and the adoption and use of new, modified or substituted Marks or other proprietary materials. Franchisor will endeavor to provide Franchisee with 30 days' notice prior to mandating any change in ingredients not necessitating an immediate change to allow Franchisee to use its inventory of ingredients that are no longer approved. Franchisee agrees to accept, use and/or display for the purposes of this Agreement any such changes, modifications or improvements to the System, including, without limitation the adoption of new, modified, or substituted Marks, as if they were part of the System as of the Effective Date, and Franchisee agrees to make such expenditures as such changes, modifications, or improvements to the System may require. For purposes of this Agreement, all references to the System shall include such future changes, modifications, and improvements.

8.2 Modification by Franchisee. If Franchisee develops any new modification, concept, process, improvement or slogan in the operation or promotion of the Restaurant or to the System, the same shall be deemed a work made for hire, and Franchisee shall promptly notify Franchisor of, and provide

Franchisor with all necessary information, regarding such modification, concept, process, improvement, or slogan, without compensation to Franchisee. Franchisee acknowledges that any such modification, concept, process, improvement or slogan shall become Franchisor's sole and exclusive property and that Franchisor may use or allow other franchisees to use the same in connection with the System or the operation of Uncle Maddio's Restaurants, without compensation to Franchisee.

9. OBLIGATIONS OF FRANCHISEE

9.1 Obligations. Franchisee recognizes the mutual benefit to Franchisee, Franchisor, and other franchisees of the System of the uniformity of the appearance, services, products, and advertising of the System and acknowledges and agrees that such uniformities are necessary for the successful operation of Uncle Maddio's Restaurants. Franchisee also acknowledges and agrees that products and services sold under the Marks and at Uncle Maddio's Restaurants have a reputation for excellence. This reputation has been developed and maintained by Franchisor, and Franchisee acknowledges and agrees that it is of the utmost importance to Franchisor, Franchisee, and all other franchisees of the System that such reputation be maintained. To this end, Franchisee covenants and warrants with respect to the operation of the Restaurant that Franchisee and its employees and agents will comply with all of the requirements of the System and the Brand Standards Manual and will throughout the term of this Agreement:

(i) Operate the Restaurant and prepare and sell all products and services sold therein in accordance with the specifications, standards, business practices, and policies of Franchisor now in effect or hereafter promulgated, and comply with all requirements of Franchisor, the System, and the Brand Standards Manual as they are now or hereafter established, including, without limitation, any health, sanitation, and cleanliness standards and specifications. Franchisor and its duly authorized representatives shall have the right, if they so elect, at all reasonable times, to enter and inspect the Restaurant to ensure that Franchisee is complying with such specifications, standards, business practices, policies and requirements and to test any and all equipment, systems, products and ingredients used in connection with the operation of the Restaurant. If requested by Franchisor, Franchisee shall give Franchisor electronic or remote access to Franchisee's video monitoring system to give Franchisor real time inspection capabilities. If Franchisee in any way shall fail to maintain the standards of quality for the products and services as established by Franchisor from time to time, Franchisor shall notify Franchisee in writing of the failure and give Franchisee 10 days in which to cure such failure. If Franchisee fails to cure such failure within such 10 day period, Franchisor shall, in addition to any other remedy available to it, have the right to assign to the Restaurant such persons as it deems necessary for the training of Franchisee's employees to ensure that the standards of quality for the products and services are maintained. Franchisee shall reimburse Franchisor for all costs associated with providing such personnel, including costs of transportation, meals, lodging, salaries, wages, and other compensation.

(ii) Maintain at all times, at its expense, the Restaurant and its machinery, equipment, fixtures, furnishings, furniture, décor, premises, parking areas, landscape areas, if any, and interior and exterior signs in an excellent, clean, attractive, and safe condition in conformity with the Brand Standards Manual and Franchisor's high standards and public image. Franchisee shall promptly make all repairs and replacements thereto as may be required to keep the Restaurant in the highest degree of sanitation, repair, and condition and to maintain maximum efficiency and productivity. However, Franchisee shall not undertake any alterations or additions (but may perform maintenance and make repairs) to the buildings, equipment, premises, or parking areas associated with the Restaurant without the prior written approval of Franchisor. If Franchisor changes its image or standards of operation with respect to the Restaurant, Franchisee expressly agrees to comply with each change within such reasonable time as Franchisor may require, or if no time is specified, within 30 days after receiving notification of the change. Franchisee shall also maintain maintenance contracts and/or service contracts on all equipment and machinery designated by Franchisor and Franchisor shall have the right to designate the vendor(s) for such contracts and the requirements for the contracts.

(iii) Comply with all applicable laws, rules, ordinances, and regulations that affect or otherwise concern the Restaurant or the Franchised Site, including, without limitation, zoning, disability access, signage, fire and safety, fictitious name registrations, sales tax registration, and health and sanitation, workers compensation insurance, unemployment insurance, withholding and payment of federal and state and/or local income taxes, social security taxes, Medicare taxes and all other withholding obligations, Americans with Disabilities Act, and any and all other applicable laws, rules, ordinances, and regulations. Franchisee will be solely responsible for obtaining any and all licenses and permits required to operate the Restaurant. Franchisee must keep copies of all health, fire, building occupancy, and similar inspection reports on file and available for Franchisor to review. Franchisee must immediately forward to Franchisor any inspection reports or correspondence stating that Franchisee is not in compliance with any such laws, rules, ordinances and regulations.

(iv) Maintain sufficient inventories and employ sufficient employees to operate the Restaurant at its maximum capacity and efficiency at such hours or days as Franchisor shall designate or approve in the Brand Standards Manual or otherwise, and operate the Restaurant for such hours or days so designated or approved by Franchisor.

(v) Operate the Restaurant during such days, nights, and hours as may be designated by Franchisor from time to time. Franchisee acknowledges and agrees that the hours of operation are integral to the value of the System and the Marks, and any failure by Franchisee to operate during the designated hours of operation is detrimental to the System and the Marks. Franchisee further acknowledges and agrees that the day-to-day operational decisions relating to the opening and closing procedures of the Restaurant, including any security, staffing, and other similar matters, shall be made solely by the Franchisee.

(vi) Require all employees of the Restaurant to wear uniforms and abide by the dress guidelines conforming to the specifications and standards Franchisor may from time to time designate in the Brand Standards Manual or otherwise.

(vii) Require all employees of the Restaurant to conduct themselves at all times in a competent and courteous manner and use best efforts to ensure that its employees maintain a neat and clean appearance and render competent, sober, and courteous service to patrons of the Restaurant. Franchisor shall have no control over Franchisee's employees, including, without limitation, work hours, wages, hiring, or firing.

(viii) Use only those ingredients, products, supplies, furnishings, and equipment that (a) conform to the standards and specifications designated by Franchisor in the Brand Standards Manual or otherwise and (b) are purchased from suppliers designated or approved in writing by Franchisor. Franchisor may designate, at any time and for any reason, a single or multiple suppliers for ingredients, products, supplies, furnishings, and equipment and require Franchisee to purchase exclusively from such designated supplier or suppliers, which exclusive designated supplier(s), may be Franchisor or an affiliate of Franchisor. If Franchisor designates itself as a supplier, Franchisor has the right to earn a profit on any items it supplies. Franchisor and its affiliates may receive payments, discounts, or other consideration from suppliers in consideration of such suppliers' dealings with Franchisee and/or the system of Uncle Maddio's Restaurants and may use all amounts received by it without restriction. Franchisor is not required to give Franchisee an accounting of supplier payments or to share the benefit of supplier payments with Franchisee or other franchisees operating under the System. EXCEPT AS EXCLUSIVELY SET FORTH IN WRITING, FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS OR SERVICES SOLD BY OR THROUGH FRANCHISOR, ITS AFFILIATES, DESIGNATED SUPPLIERS, OR APPROVED SUPPLIERS, INCLUDING THE IMPLIED WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FRANCHISOR WILL NOT BE LIABLE FOR PERSONAL INJURY OR PROPERTY DAMAGE, LOSS OF PROFIT, OR OTHER INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE PRODUCTS AND SERVICES SOLD BY OR THROUGH FRANCHISOR, ITS AFFILIATES, DESIGNATED SUPPLIERS, OR APPROVED SUPPLIERS, OR FOR ANY DAMAGES (REGARDLESS OF THEIR NATURE) CAUSED BY FRANCHSOR'S, ITS AFFILIATES', DESIGNATED SUPPLIERS', OR APPROVED SUPPLIERS' FAILURE TO FULFILL THEIR RESPECTIVE RESPONSIBILITIES UNDER THIS AGREEMENT. FRANCHISOR'S AND ITS AFFILIATES' SOLE LIABILITY FOR ANY WARRANTIES GRANTED IS TO REPAIR OR REPLACE, AT FRANCHISOR'S OR ITS AFFILIATES' OPTION, ANY PRODUCTS AND SERVICES SOLD BY OR THROUGH FRANCHISOR AND ITS AFFILIATES THAT ARE NOT IN COMPLIANCE WITH THE WARRANTY.

FRANCHISOR'S AND ITS AFFILIATES' LIABILITY RELATING TO PRODUCTS AND SERVICES SOLD BY OR THROUGH FRANCHISOR AND ITS AFFILIATES WILL IN NO EVENT EXCEED THE STATED SELLING PRICE OF THE PRODUCTS AND SERVICES TO FRANCHISEE. ANY WARRANTIES GRANTED WILL BE VOID AND OF NO FORCE AND EFFECT WITH RESPECT TO ANY PRODUCTS THAT ARE DAMAGED AS A RESULT OF (A) NEGLECT, ALTERATION OR ACCIDENT OR (B) IMPROPER USE, INCLUDING FAILURE TO FOLLOW OPERATING AND MAINTENANCE PROCEDURES SPECIFIED BY FRANCHISOR AND ITS AFFILIATES.

(ix) If Franchisee desires to purchase any ingredients, products, supplies, furnishings, and equipment from suppliers other than those previously approved by Franchisor and such items have not been designated by Franchisor to be exclusively supplied by a designated supplier(s), Franchisee shall first submit to Franchisor a written request for authorization to purchase such items, together with such information and samples as Franchisor may require. Franchisor shall have the right to require periodically that its representatives be permitted to inspect such items and/or supplies' facilities, and that samples from the proposed suppliers, or of the proposed items, be delivered for evaluation and testing either to Franchisor or to an independent testing facility designated by Franchisor. Permission for such inspections shall be a condition of the initial and continuing approval of such supplier, manufacturer, or distributor. If Franchisor uses an independent testing facility in connection with the approval of a supplier, manufacturer, or distributor, a charge not to exceed the reasonable cost of the evaluation and testing shall be paid by Franchisee to such independent testing facility. Franchisor shall, within 90 days after its receipt of such request and completion of such evaluation and testing (if required by Franchisor), notify Franchisee in writing of its approval or disapproval. Franchisor may deny such approval for any reason, including its determination to limit the number of approved suppliers. The provisions above shall only apply if Franchisor has not designated a supplier or suppliers.

(ix) Prominently display at the Restaurant and the Franchised Site signs using the Mark or Marks designated by Franchisor and/or other signs, of such nature, form, color, number, location, and size, and containing such material as Franchisor may from time to time reasonably direct or approve in writing; and not display in the Restaurant or on the Franchised Site or elsewhere any sign or advertising media of any kind to which Franchisor reasonably objects. Franchisor or its authorized representatives may at any time during normal business hours enter the Restaurant or the Franchised Site and remove any objectionable signs or advertising media. Franchisee must post a prominent sign in the Restaurant identifying Franchisee as a franchisee in a format that Franchisor deems acceptable, including statements (1) that Franchisee independently owns and operates the Restaurant, (2) that the Marks are owned by Franchisor, and (3) that Franchisee uses the Marks pursuant to a license Franchisor has issued to Franchisee.

(x) Use Franchisee's best and continuing efforts to fully promote and develop the Restaurant and use the Franchised Site only for the purposes designated in this Agreement and avoid any activities that would conflict or interfere with or be detrimental to such purposes.

(xi) Sell only those products and services from the Restaurant specified by Franchisor from time to time in the Brand Standards Manual or otherwise, and refrain from maintaining or using vending machines, video game machines or entertainment devices not included in the System, unless approved in writing by Franchisor.

(xii) Refrain from deviating from the formulas, recipes, or specifications of materials and ingredients of food as specified by Franchisor, without the prior written consent of Franchisor, and adhere to the menu and all changes, alterations, additions, and subtractions thereof, thereto or there from as specified by Franchisor from time to time and follow all specifications of Franchisor as to the uniformity of products and weight, quality, and quantity of unit products served and sold, and serve and sell only such menu items as are designated by Franchisor. Franchisee shall not sell any additional food and/or drink items or any other merchandise of any kind without the prior written approval of Franchisor.

(xiii) For carry-out orders, serve all products in such printed paper containers, boxes, wrappers, trays, soft drink cups, and carry-out bags that conform to the standards and specifications designated by Franchisor in the Brand Standards Manual or otherwise.

(xiv) Make no physical changes from blueprint specifications or approved remodeling plans in connection with the premises constituting the Restaurant on the Franchised Site, or the design thereof, or any of the materials used therein, or their colors, without the express written approval of Franchisor, except that Franchisee will, upon request of Franchisor, make such reasonable alterations to the Restaurant or premises as may be necessary to conform to the then-current marketing and operating standards and specifications of the System. Franchisee will paint the Restaurant (interior or exterior) at such intervals as Franchisor may reasonably determine to be advisable, which determination shall in no event be more than once in any calendar year, using paints which will be in accordance with specifications given by Franchisor.

(xv) Ensure that an individual who has completed the initial management training program described in Section 14.1 below is at the Restaurant at all times during normal business hours as established by Franchisor from time to time.

(xvi) Participate in all national, regional or local advertising and promotional activities Franchisor requires. Franchisee understands that Franchisor implements promotions such as discount coupons, certificates, frequent customer programs (i.e. for customer loyalty programs), special menu promotions, gift programs and other activities intended to enhance customer awareness and build traffic at Uncle Maddio's Restaurants on a national, regional or local level. Franchisor may establish procedures and regulations related to these promotions in the Brand Standards Manual and Franchisee agrees to honor and participate in these programs in accordance with such procedures and regulations specified by Franchisor in the Brand Standards Manual or otherwise in writing. Franchisee understands that its participation in these programs is essential to its success and that its participation may entail some cost to Franchisee. Franchisee agrees that Franchisor has no obligation to reimburse Franchisee for any costs it incurs due to its mandatory participation in these promotional programs.

(xvii) Without limiting any of Franchisee's other obligations under this Agreement, at the request of Franchisor, but not more often than once every 5 years, unless sooner required by Franchisee's lease, Franchisee shall refurbish the premises of the Restaurant at its expense, to conform to the restaurant, trade dress, color schemes and presentation of the Marks in a manner consistent with the then-current image for new Restaurants ("Refurbishments"). Refurbishments may include structural changes, installation of new equipment and signs, remodeling, redecoration and modifications to existing improvements. Refurbishments are intended to be large-scale re-equipping, refurbishing and remodeling of the Restaurant, and nothing contained in this Subsection of this Agreement will limit Franchisee's other obligations under this Agreement or the Brand Standards Manual.

(xviii) Become a member of any purchasing and/or distribution cooperative(s)/association(s)/program(s) designated by Franchisor and/or established by Franchisor for the System, remain a member in good standing thereof throughout the term of this Agreement and pay all membership fees or fees on purchases that are assessed by such purchasing and/or distribution cooperative(s)/association(s)/program(s).

(xix) As required by Franchisor, maintain a contract(s) with, or participate in any Franchisor contract(s), with any third-party(ies) offering customer service, customer loyalty, shopper experience, food safety or other service programs designed to audit, survey, evaluate or inspect business operations. Franchisee understands that Franchisor has the right to specify the third party(ies) and the required level of participation in such programs and Franchisee will bear the cost.

(xx) Conduct Franchisee's business as the sole and independent owner of its business, in full control thereof, and conduct such business solely in accordance with its own judgment and discretion, subject only to the provisions of this Agreement. Franchisee shall conspicuously identify itself as the independent owner of its business and as a franchisee of Franchisor. Franchisor shall not be liable for any damages to any person or property, directly or indirectly, arising out of the operation of Franchisee's business, whether caused by Franchisee's negligent or willful action or failure to act. Neither party shall have liability for any sale, use, excise, income, property, or other tax levied upon the business conducted by the other party or in connection with the services performed or business conducted by it or any expenses incurred by it.

9.2 Requests for Special Events. If Franchisor desires the selling and serving of products at a Special Event in the Designated Area, Franchisor shall send Franchisee a "Request for Notice." If Franchisor sends Franchisee a Request for Notice and Franchisee desires to sell and serve products at such Special Event, Franchisee must send Franchisor a signed "Notice of Intent to Serve" within 5 business days after receipt by Franchisee of such Request for Notice and Franchisee must submit to Franchisor proof of authorization to sell and serve products at such Special Event in accordance with the Brand Standards Manual and any other written specifications or directives issued by Franchisor. If Franchisee does not send Franchisor a signed Notice of Intent to Serve within 5 business days after the date of receipt by Franchisee of the Request for Notice, or if Franchisee does not submit proof of authorization to sell and serve products at such Special Event in accordance with the Brand Standards Manual, Franchisee shall be deemed to have waived Franchisee's right to sell and serve products at such Special Event. If Franchisee waives the right to sell and serve products at any Special Event, Franchisor may sell and serve products, or may grant another franchisee (or licensee) the right to sell and serve products, at such Special Event. The requirement in this Section 9.2 that Franchisor provide a "Request for Notice" only applies if Franchisor desires, either itself or through others, to sell and serve products at a Special Event within the Designated Area; this requirement does not apply to any other rights Franchisor has reserved in Section 3 above. If Franchisee desires to sell and serve products at Special Events located outside the Designated Area, Franchisee must submit a written request to Franchisor in accordance with the Brand Standards Manual for the prior approval of Franchisor. In the event that Franchisor grants permission (which Franchisor has the absolute right to grant or deny) for Franchisee to sell and serve products at a Special Event that is located outside the Designated Area, such permission shall be revoked if and when Franchisor grants to another franchisee or developer rights to a territory in which such Special Event is taking place.

10. TECHNOLOGY SYSTEMS AND WEBSITE

10.1 Point of Sale System**.** Franchisee, at its expense, must purchase and use a computerized cash collection and data processing system (the "POS System") that meets the standards and specifications provided by Franchisor from time to time in the Brand Standards Manual or otherwise. Franchisee must enter all sales and other information Franchisor requires in the POS System. Franchisor may periodically require Franchisee, at its expense, to upgrade or update the POS System to remain in compliance with the standards and specifications required by Franchisor. Franchisee, at its expense, must maintain the POS System in good working order and connected to any telephone system or computer network that Franchisor requires. Franchisor may require Franchisee, at its expense, to configure and connect the POS System to Franchisor's systems to provide Franchisor with continuous real-time access to all information and data stored on the POS System. Franchisor may require Franchisee to pay Franchisor or its designated third parties reasonable fees to support and upgrade the POS System and a reasonable fee to Franchisor or its designated third party for polling or collecting data from the POS System. In addition to the POS System, Franchisee, at its expense, must equip the Restaurant with the computer hardware and software that Franchisor specifies periodically and maintain access to the Internet or other computer network(s) that Franchisor specifies. Franchisor may require Franchisee to maintain support service contracts and/or maintenance service contracts and implement and periodically make upgrades and changes to the POS System, computer hardware and software, and credit card, debit card or other non-cash payment systems. Franchisor shall have the right to designate the vendor(s) for such support service contracts and maintenance service contracts. THE POS SYSTEM AND OTHER COMPUTER SYSTEMS AND THEIR CONTENT ARE PROVIDED "AS-IS'. FRANCHISOR AND ITS AGENTS AND LICENSORS DISCLAIM ANY AND ALL WARRANTIES RELATING TO THE POS SYSTEM AND OTHER COMPUTER SYSTEM, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, REGARDING ANY CONTENT AND YOUR ABILITY OR INABILITY TO USE THE POS SYSTEM OR OTHER COMPUTER SYSTEMS AND THEIR CONTENT. USE OF THE POS SYSTEM AND OTHER COMPUTER SYSTEM IS AT YOUR SOLE RISK. FRANCHISOR WILL NOT BE LIABLE TO FRANCHSIEE OR ANY PERSON CLAIMING THROUGH FRANCHISEE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES UNDER ANY THEORY OR LAW FOR ANY ERRORS IN OR THE USE OF OR INABILITY TO USE THE POS SYSTEM OT OTHER COMPUTER SYSTEM AND THEIR CONTENT INCLUDING DAMAGES FOR LOST PROFITS, BUSINESS, DATA, OR DAMAGE TO ANY POS SYSTEM OR OTHER COMPUTER SYSTEMS.

Franchisee shall, at its expense, lease or purchase the necessary equipment and/or software and shall have arrangements in place with Visa, MasterCard, American Express and such other credit card issuers as Franchisor may designate, from time to time, to enable the Restaurant to accept such methods of payment from customers. Franchisee shall also accept debit cards, stored value gift card or other non-cash payment systems specified by Franchisor to enable customers to purchase authorized products and services. Franchisee shall obtain all necessary hardware and/or software used in connection with these non-cash payment systems. At all times, Franchisee shall maintain credit card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial center services, and electronic funds transfer systems (together, "Credit Card Vendors") that Franchisor designates as mandatory. The term Credit Card Vendors includes among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet"). Franchisee may not use any Credit Card Vendors that Franchisor has not approved in writing or for which Franchisor has revoked approval. Franchisor has the right to modify the requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke approval of any such service provider. Franchisee agrees to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council (see www.pcisecuritystandards.org), or any successor organization or standards that Franchisor may reasonably specify. Among other things, Franchisee agrees to implement the enhancements, security requirements, and other standards that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards. Franchisee must demonstrate compliance upon reasonable request, which may include having an independent third-party Qualified Security Assessor (QSA) conduct a PCI/DSS audit. In the event Franchisee is unable to demonstrate full compliance, Franchisor may require that Franchisee engages the services of an approved supplier to assist Franchisee on an ongoing basis. Having a secure managed firewall that meets Franchisor's system standards is one part of the current requirement. Franchisee will be required to enter into a contractual relationship directly with an approved managed firewall supplier, if Franchisor so determines.

10.2 Website. Franchisor may establish a website related to the System at a domain name designated by Franchisor (the "Website"). Franchisor shall have the right to designate a successor Website at any time which (i) will replace any prior version of the Website and (ii) may have a new domain name designated by Franchisor. Subject to the terms of this Agreement, during the term hereof, Franchisor will endeavor to make available to Franchisee a sub-page on the Website that will be located at a sub-domain of the Website to be specified by Franchisor (the "Subpage"). Franchisee will be permitted to upload content onto the Subpage solely to promote, and provide customers information related to, the Restaurant operated by Franchisee. Franchisee shall only upload content onto the Subpage in accordance with terms of this Agreement as well as any guidelines, directives or specifications (collectively, "Subpage Standards") in the Brand Standards Manual. Franchisee understands and agrees that the Subpage may not contain content which references any other Restaurant other than the Restaurant operated by Franchisee. Franchisee will not upload, publish, display, or otherwise include or use any content on the Subpage without receiving the prior written approval of Franchisor. Accordingly, once the initial content of the Subpage is approved by Franchisor, Franchisee must submit any changes to such content to Franchisor for its prior written approval.

Franchisor's review and approval of the Subpage content shall not be construed as Franchisor's approval, recommendation or endorsement of Franchisee or a representation or warranty by Franchisor that such content is accurate, complete, truthful, or correct. Franchisee acknowledges and understands that the registration for the Website domain name is and shall be maintained exclusively in the name of Franchisor or its designee. Franchisee acknowledges Franchisor's or its designee's exclusive right, title and interest in and to the domain name for the Website and further acknowledges that nothing herein shall give it any right, title, or interest in such domain name. Franchisee will not, at any time, challenge Franchisor's or its designee's ownership of the Website domain name, challenge the validity of the Website domain name, or impair any right, title, or interest of Franchisor or its designee in the Website domain name. Franchisee will assist Franchisor in preserving and protecting Franchisor's or its designee's rights in and to the Website domain name.

Franchisee further acknowledges and agrees that Franchisor may, at any time in its sole discretion, cease to make the Subpage available to Franchisee or the public. Franchisee agrees that Franchisor shall have no liability for failing to make the Subpage available to Franchisee or the public.

ADDITIONALLY, TO THE MAXIMUM EXTENT PERMITTED BY LAW, FRANCHISOR HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES (WHETHER EXPRESS, IMPLIED, OR STATUTORY) RELATED TO THE AVAILABILITY AND PERFORMANCE OF THE WEBSITE AND THE SUBPAGE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF NONINFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, FRANCHISOR SHALL NOT BE LIABLE FORANY DIRECT OR INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OR DAMAGES FOR LOST PROFIT OR LOSS OF BUSINESS) RELATED TO THE USE, OPERATION, AVAILABILITY OR FAILURE OF

THE WEBSITE OR SUBPAGE. Upon the termination or expiration of this Agreement for any reason or Franchisee's default under this Agreement for any reason, all right of Franchisee to upload content onto, or otherwise use, the Subpage shall immediately cease, and Franchisor may cease to make the Subpage available to Franchisee.

11. ADVERTISING

11.1 Grand Opening. Franchisee, at its sole expense, must develop and implement a grand opening promotion approved by Franchisor to introduce or (if Franchisee is purchasing an existing Restaurant) to re-introduce the Restaurant to the public during the period that is 30 days prior and 90 days after the opening of the Restaurant or 90 days after the transfer of the Restaurant (if Franchisee is purchasing an existing Restaurant). Franchisee is required to spend a minimum of $15,000 for the grand opening promotion. To the extent Franchisor has developed or approved marketing or advertising programs and materials for the Restaurant's grand opening, Franchisee must use such programs and materials.

11.2 Brand Development Fund. In addition to all other amounts required to be paid hereunder, during the term hereof, Franchisee must pay to Franchisor, or such other entity designated by Franchisor, the greater of: (i) 2% of Net Sales; or (ii) the Minimum Brand Development Fee of $300 per week to the Brand Development Fund (the "Brand Development Fee"), which amount shall be used by the Brand Development Fund (as such term is hereinafter defined). Payment of the Brand Development Fee shall be made in the same manner as Royalty Fees. Franchisor may begin to collect the Minimum Brand Development Fee nine (9) months after the Franchisor's execution of this Agreement, regardless of whether the Franchisee has opened the Restaurant for business.

The Brand Development Fee will be expended for the benefit of Franchisor, Franchisee, and all other franchisees or users of the System for the general marketing and promotion of the System, including without limitation, development and maintenance of the website, social media accounts, and production or purchase of such radio, television, print and/or other advertising materials or services as Franchisor deems necessary or appropriate, in its sole discretion, on a national, regional or local basis (the "Brand Development Fund"). The expenditure of funds is to be under the control of, and in the discretion of, Franchisor at all times, or such other entities designated by Franchisor. Franchisee understands and acknowledges that the Brand Development Fund is intended to maximize and support general public recognition, brand identity, sales, and patronage of Uncle Maddio's Restaurants for the benefit of all Uncle Maddio's Restaurants and that Franchisor undertakes no obligation to ensure that the Brand Development Fund benefits any or each Uncle Maddio's Restaurant in proportion to its respective contributions. Franchisee agrees that all funds contributed to the Brand Development Fund may be used to meet any and all costs (including, without limitation, reasonable salaries and overhead incurred by Franchisor) of maintaining, administering, directing, and preparing national, regional or local advertising materials, programs and public relations activities including, without limitation, the costs of preparing and conducting television, radio, magazine, billboard, newspaper, direct response literature, direct mailings, brochures, collateral advertising material, implementing websites for Franchisor and/or its franchises, surveys of advertising effectiveness and other media programs and activities (including Social Media (defined below)), employing advertising agencies to assist therewith and providing promotional brochures, decals and other marketing materials.

The Brand Development Fund shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration or direction of the Brand Development Fund and its marketing programs (including, without limitation, conducting market research, preparing advertising and promotional materials, collecting and accounting for contributions to the Brand Development Fund, paying for the preparation and distribution of financial statements, legal and accounting fees and expenses, taxes, and other reasonable direct and indirect expenses incurred by Franchisor or its authorized representatives in connection with programs funded by the Brand Development Fund). The Brand Development Fund will not be Franchisor's asset. A financial statement of the operations of the Brand Development Fund shall be prepared annually and shall be made available to Franchisee upon request. Franchisor may spend in any fiscal year more or less than the aggregate contribution of all Uncle Maddio's Restaurants to the Brand Development Fund in that year, and the Brand Development Fund may borrow from Franchisor or others to cover deficits or invest any surplus for future use. Any lender loaning money to the Brand Development Fund shall receive interest at a reasonable rate. All interest earned on monies contributed to the Brand Development Fund will be used to pay marketing costs before other assets of the Brand Development Fund are expended. Franchisor may cause the Brand Development Fund to be incorporated or operated through a separate entity at such time as Franchisor may deem appropriate, and such successor entity, if established, will have all rights and duties specified in this Section. Franchisor will not be liable for any act or omission with respect to the Brand Development Fund that is consistent with this Agreement and done in good faith. Except as expressly provided in this Section 11.2, Franchisor assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Brand Development Fund. Franchisee acknowledges and agrees that Franchisor is not operating or acting as a trustee or fiduciary with respect to the Advertising Fees collected. Franchisee agrees to participate in any promotion, marketing or advertising campaigns created by the Brand Development Fund. Franchisor may reduce contributions of franchises to the Brand Development Fund and upon notice to Franchisee, reduce the Brand Development Fund's operation or terminate the Brand Development Fund and distribute unspent monies to those contributing franchisees in proportion to their contributions in the past.

THE BRAND DEVELOPMENT FUND IS ESTABLISHED AS A SEPARATE BANKING ACCOUNT AND MONIES RECEIVED FOR THE BRAND DEVELOPMENT FUND ARE ACCOUNTED FOR SEPARATELY FROM FRANCHISOR'S OTHER FUNDS. THERE IS NO FIDUCIARY OR TRUST RELATIONSHIP CREATED BY FRANCHISOR'S ADMINISTERING OF THE BRAND DEVELOPMENT FUND. FRANCHISOR MAY CAUSE THE BRAND DEVELOPMENT FUND TO BE INCORPORATED OR OPERATED THROUGH A SEPARATE ENTITY IF FRANCHISOR DEEMS APPROPRIATE. FRANCHISOR ANTICIPATES ALL OF ITS FRANCHISEES WILL CONTRIBUTE TO THE BRAND DEVELOPMENT FUND, ALTHOUGH THERE IS NO PROHIBITION AGAINST FRANCHISOR CHARGING HIGHER OR LOWER RATES FOR FUTURE FRANCHISEES. FRANCHISOR ALSO MAY FORGIVE, WAIVE, SETTLE OR COMPROMISE CLAIMS BY OR AGAINST THE BRAND DEVELOPMENT FUND. FRANCHISOR MAY DEFER OR REDUCE A FRANCHISEE'S CONTRIBUTION BASED ON THE PECULIARITIES OF A

PARTICULAR TERRITORY OR CIRCUMSTANCE, EXISTING BUSINESS PRACTICES OR OTHER FACTORS THAT FRANCHISOR DEEMS TO BE IMPORTANT TO THE OPERATION OF ANY UNCLE MADDIO'S RESTAURANT OR THE SYSTEM. IF FRANCHISOR TERMINATES THE BRAND DEVELOPMENT FUND, FRANCHISOR WILL DISTRIBUTE ALL UNUSED MONIES TO THE CONTRIBUTORS IN PROPORTION TO ITS RESPECTIVE CONTRIBUTIONS DURING A PRE-DETERMINED PERIOD.

11.3 Local Market Advertising. Franchisee agrees that, in addition to the payment of the Brand Development Fee and any amounts required under Section 11.1 hereof, it will spend a reasonable amount each month for local market advertising but in no event will the aggregate amount spent in the months of each calendar quarter be less than 2% of the total Net Sales for such calendar quarter. The amount of local market advertising funds expended by Franchisee for individual local market advertising shall be determined by Franchisee, subject to the foregoing minimum requirement. Local market advertising expenditures shall not include incentive programs, including, without limitation, costs of honoring coupons, food costs incurred in honoring sales promotions, salaries, contributions, donations, press parties, in-store fixtures or equipment, menus, serving guides and nutritional facts, and exterior or interior signage. If Franchisee fails to make advertising expenditures in accordance with this Section, Franchisor shall have the right to spend an amount not to exceed 2% of the Net Sales of the Restaurant on local market advertising on behalf of Franchisee, and Franchisee must reimburse Franchisor for such expenses. Failure to comply with this Section shall be deemed a material breach of this Agreement.

11.4 Advertising Cooperatives. In connection with the Restaurant and any and all other Uncle Maddio's Restaurants owned or operated by Franchisee, Franchisee shall participate, if required by Franchisor, in any local, regional, or national cooperative advertising group, consisting of other franchisees of Uncle Maddio's Restaurants, when and if any such groups are created (each, an "Advertising Cooperative"). The particular Advertising Cooperative(s) in which Franchisee may be required to participate shall be designated by Franchisor in its sole discretion (which designations may be based upon, without limitation, the particular Designated Market Area or the Area of Dominant Influence, as those terms are used in the advertising industry, where the Uncle Maddio's Restaurants operated by Franchisee are located). Franchisee's payments to any Advertising Cooperative shall be determined by Franchisee and those other franchisees of the System and/or Franchisor, as the case may be, who are participants in such Advertising Cooperative, as set forth in the by-laws of that Advertising Cooperative or membership, dues, participation, or other payment agreements of such Advertising Cooperative. Franchisee, however, may not be required to spend more than 2% of Net Sales per annum in connection with any Advertising Cooperative. Amounts paid to an Advertising Cooperative shall be credited against payments Franchisee is otherwise required to make for local market advertising as required by Section 11.3 above. Any payments to an Advertising Cooperative shall be in addition to the amounts required to be paid or spent under Sections 11.1 and 11.2 hereof. Franchisee shall enter into such formal agreements with such other franchisees of the System and/or Franchisor, as the case may be, as shall be necessary or appropriate to accomplish the foregoing and Franchisee shall abide by such formal agreements and decisions that the Advertising Cooperative is authorized by Franchisor to make related to advertising and marketing in the area covered by the Advertising Cooperative. If Franchisee becomes delinquent in its dues or other payments to the Advertising Cooperative or fails to abide by any formal agreements or authorized decisions of the

Advertising Cooperative, such delinquency or failure shall be deemed a failure to participate in the Advertising Cooperative and a material breach of this Agreement. Franchisor may upon 30 days' written notice to Franchisee suspend or terminate an Advertising Cooperative's program or operations. As a member, officer or director of an Advertising Cooperative, at the request of Franchisor, Franchisee shall provide to Franchisor all information requested by Franchisor related to such Advertising Cooperative and Franchisee shall have the obligation to provide such information within 10 days after Franchisor's request to Franchisee.

11.5 Social Media. Franchisee must comply with the standards developed by Franchisor for the System, in the manner directed by Franchisor in the Brand Standards Manual or otherwise, with regard to Franchisor's authorization to use, and use of, blogs, common social networks (including "Facebook") professional networks (including "LinkedIn"), live blogging tools (including "Twitter"), virtual worlds, file, audio and video sharing sites, and other similar social networking media or tools ("Social Media") that in any way references the Marks or involves the System or Restaurant.

11.6 Approval of Advertising. Any and all advertising and marketing materials (whether developed in connection with an Advertising Cooperative or otherwise) not prepared or previously approved by Franchisor shall be submitted to Franchisor at least two weeks prior to any publication or run date for approval. Franchisor may grant or withhold its approval, in its sole discretion. Franchisor will provide Franchisee with written notification of its approval or disapproval within a reasonable time. In the event Franchisor does not notify Franchisee of its approval or disapproval within 10 days of Franchisor's receipt of the materials, the materials shall be deemed approved. Franchisee must discontinue the use of any unapproved advertising within 5 days of Franchisee's receipt of Franchisor's request to do so. No advertising or promotion by Franchisee shall be conducted on or through the Internet/world wide web or other electronic transmission via computer without express prior written approval by Franchisor. Without limiting the generality of the foregoing, Franchisee, without the express prior written approval of Franchisor, shall not operate, or permit to be operated on its behalf, any internet or world wide web site or page or social media account, which incorporates any of the Marks or otherwise promotes the Restaurant. All advertising and promotion by Franchisee must be factually accurate and shall not detrimentally affect the Marks or the System, as determined in Franchisor's sole discretion.

12. COUNSELING AND ADVISORY SERVICES AND ONSITE ASSISTANCE

During the term of this Agreement, Franchisor may, in its sole discretion, upon the request of Franchisee, furnish counseling and advisory services to Franchisee with respect to the opening and operation of the Restaurant, including consultation and advice regarding the following: (i) equipment selection and layout; (ii) employee selection and training; (iii) advertising and promotion; (iv) recipes, food, formulas and specifications; (v) bookkeeping and accounting; (vi) purchasing and inventory control; (vii) operational problems and procedures; (viii) periodic inspections; and (ix) new developments and improvements to the System. These counseling and advisory services shall occur at Franchisor's offices or via telephone or e-mail. In Franchisor's sole discretion, Franchisor shall provide such assistance at no expense to Franchisee. In the event that Franchisor charges for any assistance that Franchisee requests, Franchisee shall pay for the cost of such assistance that Franchisee requests. In no event shall Franchisor be liable to Franchisee in connection with providing or failing to provide such services.

13. **OPENING ASSISTANCE**

Prior to opening the Restaurant, Franchisee shall give Franchisor at least 30 days prior written notice of any proposed opening date for the Restaurant and comply with (i) all of Franchisor's pre-opening, development, construction and training requirements and checklists, and (ii) all other opening requirements set forth in this Agreement, the Brand Standards Manual and/or elsewhere in writing by Franchisor ("Opening Requirements"). Upon satisfactory completion of the Opening Requirements, Franchisor shall provide Franchisee with an opening person(s) to assist in the opening of the Restaurant and the training of Franchisee's employees. The opening person(s) will remain at the Restaurant for approximately seven days or such length of time as Franchisor shall deem necessary. Franchisor shall provide such opening person(s) at no charge to Franchisee; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee for extraordinary travel and living expenses incurred by such opening person(s) in connection with providing such opening assistance. In the event Franchisee needs and requests additional opening assistance from Franchisor's personnel, and Franchisor approves such request, Franchisee will pay all costs and expenses of such personnel, for as long as any such additional personnel assist at the Restaurant. The costs and expenses associated with this assistance include, but are not limited to, wages, salary, transportation, meals, and lodging. All personnel provided under this Section shall be selected by Franchisor and is subject to change or removal by Franchisor in its sole discretion. Franchisee must obtain written approval by Franchisor prior to opening the Restaurant. Franchisor shall have no obligation to approve the opening of the Restaurant if (a) Franchisee has not satisfied, as determined by Franchisor, all the Opening Requirements and other requirements under this Agreement, or (b) Franchisee or any of its affiliates are in default under any agreement with Franchisor.

14. **TRAINING**

14.1 Initial Training. The Restaurant must have two persons that (i) are designated by Franchisee to assume primary responsibility for managing the Restaurant and (ii) will devote full time and best efforts to the management and operation of the Restaurant (the "Managers"). Each Manager must satisfy the minimum qualifications and experience requirements for managers of Uncle Maddio's Restaurants. Franchisee will inform Franchisor in writing as to the identity of the Managers, including all additions to and successors. As and when required by Franchisor, the Managers must attend and successfully complete to the satisfaction of Franchisor an initial management training program specified by Franchisor or a comparable training program approved in advance by Franchisor in its sole discretion. Each Manager required to complete the initial management training program must successfully complete it before the Restaurant may open for business. If Franchisee (or one of Franchisee's owners if Franchisee is an entity) will not act as Manager, Franchisee (or one of Franchisee's owners if Franchisee is an entity) must attend the initial management training program for a minimum of two weeks. No fee will be charged by Franchisor for the participation of the two Managers and Franchisee (or one of Franchisee's owners if Franchisee is an entity) in the initial management training program, however, Franchisee shall be responsible for the costs and expenses (such as transportation, lodging, meals and compensation) of each person who attends the training. During operations hours, a Manager who has successfully completed the initial management training program must at all times be at the Restaurant. In the event that a Manager ceases active employment at the Restaurant, Franchisee must notify Franchisor within 5 days of cessation of the Manager's employment at the Restaurant and enroll a qualified replacement in the initial management training program within 30 days of cessation of such Manager's employment. Franchisor, in its sole discretion, reserves the right to waive all or a portion of the training program required under this Section.

14.2 Training of Employees. Franchisee shall implement a training program approved by Franchisor for employees of the Restaurant and shall be responsible for the proper training of its employees. Franchisee agrees not to employ any person who fails or refuses to complete Franchisee's training program or is unqualified to perform his or her duties at the Restaurant in accordance with the requirements established for the operation of an Uncle Maddio's Restaurant. Franchisee acknowledges that it will be solely responsible for training Franchisee's employees in the operation of the Restaurant.

14.3 Additional Training. Franchisee and its Managers and employees shall attend and conduct such additional training programs as Franchisor may from time to time reasonably require relating to the operation of the Restaurant and the System. Franchisee also may be required to purchase training films or other instructional materials as specified by Franchisor from time to time in the Brand Standards Manual or otherwise. For purposes of training, Franchisor may request that Franchisee provide real time camera access or tapes to assist with training and operational support.

14.4 Conferences. Franchisor may require Franchisee and/or one or more of the operating managers of the Restaurant to attend conferences which may be offered by Franchisor from time to time. Franchisee will be responsible for the travel and living expenses of such persons, and Franchisor may charge a reasonable fee sufficient to cover the costs and expenses of such conferences.

14.5 Requirements to Attend Training. All individuals participating in training programs offered by Franchisor must (i) behave in a professional, non-disruptive, non-harassing, and non-discriminatory manner during training, (ii) not be under the influence of any stimulant during training, and (iii) satisfy any other training pre-requisites set forth in the Brand Standards Manual or otherwise. Franchisor has a right to terminate training for any individual that, in Franchisor's judgment, does not satisfy the requirements in this Section and Franchisee must immediately designate a replacement.

15. MARKS

15.1 Ownership of the Marks. Franchisee acknowledges and agrees that nothing herein contained shall give Franchisee any right, title or interest in and to the Marks, except the non-exclusive right to use the Marks in connection with the operation of the Restaurant under the System in accordance with the terms of this Agreement. Franchisee also acknowledges and agrees that the Marks and all goodwill now or in the future pertaining to the Marks are the sole and exclusive property of Franchisor and that it shall not raise or cause to be raised any questions concerning, or objections to, the validity or ownership of such Marks on any grounds whatsoever. Franchisee will not seek to register, reregister, or assert claim to or ownership of, or otherwise appropriate to itself, any of the Marks or any marks or names confusingly similar to the Marks, or the goodwill symbolized by the Marks except insofar as such action inures to the benefit of and has the prior written approval of Franchisor. Upon the expiration, termination or cancellation of this Agreement, whether by lapse of time, default or otherwise, Franchisee agrees immediately to discontinue all use of the Marks and to remove all copies, replicas, reproductions, or simulations thereof from the Restaurant and to take all necessary steps to assign, transfer, or surrender to Franchisor or otherwise place in Franchisor or its designee title to all such names or marks (other than the Marks) which Franchisee may have used during the term of this Agreement or any renewal or extension thereof in connection with the operation of the Restaurant. Franchisee hereby acknowledges that Franchisor owns and controls the System and all of its components.

15.2 Use of the Marks. In order to protect the Marks, the System, and the goodwill associated therewith, Franchisee shall, unless Franchisor otherwise consents in writing:

(i) Only use the Marks designated by Franchisor, and only in the manner authorized and permitted by Franchisor. Franchisee’s right to use the Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor’s rights.

(ii) Only use the Marks (i) for the operation of the Restaurant and only at the Franchised Site, (ii) in advertising for the business conducted at or from the Franchised Site, or (iii) in connection with Special Events permitted under this Agreement. Franchisee may not use any of the Marks in any part of any domain name or electronic address or any similar proprietary or common carrier electronic delivery system. Franchisee will not seek to register, or assert any claim of ownership or usage rights to, any domain name or electronic address incorporating any of the Marks or any names confusingly similar to the Marks. Franchisee agrees, at the request of Franchisor, to take all necessary steps to assign to Franchisor all rights in or to such domain names and electronic addresses (and any registrations for the foregoing) that Franchisee may acquire**.**

(iii) Operate and advertise the Restaurant only under the name “UNCLE MADDIO’S PIZZA” or such other Marks as Franchisor may designate from time to time, without prefix or suffix, except to describe the location of the Restaurant.

(iv) If Franchisee is a corporation, limited liability company, partnership, or other type of entity, not use any of the Marks, including, without limitation, the name “MADDIO’S”, “MADDIO’S PIZZA”, or “UNCLE MADDIO’S PIZZA” in its corporate or other legal name without the prior express written consent of Franchisor.

(v) Not permit the use of any trade names, trademarks, or service marks at the Restaurant or the Franchised Site other than the Marks.

(vi) If state or local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise file a report or other certificate indicating that "UNCLE MADDIO'S PIZZA" or any similar name is being used as a fictitious or assumed name, include in such filing or application therefore an indication that the filing is made as a franchisee of S & S MADDIO'S LLC, a Virginia limited liability company.

(vii) Have the symbol TM, SM or ® enclosed in a circle or such other symbols or words as Franchisor may designate to protect the Marks on all surfaces where the Marks appear.

15.3 Infringement. Franchisee shall promptly inform Franchisor in writing of any infringement or imitations of any Marks, the System, or any act of unfair competition against Franchisor or Franchisee as to which Franchisee has knowledge. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy with respect to any such infringement or unfair competition without first obtaining Franchisor's written consent. Franchisor shall have the exclusive right to institute, negotiate, compromise, settle, dismiss, appeal, or otherwise handle any such action and take such steps as it may deem advisable to prevent any such action and to join Franchisee and any other franchisees as a party to any such action to which Franchisor may be a party and to which Franchisee is or would be a necessary or proper party, but nothing herein shall be construed to obligate Franchisor to seek recovery of costs or damages of any kind in any such litigation, the assertion or waiver of such claims being within the sole discretion of Franchisor. The costs of any such action shall be paid by Franchisor and any recovery obtained from such infringers shall be paid to Franchisor.

15.4 Substitute Marks. If Franchisor decides to change, add or discontinue use of any Mark, or to introduce additional or substitute Marks, Franchisee, upon a reasonable period of time after receipt of written notice, shall take such action, at its sole expense, as is necessary to comply with such changes, alteration, discontinuation, addition, or substitution. Franchisor shall have no liability for any loss of revenue or goodwill due to any new Mark or discontinued Mark.

16. RELATIONSHIP OF THE PARTIES

This agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, fiduciary, legal representative, join venture, partner, employee, servant, joint employer, or other special relationship between the parties for any purpose whatsoever. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. Neither this Agreement nor our course of conduct is intended, nor may anything in this Agreement (nor our course of conduct) be construed, to state or imply that Franchisor is Franchisee's employer or the employer of Franchisee's employees and or independent contractors, nor vice versa. During the term of this Agreement, and any extension or renewal hereof, Franchisee shall hold itself out to the public only as a franchisee and an owner for the Restaurant operating the Restaurant pursuant to a franchise from Franchisor. Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Franchised site and on all forms, stationary or other written materials, the content of which Franchisor has the right to specify. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Restaurant. Any third-party contractors and vendors retained by Franchisee to convert or construct the premises are independent contractors of Franchisee alone. None of Franchisee's employees will be considered Franchisor's employees. Neither Franchisee nor any of its employees whose compensation Franchisee pays may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor's employee for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state, or federal government agency. Franchisor shall not have the power to hire or fire Franchisee' employees. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify certain of Franchisee's employees for qualification to perform certain functions for the Restaurant does not directly or indirectly vest in Franchisor the power to hire, fire, or control such employee. Franchisee acknowledges and agrees, and will never contend otherwise, that Franchisee along will exercise day -to-day control over all operations, activities and elements of the Restaurant and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System with Franchisee is required to comply with under this Agreement, whether set forth in the Brand Standards Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Restaurant, which franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising its control of the day-to-day operations of the Restaurant. Except as expressly provided in this Agreement, Franchisor may not control or have access to Franchisee's funds or the expenditure of Franchisee's funds or in any other way exercise dominion or control over the Restaurant. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or in behalf of the other party, or represent that the relationship between Franchisor and Franchisee is other than that of franchisor and franchisee. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Franchisee which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Franchisee's operation of the Restaurant. Franchisee shall have no right or power to, and shall not, bind or Franchisor or its affiliates in any way or manner, nor represent that Franchisee has any right to do so. Franchisee is an independent contractor, and Franchisee is solely responsible for all aspects of the development and operation of the restaurant, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Franchisee acknowledges that Franchisor has no responsibility to ensure that the Restaurant is developed and operated in compliance with all applicable laws, ordinances, and regulations and that Franchisor shall have liability in the event the development or operation of the Restaurant violates any law, ordinance, or regulation. Franchisee's business is, and shall be kept, totally separate and apart from any that may be operated by Franchisor. In all public records, in relationships with others, and on letterhead and business forms, electronic communications, bulletins and posters to Franchisee's employees, paychecks, checks, and other communications to customers, Franchisee shall indicate that Franchisee is solely a franchisee of Franchisor.

17. MAINTENANCE OF CREDIT STANDING

The failure or repeated delay in making prompt payments in accordance with the terms of invoices and statements rendered to Franchisee for purchases of supplies, equipment, and other items, whether purchased from Franchisor or others, or defaults in making payments due hereunder or under any other agreement entered into in connection with the operation of the Restaurant, will result in a loss of credit rating and standing which will be detrimental to Franchisor and other franchisees under the System. Franchisee agrees to pay when due all amounts which it owes to anyone for supplies, equipment, and other items used in connection with the Restaurant and all payments owed hereunder or under any other agreement entered into in connection with the operation of the Restaurant. Franchisee must notify Franchisor immediately when and if Franchisee becomes more than 90 days delinquent in the payment of any of the obligations mentioned above.

18. INDEMNIFICATION, INSURANCE AND TAXES

18.1 Indemnification. Franchisee agrees to indemnify, defend and hold harmless Franchisor and its affiliates, 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 described in this Section, any taxes described in Section 18.3 below, and any claims and liabilities directly or indirectly arising out of the Restaurant's operation or Franchisee's breach of this Agreement, except to the extent they arise as a result of Franchisor's own gross negligence or willful misconduct. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential or otherwise), and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigations and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution, and travel and living expenses. Franchisor has the exclusive right to defend any such claim. This indemnity will continue in effect after the expiration or termination of this Agreement. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate its or their losses and expenses, in order to maintain and recover fully a claim against Franchisee.

18.2 Insurance. Franchisee agrees to secure and maintain during the term of this Agreement, at its own cost, the following insurance policies by carriers approved by Franchisor:

> (i) Such insurance as may be required by the terms of any lease for the Franchised Site or, if there is no such lease, Franchisee agrees to carry fire and extended coverage insurance covering the building and all equipment, supplies, products, inventory, furniture, fixtures, and other tangible property located in the Restaurant or on the Franchised Site in the amount of the full replacement value of such property.
>
> (ii) Commercial General Liability Insurance, including coverages for products-completed operations, contractual liability, personal and advertising injury, fire damage, medical expenses, and liquor liability, having a combined single limit for bodily

injury and property damage of $1,000,000 per occurrence and $2,000,000 in the aggregate (except for fire damage and medical expense coverages, which may have different limits of not less than $300,000 for one fire and $5,000 for one person, respectively); plus (ii) non-owned automobile liability insurance and, if Franchisee owns, rents or identifies any vehicles with any Mark or vehicles are used in connection with the operation of the Restaurant, automobile liability coverage for owned, non-owned, scheduled, and hired vehicles having a combined single limit of $1,000,000 per occurrence; plus (iii) excess liability umbrella coverage for the general liability and automobile liability coverages in an amount of not less than $2,000,000 per occurrence and aggregate. All such coverages shall be on an occurrence basis and shall provide for waivers of subrogation.

(iii) Workers' compensation insurance, or a similar policy if the Restaurant is located in a non-subscriber state, covering all of its employees as is required by law.

(iv) Adequate limits for comprehensive crime and blanket employee dishonesty insurance.

(v) Business interruption and extra expense insurance for a minimum of 6 months to cover net profits and continuing expenses (including Royalty Fees).

(vi) Adequate limits for cyber security and personal property insurance.

(vii) Employment practices liability coverage of at least $500,000, including coverage for, without limitation, sexual harassment, discrimination, wrongful discharge or termination, breach of employment contract, negligent evaluation, failure to employ or promote, wrongful discipline, deprivation of career opportunity, and wrongful infliction of emotional distress; and

(viii) Such other insurance coverages Franchisor may require from time to time.

Franchisee agrees that Franchisor shall be named as an additional insured under each of the foregoing insurance policies. Prior to the opening of the Restaurant and, thereafter, at least 30 days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder, and all such certificates shall expressly contain endorsements requiring the insurance company to give Franchisor at least 30 days written notice in the event of material alteration to termination, non-renewal, or cancellation of, the coverages evidenced by such certificates and notice of any claim filed under such policy within 30 days after the filing of such claim. Franchisor may, from time to time, during the term of this Agreement, at its sole option, require that the minimum limits and types of insurance coverage, as specified above, be increased or changed as determined solely by Franchisor. If Franchisee at any time fails or refuses to maintain any insurance coverage required by Franchisor or to furnish satisfactory evidence thereof, Franchisor, at its option and in addition to its other rights and remedies hereunder, may, but need not, obtain such insurance coverage on behalf of Franchisee, and Franchisee shall pay to Franchisor on demand any premiums incurred by Franchisor in connection therewith. Franchisee's obligation to obtain and maintain, or cause to be obtained and maintained, the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 18.1 hereof. Notwithstanding the existence of such insurance, Franchisee, as agreed above, is and shall be responsible for all loss or damage and contractual liability to third persons originating from or in connection with the operation of the franchised business and for all claims or demands for damages to property or for injury, illness or death of persons directly or indirectly resulting there from.

18.3 Taxes. Franchisee shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement including, but not limited to, if applicable, state and federal employment tax, state sales tax (including any sales or use tax on equipment purchased or leased) and all other taxes and expenses of operating the Restaurant. In no event shall Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant to occur against the Restaurant, the Franchised Site or any tangible personal property used in connection with the operation of the Restaurant.

19. ASSIGNMENT

19.1 Assignment by Franchisor. This Agreement may be unilaterally assigned by Franchisor and shall inure to the benefit of its successors and assigns. Franchisee agrees and affirms that Franchisor may sell itself, its assets, the Marks and/or the System to a third-party; may go public, may engage in private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring. Franchisee further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as Uncle Maddio's Restaurants operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Franchisee acknowledges may be proximate to any of its Restaurants. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Marks (or any variation thereof) and the System and/or the loss of association with or identification of S & S MADDIO'S LLC. under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the Uncle Maddio's Restaurant business or to offer or sell any products or services to Franchisee.

19.2 Assignment by Franchisee. Franchisee shall not subfranchise, sell, assign, transfer, merge, convey, or encumber (each, a "Transfer"), the Restaurant, the Franchised Site, this Agreement or any of its rights or obligations hereunder, or suffer or permit any such Transfer of the Restaurant, the Franchised Site, this Agreement, or its rights or obligations hereunder to occur by operation of law or otherwise without the prior express written consent of Franchisor. In addition, if Franchisee is a corporation, limited liability company, partnership, business trust, or similar association or entity, the shareholders, members, partners, beneficiaries, investors or other equity holders, as the case may be, may not Transfer their equity interests in such corporation, limited liability company, partnership, business trust, or similar association or entity, without the prior written consent of Franchisor. Furthermore, in the event that any shareholder, member, partner, investor or other equity holder of Franchisee (the "Equity Holder") is a corporation, limited liability company, partnership, business trust, or similar association or entity, the interests of the shareholders, members, partners, beneficiaries, investors, or other equity holders, as the case may be, in such Equity Holder, may not be Transferred, without the prior written consent of Franchisor. Franchisor will not unreasonably withhold consent to a Transfer provided the requirements of Section 19.4 have been satisfied. Any Transfer in violation of this Section shall be void and of no force and effect. In the event Franchisee or an Equity Holder is a corporation, limited liability company, partnership, business trust, or similar association, or entity with certificated equity interests, all stock or equity certificates of Franchisee or Equity Holder, as the case may be, shall have conspicuously endorsed upon them a legend in substantially the following form:

> "A transfer of this stock is subject to the terms and conditions of an S & S MADDIO'S LLC FRANCHISE AGREEMENT dated the____ day of_________________, ______."

19.3 Death or Disability of Franchisee. Upon Franchisee's death or Disability (as such term is hereinafter defined), this Agreement or the ownership interest of any deceased or disabled shareholder, partner, member, or other equity holder of Franchisee, or an Equity Holder must be Transferred to a party approved by Franchisor. Any Transfer, including, without limitation, transfers by devise or inheritance or trust provisions, shall be subject to the same conditions for Transfers set forth in Section 19.4. Franchisor shall not unreasonably withhold its consent to the Transfer of this Agreement or any ownership interest to the deceased or disabled Franchisee's or Equity Holder's spouse, heirs, or members of his or her immediate family, provided all requirements of Section 19.4 have been complied with (except payment of the transfer fee, which shall not apply to such Transfers). A "Disability" shall have occurred with respect to Franchisee if Franchisee, or, if Franchisee is a corporation, partnership, or limited liability company, its controlling shareholder, partner, member, or other equity holder, is unable to actively participate in its activities as Franchisee hereunder for any reason for a continuous period of 6 months. As used in this Section 19.3, "Franchisee" may include a disabled or deceased controlling shareholder, partner, or member where the context so requires.

19.4 Approval of Assignment. Franchisor's approval of any Transfer is, in all cases, contingent upon the following:

(i) the purchaser and/or the controlling persons of the purchaser having a satisfactory credit rating, being of good moral character, having business qualifications satisfactory to Franchisor, being willing to comply with Franchisor's training requirements, and being willing to enter into an agreement in writing to assume and perform all of Franchisee's duties and obligations hereunder and/or enter into a new Franchise Agreement, if so requested by Franchisor, and agreeing to enter into any and all agreements with Franchisor that are being required of all new franchisees, including a guarantee agreement or provision, or any other agreement which may require payment of different or increased fees from those paid under this Agreement; provided, however, the amount of the Royalty Fees paid hereunder shall not be increased upon an assignment;

(ii) the terms and conditions of the proposed transfer (including, without limitation, the purchase price) being satisfactory to Franchisor;

(iii) all monetary obligations (whether hereunder or not) of Franchisee to Franchisor or Franchisor's affiliates or subsidiaries being paid in full;

(iv) Franchisee not being in default hereunder or any other agreement between Franchisee and Franchisor, including the Development Agreement;

(v) Franchisee and its owners executing a general release of any and all claims against Franchisor and its affiliates, subsidiaries, members, managers, officers, directors, employees, and agents, in a form satisfactory to Franchisor;

(vi) Franchisee paying to Franchisor a transfer fee in the amount of $5,000;

(vii) Franchisee first offering to sell such interest to Franchisor pursuant to Section 22.3 of this Agreement and the same having been declined in the manner therein set forth;

(viii) Franchisee and Franchisee's equity owners guaranteeing the performance of transferee's obligations to effectuate the transfer;

(ix) the Marks not being used in any advertising for any Transfer prohibited by Sections 19.2 and 19.3 hereof; and

(x) at Franchisor's request, the proposed transferee or assignee refurbishes the Restaurant in the manner and subject to the provisions described in Section 2.2(v) hereof.

19.5 Removal of General Partner. If Franchisee is a limited partnership, Franchisee may not remove or appoint, or permit the limited partners to remove or appoint, a new or successor general partner without the prior written consent of Franchisor (even if such appointment is due to the resignation, death or disability of the General Partner).

20. RESTRICTIVE COVENANTS

20.1 Covenants Not to Compete.

(i) Non-Competition during Term. In addition to and not in limitation of any other restrictions on Franchisee contained herein, Franchisee and Franchisee's spouse, and, if Franchisee is not an individual, its shareholders, members, partners, and managers, as applicable, and their spouses (each, a "Bound Party"), agree that they will not, during the term of this Agreement, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, during the term of this Agreement (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

(ii) Post-Term Non-Competition. In addition to and not in limitation of any other restrictions on Franchisee contained herein, Franchisee and the Bound Parties agree that they will not, for two year following the effective date of termination or expiration of this Agreement for any reason, or following the date of a Transfer by Franchisee, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within 25 miles of the Designated Area of the Restaurant, or within a 25-mile radius of the designated area of any Uncle Maddio's Restaurant.

(iii) General. For purposes of this Agreement, the term "Competitive Business" means any business that derives 20% or more of its sales (including delivery sales) from pizza sales, or any business granting franchises or licenses to others to operate such a business. Neither Franchisee nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding. The parties acknowledge that the covenants contained in Section 20.1 are based on the reason and understanding that Franchisee and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees. Franchisee further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

20.2 Trade Secrets and Confidential Information.

(i) Franchisee acknowledges and agrees that in connection with the operation of Uncle Maddio's Restaurants and the System, Franchisor has developed at great expense competitively sensitive, proprietary, and confidential information that is not commonly known by or available to the public. This proprietary and confidential information does not include any information that (a) is commonly known by or available to the public; (b) has been voluntarily disclosed to the public by Franchisor; (c) has otherwise entered the public domain through lawful means. All information which comprises the System including the information and data in the Brand Standards Manual will be presumed to be confidential information of Franchisor.

(ii) Franchisee and each Bound Party agree that while this Agreement remains in effect such party will not, directly or indirectly, disclose or publish to any party, or copy or use for such party's own benefit, or for the benefit of any other party, any of Franchisor's proprietary or confidential information, except as required to carry out Franchisee's obligations under this Agreement or as Franchisor has otherwise expressly approved in writing. All proprietary and confidential information of Franchisor is the sole and exclusive property of Franchisor. Franchisee and each Bound Party agree that the restriction contained in the preceding sentence will remain in effect following and survives termination or expiration of this Agreement. Franchisee also agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's confidential information from any unauthorized disclosure, copying, or use. At any time upon Franchisor's request, and in any event upon termination or expiration of this Agreement, Franchisee will immediately return any copies of documents where there are materials containing confidential information and will take appropriate steps to permanently delete and render unusable any confidential information stored electronically.

(iii) Franchisee acknowledges that each and every detail of the design, layout, decor, color scheme, supplies utilized, services offered, appearance of the premises, and personnel of the Restaurant and other elements of trade dress ("Trade Dress") is essential to Franchisor and the System. In order to protect the System, Franchisee shall comply with all mandatory specifications, standards and procedures relating to (1) the type and quality of the products and services offered by the Restaurant; (2) the appearance, color, indicia, and signage of the Restaurant premises; (3) appearance of employees; (4) cleanliness, standards of services, and operation of the Restaurant; (5) submission of requests for approval of materials, supplies, distributors, and suppliers; and (6) safety procedures and programs prescribed by Franchisor. Franchisee also agrees to use all equipment, signage, and services as have been approved for the System from time to time by Franchisor. Mandatory specifications, standards, and procedures may be prescribed from time to time by Franchisor in the Brand Standards Manual, or otherwise communicated to Franchisee in writing.

20.3 Agreements of Certain Bound Parties. Franchisee shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Section 20 (including covenants applicable upon the termination of a person's relationship with Franchisee) and the provisions of Section 20 of this Agreement (as modified to apply to an individual) from all Bound Parties. Every covenant required by this

Section 20.4 shall be in a form approved by Franchisor, including specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

20.4 Agreements by Other Third Parties. As a condition to Franchisor's execution of this Agreement, Franchisee shall cause each of its management and supervisory employees and other employees to whom disclosures of confidential information are made to execute a noncompetition and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

20.5 Reasonable Restrictive Covenants. Franchisee acknowledges and agrees that Franchisee and the other individuals and entities required to comply with this Section 20 have received an advantage through the specialized training provided under this Agreement, the knowledge of the day-to-day operations of an Uncle Maddio's Restaurant and access to Franchisor's standards, the Brand Standards Manual, the System, Franchisor's confidential information, and Franchisor's trade secrets, and the covenants and restrictions in this Section 20 (i) are reasonable, appropriate, and necessary to protect Franchisor's standards, the System, Franchisor's confidential information, Franchisor's trade secrets, other franchisees operating under the System, the goodwill of the System, relationships with Franchisor's prospective and existing customers, and Franchisor's legitimate interests; and (ii) do not cause undue hardship on Franchisee or any of the other individuals and entities required by this Section 20 to comply with the covenants and restrictions.

20.6 Security Breach. Franchisee is required to notify Franchisor immediately if Franchisee suspects or becomes aware of a Security Breach (defined below). With the exception of any required notification to the payment card brands under PCIDSS (or other applicable standards), Franchisee agrees that Franchisor will have the option to notify affected person and regulatory authorities on Franchisee's behalf in accordance with applicable law. If, after consultation with Franchisee, Franchisor determines that notification is required or appropriate, Franchisee agrees that Franchisee will bear all costs associated with such notification, which may include, without limitation, any costs for providing credit monitoring to affected person. Upon discovery of a Security Breach, Franchisee further agrees that Franchisee will promptly investigate and remediate, at Franchisee's expense, the source of such Security Breach. Franchisee shall pay all costs Franchisor incurs (including legal expenses) in connection with responding to any Security Breach at the Restaurant or involving Franchisee's operations under this Agreement. For purposes of this Section, a "**Security Breach**" is any known or suspected unauthorized use, theft, access, disclosure, loss or acquisition of any confidential information, Brand Standards Manual, any customer information, Franchisee's computer system, or the POS System.

21. TERMINATION

21.1 Termination by Franchisee. Franchisee may terminate this Agreement if Franchisee is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure such material breach within 90 days after written notice thereof is delivered to Franchisor. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured with such 90 day period and Franchisor has commenced and is continuing to make good faith efforts to cure such breach, Franchisor shall be given an additional 60 day period to cure the same, and this Agreement shall not terminate. In the event of termination by Franchisee, all post-termination obligations of Franchisee described herein shall not be waived but shall be strictly adhered to by Franchisee.

21.2 Termination by Franchisor without a Cure Period. Franchisor may immediately terminate this Agreement upon written notice to Franchisee, without opportunity to cure, if:

(i) Franchisee files a petition under any bankruptcy or reorganization law, becomes insolvent, or has a trustee or receiver appointed by a court of competent jurisdiction for all or any part of its property;

(ii) Following commencement of the operation of the Restaurant, Franchisee ceases to operate the Restaurant at the Franchised Site;

(iii) Franchisee seeks to effect a plan of liquidation, reorganization, composition, or arrangement of its affairs, whether or not the same shall be subsequently approved by a court of competent jurisdiction; it being understood that in no event shall this Agreement or any right or interest hereunder be deemed an asset in any insolvency, receivership, bankruptcy, composition, liquidation, arrangement, or reorganization proceeding;

(iv) Franchisee has an involuntary proceeding filed against it under any bankruptcy, reorganization, or similar law and such proceeding is not dismissed within 60 days thereafter;

(v) Franchisee makes a general assignment for the benefit of its creditors;

(vi) Franchisee fails to pay when due any amount owed to Franchisor or its affiliates or subsidiaries, whether under this Agreement or not, and Franchisee does not correct such failure within 10 calendar days after written notice thereof is delivered to Franchisee;

(vii) Franchisee fails to pay when due any amount owed to any creditor, supplier, or lessor of the Restaurant or the Franchised Site, or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Franchisee does not correct such failure within 10 calendar days after written notice is delivered thereof to Franchisee;

(viii) Franchisee fails to complete the initial management training as required in this Franchise Agreement and fails to commence operation of the Restaurant at the Franchised Site within 9 months after execution of this Agreement, except for any delay that is agreed to in writing by Franchisor, in its sole discretion;

(ix) Franchisee or any of Franchisee's owners are convicted of or plead no contest to a felony, a crime involving moral turpitude or any other crime or offense that is likely to adversely affect the reputation of the System and the goodwill associated with the Marks;

(x) Franchisee, any of Franchisee's owners, or a Manager exhibit evidence of substance abuse, sexual harassment, or abusive behavior;

(xi) Franchisee operates the Restaurant or any phase of the franchised business in a manner that presents a health or safety hazard to Franchisee's customers, employees, or the public;

(xii) Franchisee makes a material misrepresentation to Franchisor before or after being granted the franchise;

(xiii) Franchisee makes an unauthorized Transfer of this Agreement, the franchise, the Restaurant, or an ownership interest in Franchisee;

(xiv) Franchisee or any Bound Party or any other employee of Franchisee breaches or fails to comply fully with Section 20 above;

(xv) Franchisee (a) misuses or makes an unauthorized use of or misappropriates any Mark, (b) commits any act which can be reasonably expected to materially impair the goodwill associated with any Mark, (c) challenges Franchisor's ownership of the Marks, (d) files a lawsuit involving the Marks without Franchisor's consent, or (e) fails to cooperate with Franchisor in the defense of any Mark;

(xvi) Franchisee copies or permits others to copy (a) any portion of the Brand Standards Manual (except for forms and similar items included in them for the express purpose of copying) or (b) any confidential information or trade secret of Franchisor, or fail to take all necessary precautions to ensure that the Brand Standards Manual, confidential information or trade secrets are kept free from theft, unauthorized copying, unauthorized access, fire, or other acts that may jeopardize the confidentiality of their contents;

(xvii) Franchisee fails to comply with any federal, state, or local law or regulation applicable to the operation of the Restaurant (including any failure to comply with the Anti-Terrorism Laws (as defined below) as set forth in Section 41.2 below);

(xviii) The Restaurant, franchised business, or the Franchised Site is seized, taken over or foreclosed by a government official in the exercise of his or her duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, provided that a final judgment against Franchisee remains unsatisfied for 30 days (unless a supersedes or other appeal bond has been filed), or a levy of execution has been made upon the license granted by this Agreement or any property used in the Restaurant or franchised business, and it is not discharged within 5 days of such levy;

(xix) Franchisee loses for any cause whatsoever right of possession as owner or lessee of the real property on which the Restaurant is located. (However, if all or a substantial part of the real property on which the Restaurant is located is taken by eminent domain proceedings so as to make the Restaurant not in compliance with Franchisor's construction specifications or so as to make the Restaurant inoperable for the purpose of carrying out the requirements of this Agreement, then Franchisor and Franchisee will agree upon a new location for the Restaurant and Franchisee will construct and equip the new Restaurant in accordance with the then current construction specifications of Franchisor within 180 days after the designation of such location. All of the terms of this Agreement not specifically modified herein shall apply to the construction, maintenance and operation of such new Restaurant);

(xx) Franchisee knowingly maintains false books or records or denies Franchisor's authorized representatives immediate access to Franchisee's books and records during an audit or inspection;

(xxi) Franchisee submits to Franchisor a financial report or other data, information or supporting records which understate by more than 5% the Royalty Fee and/or Brand Development Fees due for any reporting period and is unable to demonstrate that such understatements resulted from an inadvertent error;

(xxii) Franchisee has received at least three default notices from Franchisor within a 12-month period, even if such default is subject to a right to cure or is cured after notice is delivered to Franchisee;

(xxiii) Franchisee is dissolved either voluntarily or involuntarily; or

(xxiv) Franchisee changes Franchisee's banking information for drafts/debits from Franchisor or withdraw Franchisor's approval for bank drafts/debits from Franchisee's account without designating replacement information and/or replacement approval and Franchisee does not correct such failure within 10 calendar days after written notice thereof is delivered to Franchise

21.3 Termination by Franchisor with a Cure Period. Franchisor shall have the right to terminate this Agreement upon 30 days written notice if defaults remain uncured in Franchisor's sole discretion for the following reasons. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured within such 30 day period and Franchisee has commenced and is continuing to make good faith efforts to cure such breach, Franchisee shall be given an additional 30 day period to cure the same, and this Agreement shall not terminate.

(i) Franchisee fails or refuses to submit financial statements, reports or other operating data, information, or supporting records when due;

(ii) Franchisee fails to relocate as provided in Section 3.2 or commits a default (other than a monetary default which shall be subject to Section 21.2(vii) above) under the lease, sublease, purchase contract, or other contract for the Franchised Site, the Restaurant or any equipment or supplies utilized in the operation thereof;

(iii) Franchisee fails to provide or maintain required insurance coverage;

(iv) Franchisee fails to restore the Restaurant to full operation within a reasonable period of time (not to exceed 90 days) after the Restaurant is rendered inoperable by any casualty; or

(v) Franchisee fails to comply with any other provision of this Agreement or any mandatory specification, standard or operating procedure prescribed by Franchisor.

21.4 Management of Restaurant by Franchisor. In addition to Franchisor's right to terminate this Agreement, and not in lieu thereof, Franchisor may enter into the Restaurant and exercise complete authority with respect to the management thereof until such time as Franchisor shall determine that the default of Franchisee has been cured and that Franchisee is complying with the requirements of this Agreement. Franchisee specifically agrees that a designated representative of Franchisor may take control and manage the Restaurant in the event of any such default. If Franchisor assumes the management of the Restaurant, Franchisee must pay Franchisor (in addition to the Royalty Fee and Brand Development Fee) a management fee equal to ten percent (10%) of the Restaurant's Net Sales (the "Management Fee") plus reimburse Franchisor for the full compensation paid to such representative, including any and all expenses reasonably incurred by such representative so long as such representative shall be necessary and in any event until the default has been cured and Franchisee is complying with the terms of this Agreement. Franchisee acknowledges that the Management Fee shall be in addition to the Royalty Fee and Brand Development Fee, and any other fees required under this Agreement and shall be paid in accordance with the methods of payment set forth in Section 5. If Franchisor assumes the Restaurant's management, Franchisee acknowledges that Franchisor 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 or services the Restaurant purchases, while Franchisor manages it.

22. EFFECT OF AND OBLIGATIONS UPON TERMINATION

22.1 Liquidated Damages. Franchisee acknowledges and confirms that by granting Franchisee the license to operate the Restaurant in the Designated Area, Franchisor lost the opportunity to grant a franchise for the Designated Area to another person or entity or to itself to own and operate a Restaurant within the Designated Area. Additionally, Franchisee confirms that Franchisor will suffer substantial damages by virtue of the termination of this Agreement, including, without limitation, lost Royalty Fees, lost Brand Development Fees, lost market penetration and goodwill in the Designated Area, lost opportunity costs and the expense Franchisor will incur in developing another franchise for the Designated Area, which damages are impractical and extremely difficult to ascertain and/or calculate accurately, and the proof of which would be burdensome and costly, although such damages are real and meaningful to Franchisor and the System. Accordingly, in the event that Franchisor terminates this Agreement for Franchisee's default hereunder, Franchisee agrees to pay to Franchisor in a lump sum on the effective date of termination, liquidated damages, which represents a fair and reasonable estimate of Franchisor's foreseeable losses as a result of such termination, and which are not in any way intended to be a penalty, in the greater amount of: (i) 2 times the Royalty Fees and Brand Development Fees payable by Franchisee to Franchisor for the 12 month period immediately preceding the date of termination; provided, however, if the Restaurant has not been open for at least 12 months, the average monthly amount of Royalty Fees and Brand Development Fees payable by Franchisee to Franchisor for the months in which the Restaurant has been open multiplied by 24; or (ii) 24 months of the Minimum Royalty and Minimum Brand Development Fee. Franchisee acknowledges that its obligation to pay Franchisor liquidated damages is in addition to, not in lieu of, Franchisee's obligations to pay other amounts due to Franchisor under this Agreement up to the date of termination and to strictly comply with any other post-termination obligations required hereunder. Should any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this Agreement limit Franchisee's ability to pay, and Franchisor's ability to receive, such liquidated damages, Franchisee shall be liable to Franchisor for any and all damages which it incurs, now or in the future, as a result of Franchisee's default under this Agreement.

22.2 Obligations upon Termination or Expiration. Upon the termination or expiration of this Agreement, whether by reason of lapse of time, default in performance, abandonment of the Restaurant, or other cause or contingency, Franchisee shall:

(i) pay any and all amounts due to Franchisor, including without limitation lost profits (as specified in Section 22.1);

(ii) forthwith return to Franchisor all material furnished by Franchisor containing confidential information, operating instructions, business practices, or methods or procedures, including, without limitation, the Brand Standards Manual;

(iii) discontinue at the Franchised Site all use of the Marks, and the use of any and all signs, products, paper goods, and other items bearing the Marks. Any signs containing the Marks which Franchisee is unable to remove within one day of the termination or expiration of this Agreement shall be completely covered by Franchisee until the time of their removal which shall be within 10 days of termination or expiration of this Agreement;

(iv) if Franchisee retains possession of the Franchised Site, at Franchisee's expense, make such reasonable modifications to the exterior and interior décor of the Restaurant and the Franchised Site as Franchisor requires to eliminate its identification as an Uncle Maddio's Restaurant and to avoid violation of the non-compete provision;

(v) refrain from operating or doing business under any name or in any manner that may give the general public the impression that this Agreement is still in force or that Franchisee is connected in any way with Franchisor or that Franchisee has the right to use the System or the Marks;

(vi) refrain from making use of or availing itself to any of the confidential information, Brand Standards Manual or other information received from Franchisor or disclosing or revealing any the same in violation of Section 20.2 herein;

(vii) take such action as may be required to cancel all assumed names or equivalent registrations relating to the use of any Mark;

(viii) assign to Franchisor or its designee all of Franchisee's rights, title, and interest in the telephone numbers, telephone directory listings and advertisements, website URLs, (whether acquired by Franchisee in accordance with or in violation of Section 15.2 hereof), e-mail addresses, other electronic media and electronic communication assets, store leases, and governmental licenses or permits used for the operation of the Restaurant; and

(ix) strictly comply with the terms and conditions of Section 20 above and any other procedures in the Brand Standards Manual that are established by Franchisor related to discontinuing operations of the Restaurant.

22.3 <u>Sale upon Expiration or Termination</u>.

(i) Except in the case of a renewal under Section 2, if this Agreement expires or is terminated or canceled for any reason, Franchisor shall have the option to purchase the Restaurant, or a portion of the assets of the Restaurant (including fixtures, furniture, equipment, and improvements), and which may include at Franchisor's option, all of Franchisee's leasehold interest in and to the real estate upon which the Restaurant is located, but not including real property (collectively, the "Assets"), to Franchisor. If Franchisor desires to purchase the Assets but the parties are unable to agree as to a purchase price and terms of such sale, the fair market value of the Assets (to be determined without goodwill or going concern value) shall be determined by three appraisers. Franchisee and Franchisor shall each select one appraiser, and the two appraisers so chosen shall select the third appraiser. The three appraisals shall be averaged to determine the purchase price. Franchisor shall have the right, at any time within 15 days after being advised in writing of the decision of the appraisers as aforesaid, to purchase the Assets at the purchase price as determined above. Each party shall be responsible for the costs and expenses of the appraiser it selected and the cost of the third appraiser shall be shared equally by the parties. Nothing contained in this Section shall be deemed to be a waiver by Franchisor of any default by Franchisee under this Agreement nor shall the exercise of the option to purchase the Assets contained in this Section affect any other rights or remedies granted to Franchisor hereunder or otherwise available to it.

(ii) Notwithstanding the provisions set forth in Section 22.3(i) above, if, within 45 days following the expiration of this Agreement, Franchisee shall receive a bona fide offer for the purchase of the Assets, Franchisee shall offer the same in writing to Franchisor at the same price and on the same terms (or the monetary equivalent if (i) the offer includes consideration other than money or (ii) Franchisor will pay cash and the offer involved payments over a period of time); which offer Franchisor may accept at any time within 15 days after receipt thereof. If Franchisor declines or does not within such 15-day period accept such offer, then Franchisee may sell the Assets to such purchaser, but not at a lower price nor on more favorable terms than have been offered to Franchisor.

(iii) Any sale of the Assets hereunder shall close no later than 60 days after delivery of written notice of Franchisor's exercise of its option is given to Franchisee. Franchisor has the right to assign its option hereunder and Franchisee must sign all documents of transfer reasonably necessary for the purchase of the Assets. All Assets transferred shall be free and clear of all liens and encumbrances, with all sales and transfer taxes paid by Franchisee. At the closing, Franchisee and its owners shall execute general releases, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its owner, officers, employees, directors, agents, successors and assign.

22.4 Effect of Expiration or Termination. Upon the expiration or termination of this Agreement for any reason, any and all rights granted to Franchisee hereunder shall be extinguished immediately, and Franchisee shall not be relieved of any of its obligations, debts or liabilities hereunder. The expiration or termination of this Agreement for any reason will be without prejudice to the rights of Franchisor against Franchisee and will not destroy or diminish the binding force and effect of any of the provisions of this Agreement that expressly, or by reasonable implication, come into or continue in effect on or after the expiration or termination hereof.

23. RESTAURANT CLASSIFICATION

Franchisee shall operate and maintain the Restaurant in a manner which will ensure that the Restaurant will obtain the highest classification possible for restaurants of like kind from the governmental authorities that inspect restaurants in the area where the Restaurant is operated. If Franchisee is not able to obtain such classification, or if Franchisee fails to operate in accordance with the general standards of quality, maintenance, repairs, and sanitation required by Franchisor, then Franchisor may, at its option, place such trained personnel in the Restaurant as Franchisor deems necessary to train the managerial and operating personnel of the Restaurant until the Restaurant can obtain the highest classification or meet such general standards. Franchisor's personnel shall remain at the Restaurant until the required classification is obtained or until Franchisor, in its sole discretion, decides to remove them. Franchisee shall pay all costs associated with providing such personnel, including costs of transportation, meals, lodging, wages, or other compensation.

24. OTHER BUSINESS

Franchisee agrees not to carry on or conduct or permit others to carry on or conduct any other business, activity, or operation at the Restaurant (other than the operation of the Restaurant in conformity with this Agreement and the Brand Standards Manual) without first obtaining the written consent of Franchisor.

25. OWNERSHIP OF FRANCHISEE

If Franchisee is a Business Entity, like a corporation, limited liability company, partnership, then Franchisee must complete Franchisor's standard Principal Owner's Statement, a copy of which is attached as an Exhibit to its Franchise Disclosure Document and requires the legal organization of the Business Entity, and the names and addresses of each person or entity owning a 10% or greater interest in Franchisee (the "Principal Owners") and the percentage of such interest owned by such person or entity. Franchisee must comply with Section 19.4 of this Agreement in case of any change in the organizational structure or ownership interests of Franchisee. At Franchisor's request, Franchisee shall provide to Franchisor a copy of all Franchisee's governing and/or organizational documents and any amendments thereto. Franchisor may require each Principal Owner to execute the Guarantee Provision in the form attached as an exhibit to the Franchisor's Franchise Disclosure Document.

26. SUCCESSORS AND THIRD-PARTY BENEFICIARIES

This Agreement and the covenants, restrictions, and limitations contained herein shall be binding upon and shall inure to the benefit of Franchisor and its successors and assigns and shall be binding upon and shall inure to the benefit of Franchisee and its permitted heirs, successors, and assigns. Except as contemplated by Section 18.1, nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. This Agreement is, however, intended to bind the Bound Parties to the extent set forth in this Agreement.

27. CONSTRUCTION

All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, and any other gender, as the context or sense of this Agreement or any provision hereof may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements, and obligations assumed herein by Franchisee shall be deemed to be joint and several covenants, agreements, and obligations of each of the persons named as Franchisee, if more than one person is so named. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval of any of Franchisee's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed or effected actions that require Franchisor's approval.

28. INTERPRETATION AND HEADINGS

The parties agree that this Agreement should be interpreted according to its fair meaning. Franchisee waives to the fullest extent possible the application of any rule which would construe ambiguous language against Franchisor as the drafter of this Agreement. The words "include," "includes" and "including" when used in this Agreement will be interpreted as if they were followed by the words "without limitation". References to section numbers and headings will refer to sections of this Agreement unless the context indicates otherwise. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

29. NOTICES

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally, by certified, express or registered mail, or by an overnight delivery service (e.g., Federal Express or other reputable overnight courier), postage prepaid, addressed to the party to be notified at the respective address first above written, or at such other address or addresses as the parties may from time to time designate in writing. Notices shall be deemed delivered on the date shown on the return receipt or in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made.

30. GOVERNING LAW AND ENFORCEMENT

30.1 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 PROVIDED BY THE FEDERAL ARBITRATION ACT AS REQUIRED HEREBY, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §1051 ET SEQ.) OR OTHER APPLICABLE FEDERAL LAW, THE LAW OF THE STATE OF VIRGINIA SHALL APPLY TO THE CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT WITHOUT REGARD TO ITS CONFLICTS OF LAWS; PROVIDED, HOWEVER, THAT THE VIRGINIA RETAIL FRANCHISING ACT DOES NOT APPLY TO YOU UNLESS YOU ARE A RESIDENT OF THE COMMONWEALTH OF VIRGINIA OR YOUR AREA OF RESPONSIBILITY IS WITHIN THE COMMONWEALTH OF VIRGINIA. FOR ACTIONS THAT ARE NOT SUBJECT TO MANDATORY ARBITRATION UNDER SECTION 30.2, THE FRANCHISEE HEREBY SUBMITS AND IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS FOR THE DISTRICT WHERE FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE IS LOCATED ON THE DATE OF FILING OF THE ACTION AND AGREES NOT TO RAISE, AND HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION BASED UPON FORUM NON CONVENIENS OR ANY OTHER OBJECTION IT MAY NOW HAVE OR HEREAFTER HAVE TO SUCH JURISDICTION OR VENUE. FURTHER, NOTHING HEREIN CONTAINED SHALL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF

AGAINST THREATENED CONDUCT THAT WILL CAUSE IRREPARABLE HARM, UNDER THE USUAL EQUITY RULES INCLUDING THE APPLICABLE RULES FOR OBTAINING SPECIFIC PERFORMANCE, RESTRAINING ORDERS AND PRELIMINARY INJUNCTIONS.

30.2 ARBITRATION. EXCEPT TO THE EXTENT FRANCHISOR SEEKS INJUNCTIVEOR OTHER EQUITABLE RELIEF TO ENFORCE PROVISIONS OF THIS AGREEMENT, AND EXCEPT FOR CONTROVERSIES, CLAIMS OR DISPUTES BASED ON FRANCHISEE'S FAILURE TO PAY ANY FEES DUE HEREUNDER WHEN DUE; FRANCHISEE'S VIOLATION OF ANY HEALTH OR SAFETY LAW; OR FRANCHISEE'S USE OF THE MARKS, ALL CONTROVERSIES, CLAIMS OR DISPUTES BETWEEN FRANCHISOR AND FRANCHISEE ARISING OUT OF OR RELATING TO (I) THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE, (II) THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR, OR (III) THE SCOPE AND VALIDITY OF THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE (INCLUDING THE SCOPE AND VALIDITY OF THE ARBITRATION OBLIGATIONS UNDER THIS SECTION, WHICH FRANCHISOR AND FRANCHISEE ACKNOWLEDGE IS TO BE DETERMINED BY AN ARBITRATOR AND NOT A COURT) SHALL BE DETERMINED BY ARBITRATION WITH THE AMERICAN ARBITRATION ASSOCIATION ("AAA") AT THE OFFICE OF THE AAA CLOSEST TO FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE ON THE DATE OF SUBMISSION OF THE MATTER TO THE AAA. THE ARBITRATORS SHALL HAVE NO AUTHORITY TO SELECT A HEARING LOCALE OTHER THAN AS DESCRIBED IN THIS SECTION 30.2. EXCEPT AS THIS SECTION 30.2 OTHERWISE PROVIDES, SUCH ARBITRATION SHALL BE CONDUCTED BEFORE THREE ARBITRATORS (UNLESS THE PARTIES AGREE TO ONE ARBITRATOR) CHOSEN AS FOLLOWS: FRANCHISOR AND FRANCHISEE SHALL EACH SELECT ONE ARBITRATOR. THESE TWO ARBITRATORS SHALL MUTUALLY AGREE ON ONE OTHER ARBITRATOR TO ACT AS THE THIRD ARBITRATOR. THE DECISION OF THE ARBITRATORS SHALL BE FINAL AND BINDING UPON ALL PARTIES CONCERNED. SUCH DECISION SHALL BE RENDERED WITHIN 30 DAYS OF THE CLOSE OF THE ARBITRATION HEARING RECORD. THE ARBITRATION PROCEEDING SHALL BE CONDUCTED AT THE OFFICE OF THE AAA CLOSEST TO FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE ON THE DATE OF SUBMISSION OF THE MATTER TO THE AAA. IN ANY ARBITRATION PROCEEDING, FRANCHISOR AND FRANCHISEE AGREE THAT EACH MUST SUBMIT OR FILE ANY CLAIM WHICH WOULD CONSTITUTE A COMPULSORY COUNTERCLAIM (AS DEFINED BY THE THEN CURRENT RULE 13 OF THE FEDERAL RULES OF CIVIL PROCEDURE) WITHIN THE SAME PROCEEDING AS THE CLAIM TO WHICH IT RELATES. ANY CLAIM NOT SUBMITTED OR FILED AS REQUIRED IS FOREVER BARRED. THE ARBITRATOR MAY NOT CONSIDER ANY SETTLEMENT DISCUSSIONS OR OFFERS THAT MIGHT HAVE BEEN MADE BY EITHER PARTY. FRANCHISOR RESERVES THE RIGHT, BUT HAS NO OBLIGATION, TO ADVANCE FRANCHISEE'S SHARE OF THE COSTS OF ANY ARBITRATION PROCEEDING IN ORDER FOR SUCH ARBITRATION PROCEEDINGS TO TAKE PLACE AND BY DOING SO WILL NOT BE DEEMED TO HAVE WAIVED OR RELINQUISHED FRANCHISOR'S RIGHT TO SEEK THE RECOVERY OF THOSE COSTS IN SUCH ARBITRATION AWARD. THE ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THE ARBITRATION

PROCEEDING MAY NOT BE CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER PERSON. NOTWITHSTANDING THE FOREGOING OR ANYTHING TO THE CONTRARY IN THIS SECTION OR SECTION 33, IF ANY COURT OR ARBITRATOR DETERMINES THAT ALL OR ANY PART OF THE PRECEDING SENTENCE IS UNENFORCEABLE WITH RESPECT TO A DISPUTE THAT OTHERWISE WOULD BE SUBJECT TO ARBITRATION UNDER THIS SECTION 30.2, THEN ALL PARTIES AGREE THAT THIS ARBITRATION CLAUSE SHALL NOT APPLY TO THAT DISPUTE AND THAT SUCH DISPUTE SHALL BE RESOLVED IN A JUDICIAL PROCEEDING IN ACCORDANCE WITH THIS SECTION 30 (EXCLUDING THIS SECTION 30.2). THE FEDERAL RULES OF CIVIL PROCEDURE, AS THEY RELATE TO PRETRIAL DISCOVERY, AND THE FEDERAL RULES OF EVIDENCE SHALL APPLY TO THE ARBITRATION. IN ALL OTHER RESPECTS, THE RULES OF THE AAA AND THE UNITED STATES ARBITRATION ACT SHALL CONTROL. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATION MAY BE ENTERED IN ANY COURT HAVING COMPETENT JURISDICTION THEREOF.

30.3 DAMAGES AND TIMING OF CLAIMS. THE PARTIES AGREE THAT NEITHER PARTY SHALL HAVE THE RIGHT TO RECEIVE OR COLLECT PUNITIVE OR EXEMPLARY DAMAGES FROM THE OTHER PARTY. ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR, OR THE OPERATION OF THE FRANCHISE AND THE RESTAURANT BROUGHT BY ANY PARTY TO THIS AGREEMENT AGAINST ANOTHER PARTY TO THIS AGREEMENT, SHALL BE COMMENCED WITHIN ONE YEAR FROM THE DISCOVERY OF THE FACTS GIVING RISE TO ANY SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE BARRED; PROVIDED, HOWEVER, THAT THIS TIME LIMITATION SHALL NOT APPLY TO ANY UNPERFORMED FINANCIAL OBLIGATION OF FRANCHISEE TO FRANCHISOR. THE PARTIES UNDERSTAND THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW. FRANCHISEE AND THE BOUND PARTIES AGREE THAT THEIR SOLE RECOURSE FOR CLAIMS ARISING BETWEEN THE PARTIES SHALL BE AGAINST FRANCHISOR AND ITS SUCCESSORS AND ASSIGNS. FRANCHISEE AND THE BOUND PARTIES AGREE THAT THE OWNERS, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS OF FRANCHISOR AND ITS AFFILIATES SHALL NOT BE PERSONALLY LIABLE NOR NAMED AS A PARTY IN ANY ACTION BETWEEN FRANCHISOR AND FRANCHISEE AND ANY BOUND PARTY.

31. COSTS AND ATTORNEYS' FEES

If Franchisor incurs any expenses in connection with Franchisee's failure to pay any amounts it owes when due, submit any required reports when due or otherwise comply with this Agreement, Franchisee agrees to reimburse Franchisor for any and all of the costs and expenses that Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', expert witness, and related fees.

32. WAIVER

No waiver, delay, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising from any default or breach by Franchisee shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or a different kind; nor shall any delay or omission of Franchisor to exercise any right arising from any such default affect or impair Franchisor's rights as to such default or any future default.

33. SEVERABILITY

If any term, restriction or covenant of this Agreement is deemed invalid or unenforceable, all other terms, restrictions, and covenants and the application thereof to all persons and circumstances subject hereto shall remain unaffected to the extent permitted by law; and if any application of any term, restriction, or covenant to any person or circumstance is deemed invalid or unenforceable, the application of such terms, restriction, or covenant to other persons and circumstances shall remain unaffected to the extent permitted by law.

34. FORCE MAJEURE

Neither Franchisor nor Franchisee will be liable for loss or damage or deemed to be in breach of this Agreement if Franchisor's or Franchisee's failure to perform any obligation results from: (i) transportation shortages, inadequate supply of equipment, products, supplies, labor, material, or energy or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations, or instructions of any federal, state, or municipal government or any department or agency thereof; (ii) acts of God; (iii) fires, strikes, embargoes, wars, or riots; or (iv) any other similar event or cause beyond the control of the affected party. Any delay resulting from any of said causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes will not excuse payments of amounts owed by Franchisee to Franchisor hereunder.

35. DELEGATION BY FRANCHISOR

Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Franchisee hereby agrees to such delegation.

36. REVIEW OF AGREEMENT

Franchisee acknowledges that it has had a copy of Franchisor's franchise disclosure document for at least 14 calendar days before signing any franchise or related agreements, or at least 14 calendar days before the payment of any consideration to Franchisor. Franchisee has had the opportunity to have this Agreement and the business offered hereunder reviewed by professionals of Franchisee's choosing prior to executing this Agreement.

37. NO RIGHT TO SET OFF

Franchisee agrees that it will not set off or withhold payment of any amounts it owes Franchisor on the grounds of Franchisor's alleged nonperformance of any of Franchisor's obligations under this Agreement or for any other reason. Franchisee agrees that all such claims will, if not otherwise resolved, be submitted to arbitration as provided in Section 30.2.

38. CUMULATIVE RIGHTS

The rights granted hereunder are cumulative, and no exercise or enforcement by either party of any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy to which either Franchisor or Franchisee are entitled.

39. ENTIRE AGREEMENT

This Agreement and any addendum, schedule, or exhibit attached hereto contains the entire agreement between the parties hereto relating to the operation of the Restaurant and the franchised business and no representations, inducements, promises, agreements, arrangement, or undertakings, oral or written, have been made or relied upon by the parties other than those set forth herein. No agreement altering, changing, waiving, or modifying any of the terms and conditions of this Agreement shall be binding upon either party unless and until the same is made in writing and executed by all interested parties. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Franchisee to waive reliance on any representation that Franchisor made in the disclosure document (including its exhibits and amendments) that Franchisor delivered to Franchisee or Franchisee's representative as part of this Agreement.

40. COUNTERPARTS AND ELECTRONIC SIGNATURES

This Agreement may be signed in multiple counterpart copies, each of which will be deemed an original. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

41. FRANCHISEE'S ACKNOWLEDGMENTS

41.1 Success Depends on Franchisee and No Warranties. Franchisee assumes sole responsibility for the operation of the business franchised hereunder and acknowledges that, while Franchisor may furnish advice and assistance to Franchisee from time to time during the term of this Agreement, Franchisor has no legal or other obligation to do so except as specifically set forth herein. In addition, Franchisee acknowledges that Franchisor does not guarantee the success or profitability of the business franchised hereunder in any manner whatsoever and shall not be liable therefore; in particular, Franchisee understands and acknowledges that the success and profitability of the business franchised hereunder depend on many factors outside the control of either Franchisor or Franchisee (such as interest rates, unemployment rates, demographic trends, and the general economic climate) and there are significant risks in any business venture, but principally depend on Franchisee's efforts in the operation of the business and the primary factor in Franchisee's success or failure in the business franchised hereunder will be Franchisee's own efforts. IN ADDITION, FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR AND ITS REPRESENTATIVES HAVE MADE NO REPRESENTATIONS OR WARRANTIES TO FRANCHISEE OTHER THAN OR INCONSISTENT WITH THE MATTERS SET FORTH IN THIS AGREEMENT, AND THAT FRANCHISEE HAS UNDERTAKEN THIS VENTURE SOLELY IN RELIANCE UPON THE MATTERS SET FORTH HEREIN AND FRANCHISEE'S OWN INDEPENDENT INVESTIGATION OF THE MERITS OF THIS VENTURE.

41.2 Anti-Terrorism Laws.

(i) Franchisee and its owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws. In connection with such compliance, Franchisee and its owners certify, represent, and warrant that none of their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and its owners are not otherwise in violation of any of the Anti-Terrorism Laws.

(ii) "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States ("Executive Order 13224"), the Terrorism Sanctions Regulation (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances regulations, policies, lists and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control, and any other government agency with jurisdiction over the parties to this Agreement and/or their actions) addressing or in any way relating to terrorist acts and/or acts of war;

(iii) Franchisee and its owners certify that none of them, their respective employees, agents, bankers, affiliates or anyone associated with them is listed in the Annex to Executive Order 13224. Franchisee agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex. (A copy of the Annex can be accessed on the internet at the following address: ttp://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html);

(iv) Franchisee certifies that it has no knowledge or information that, if generally known, would result in (a) Franchisee, (b) Franchisee's owners, employees, agents, bankers or affiliates or (c) anyone associated with Franchisee to be listed in the Annex to Executive Order 1322

(v) Franchisee is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that Franchisee's indemnification responsibilities set forth in Section 18 above of this Agreement pertain to Franchisee's obligations under this Section 41.2;

(vi) Any misrepresentation under this Section or any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's owners, agents, bankers, employees and affiliates shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered with Franchisor or an affiliate of Franchisor, in accordance with Section 21.2(xvi) above.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

S & S MADDIO'S LLC

By: ___________________________________
Name: _________________________________
Title: _________________________________

FRANCHISEE:

If an Individual:

Signature: ______________________________
Printed Name: ___________________________

If other than an Individual:

[INSERT ENTITY NAME]

By: ___________________________________
Name: _________________________________
Title: _________________________________

Exhibit A
to the Uncle Maddio's Pizza Franchise Agreement

Franchise Site, Designated Area and Franchise Fee

Franchise Site: ________________________________

____

____

____

Designated Area: ________________________________

Franchise Fee (Section 4): ____________________________

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Exhibit A as of the _________________, 20__.

FRANCHISOR:

S & S MADDIO'S LLC

By: ____________________________

Name:_________________________

Printed Name:____________________

Title: __________________________

FRANCHISEE:

If an Individual:

Signature: ______________________________

Printed Name: ___________________________

If other than an Individual:

[INSERT ENTITY NAME]

By: ______________________________

Name: ___________________________

Title: ____________________________

Exhibit B
to the Uncle Maddio's Pizza Franchise Agreement

ADDENDUM TO LEASE AGREEMENT

THIS ADDENDUM TO LEASE AGREEMENT (this "**Addendum**") is effective as of

_________________ (the "**Effective Date**"), and is being signed simultaneously with the Lease (the "**Lease**") dated ______________________, 20___ between ___________________________________ (the "Franchisee" or "Tenant") and _______________________________(the "Landlord") for __________ ___________________________the real property commonly known as _____________________________ (the "Premises").

1. **Incorporation and Precedence**. This Addendum is incorporated into the Lease and supersedes any conflicting provisions in it. Capitalized terms not otherwise defined in this Addendum have the meanings as defined in the Lease.

2. **Background**. The Tenant will operate an Uncle Maddio's® Restaurant at the Premises under a Franchise Agreement dated __________, 20___ (the "**Franchise Agreement**") with S & S MADDIO'S LLC (the "**Franchisor**"). By entering into a franchise relationship with the Franchisor, the Tenant has agreed to grant the Franchisor a security interest in the Lease, all of the furniture, fixtures, inventory and supplies located in the Premises as collateral for the payment of any obligation, liability or other amount owed by the Tenant or its affiliates to the Franchisor under the Franchise Agreement. The Franchise Agreement also requires that the Lease contain certain provisions that the Tenant is requesting the Landlord to include.

3. **Term**. The initial of the Lease, or the initial term together with any renewal terms (for which the rent shall be set forth in the Lease) shall be for not less than ten (10) years.

4. **Use of Premises**. The Lease shall restrict Tenant's the use of the Premises solely to the operation of the Uncle Maddio's® Restaurant in accordance with the terms of the Franchise Agreement.

5. **Marks**. The Tenant has the right to display the trademarks and service marks set forth on Exhibit "A" to this Addendum and incorporated by reference herein in accordance with the specifications required by the Franchisor (including, without limitation, signage on buildings or pylons, banners, flags, windows, walls, doors and similar displays (collectively, "**Signage**")). Banners may include "coming soon," "now hiring," "now open," etc., subject only to the provisions of applicable law, for the term of the Lease.

6. **Easement.** The Landlord grants to the Tenant during the term of the Lease a non-exclusive right and easement over that portion of the property as may be required by the Tenant to improve, renovate, repair, replace, and maintain the Premises or replace its Signage or its panel on the pylon sign for the property. The Tenant has the right to change or alter the Signage at any time during the term of the Lease

provided the Signage is in compliance with all applicable governmental codes and regulations. The Signage may include: (a) signage on the exterior front wall of the Premises; (b) signage on another exterior portion of the Premises; (c) a separate pylon sign on the property; (d) separate signage on the property, (e) a panel on the pylon sign for the property; and (f) other Signage which may be required by the Franchisor or agreed upon by the Landlord and the Tenant.

7. **Access to Premises**. During the term of the Lease, the Landlord and Tenant acknowledge and agree that the Franchisor will have unrestricted access to the Premises to make modifications necessary to protect the Marks and they System, or to cure any default under the Franchise Agreement for such Restaurant.

8. **Copies of Reports**. The Landlord agrees to provide copies of all revenue and other information and data in Landlord's possession related to the operation of the Tenant's Uncle Maddio's® Restaurant on a timely basis as the Franchisor may request, during the term of the Lease.

9. **Notice of Default**. The Landlord will give written notice to the Franchisor (concurrently with the giving of such notice to the Tenant or separately if no such notice to Tenant is required) of any alleged defaults under, breaches, or violations of the Lease by the Tenant (a "**Default**"). Landlord will deliver such notice by certified mail, return receipt requested, or by nationally recognized overnight courier service, at the following address or to such other address as the Franchisor may provide to Landlord from time to time:

S & S MADDIO'S LLC
1410 Spring Hill Rd., Suite 400
McLean, Virginia 22102
Attention: Franchise Administrator

Such notice will grant the Franchisor the right, but not the obligation, to cure any Default, if the Tenant fails to do so, within 15 days after the later of: (a) the expiration of the period in which the Tenant may cure the Default under the Lease; or (b) the Franchisor's receipt of the notice of Tenant's Default.

10. **Franchisor's Assumption of Lease**. In the event of a default of the Lease by Tenant or the default of the Franchise Agreement by Tenant, Franchisor shall, without the landlord's further consent, have a continuing right of entry into the site and Restaurant, the right to operate an Uncle Maddio's® Restaurant therein, and, upon written notice by the Franchisor, the right, but not the obligation, to assume Franchisee's interests under the existing terms, conditions and covenants of the Lease. If Franchisor gives Landlord written notice that it will assume the Lease, (the "**Assignment Notice**"), (i) the Franchisor will become the lessee of the Premises and will be liable for all obligations under the Lease arising after the date of the Assignment Notice and (ii) the Landlord will recognize the Franchisor as the lessee of the Premises effective as of the date of the Assignment Notice. After Franchisor assumes the Lease, Franchisor may assign the Lease or sublet the site to a third party which will operate an Uncle Maddio's® Restaurant at the site and upon assignment to such third party, Franchisor shall be released from any and all liability related to the lease effective on the date of the assignment to such third party. Franchisor shall continue to have the rights provided in this Addendum.

11. **Default Under Franchise Agreement**. Any Default under the Lease which is not cured by Tenant within any applicable cure period also constitutes grounds for termination of the Franchise Agreement.

12. **Non-Disturbance**. So long as the Lease term continues, and the Tenant is not in Default under the Lease, the Tenant's use, possession, and enjoyment of the Premises will not be interfered with by any lender of the Landlord or any other person. The Landlord agrees to use its best efforts to obtain prior to commencement of the Lease any documents necessary to ensure the foregoing, including a Subordination, Non-Disturbance, and Attornment Agreement or similar agreement.

13. **Franchisor Consent Required.** Neither the Landlord nor the Tenant will cancel, terminate, assign, extend, modify or amend the Lease including, without limitation, the Franchisor's rights under this Addendum, without the Franchisor's prior written consent.

14. **Benefits and Successors.** The benefits of this Addendum inure to the Franchisor and to its successor and assigns, and the Franchisor is a third-party beneficiary of this Addendum with full right, power and authority to enforce its terms.

15. **Remaining Provisions Unaffected**. Those parts of the Lease that are not expressly modified by this Addendum remain in full force and effect.

16. **Counterparts**. This Addendum may be signed in multiple counterpart copies, each of which will be deemed an original. This Addendum may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Addendum.

Intending to be bound, the Landlord and the Tenant sign and deliver this Addendum effective on the Effective Date, regardless of the actual date of signature.

Landlord:	Tenant:
______________________________	______________________________
Address:	Address:
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
Phone: ________________________	Phone: ________________________

By: ___________________________ By: ___________________________

Name: ________________________ Name: ________________________

Title: __________________________ Title: __________________________

<u>Exhibit C</u>
<u>to the Uncle Maddio's Pizza Franchise Agreement</u>

Confidentiality and Nondisclosure Agreement and Covenant Not to Compete

(Principal Owners must execute the following)

As of _________________, 20__, as an inducement to Franchisor to enter the Franchise Agreement between ________________ ("Franchisee") dated ______________________, 20___ (the "Franchise Agreement"), the undersigned (each individually a "Principal Owner" and collectively, to the extent applicable, the "Principal Owners") hereby agree as follows:

1. <u>Non-Competition During Franchise Agreement Term</u>. In addition to and not in limitation of any other restrictions on Principal Owner contained herein, Principal Owner and, if Principal Owner is not an individual, its shareholders, members, partners, and managers, as applicable, and their spouses (each, a "Bound Party"), agree that they will not, during the term of the Franchise Agreement, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, during the term of the Franchise Agreement (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location, or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

2. <u>Post-Term Non-Competition</u>. In addition to and not in limitation of any other restrictions on Principal Owner contained herein, Principal Owner and the Bound Parties agree that they will not, for two (2) years following the effective date of termination or expiration of the Franchise Agreement for any reason, or following the date of a transfer by Franchisee under the Franchise Agreement, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business, or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within 25 miles of the designated area of the restaurant, or within a 25-mile radius of the designated area of any Uncle Maddio's Restaurant.

3. <u>Competitive Business</u>. For purposes of this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete, the term "Competitive Business" means any business that derives 20% or more of its sales (including delivery sales) from pizza sales, or any business granting franchises or licenses to others to operate such a business. Neither Principal Owner nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding. The parties acknowledge that the covenants contained in this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete are based on the reason and understanding that Principal Owner and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees. Principal Owner further understands and acknowledges the difficulty of

ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

4. Trade Secrets and Confidential Information.

a. Principal Owner acknowledges and agrees that in connection with the operation of Uncle Maddio's Restaurants and the System, Franchisor has developed at great expense competitively sensitive, proprietary, and confidential information that is not commonly known by or available to the public. This proprietary and confidential information does not include any information that (a) is commonly known by or available to the public; (b) has been voluntarily disclosed to the public by Franchisor; (c) has otherwise entered the public domain through lawful means. All information which comprises the System including the information and data in the Brand Standards Manual, will be presumed to be confidential information of Franchisor.

b. Principal Owner and each Bound Party agree that while this Nondisclosure Agreement and Covenant Not to Compete remains in effect, such party will not, directly or indirectly, disclose or publish to any party, or copy or use for such party's own benefit, or for the benefit of any other party, any of Franchisor's proprietary or confidential information, except as required to carry out Principal Owner's and/or Franchisee's obligations under the Franchise Agreement or as Franchisor has otherwise expressly approved in writing. All proprietary and confidential information of Franchisor is the sole and exclusive property of Franchisor. Principal Owner and each Bound Party agree that the restriction contained in the preceding sentence will remain in effect following and survives termination or expiration of this Agreement. Principal Owner also agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's confidential information from any unauthorized disclosure, copying, or use. At any time upon Franchisor's request, and in any event upon termination or expiration of this Agreement, Franchisee will immediately return any copies of documents where there are materials containing confidential information and will take appropriate steps to permanently delete and render unusable any confidential information stored electronically.

c. Franchisee acknowledges that each and every detail of the design, layout, decor, color scheme, supplies utilized, services offered, appearance of the premises, and personnel of the Restaurant, and other elements of trade dress ("Trade Dress") is essential to Franchisor and the System. In order to protect the System, Principal Owner shall comply with all mandatory specifications, standards and procedures relating to (1) the type and quality of the products and services offered by the Restaurant; (2) the appearance, color, indicia, and signage of the Restaurant premises; (3) appearance of employees; (4) cleanliness, standards of services, and operation of the Restaurant; (5) submission of requests for approval of materials, supplies, distributors, and suppliers; and (6) safety procedures and programs prescribed by Franchisor. Principal Owner also agrees to use all equipment, signage, and services as have been approved for the System from time to time by Franchisor. Mandatory specifications, standards, and procedures may be prescribed from time to time by Franchisor in the Brand Standards Manual, or otherwise communicated to Franchisee in writing.

5. Agreements by Other Third Parties. Principal Owner shall cause each of Franchisee's management and supervisory employees and other employees to whom disclosures of confidential information are made to execute a noncompetition and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

6. Reasonable Restrictive Covenants. Principal Owner acknowledges and agrees that Principal Owner has received an advantage through the specialized training provided under the Franchise Agreement, the knowledge of the day-to-day operations of an Uncle Maddio's Restaurant and access to Franchisor's standards, the Brand Standards Manual, the System, Franchisor's confidential information, and Franchisor's trade secrets, and the covenants and restrictions in this Nondisclosure Agreement and Covenant Not to Compete (i) are reasonable, appropriate, and necessary to protect Franchisor's standards, the System, Franchisor's confidential information, Franchisor's trade secrets, other franchisees operating under the System, the goodwill of the System, relationships with Franchisor's prospective and existing customers, and Franchisor's legitimate interests; and (ii) do not cause undue hardship on Principal Owner.

7. Security Breach. Principal Owner is required to notify Franchisor immediately if Principal Owner suspects or becomes aware of a Security Breach (defined below). With the exception of any required notification to the payment card brands under PCIDSS (or other applicable standards), Principal Owner agrees that Franchisor will have the option to notify affected person and regulatory authorities on Principal Owner's and Franchisee's behalf in accordance with applicable law. If, after consultation with Principal Owner and Franchisee, Franchisor determines that notification is required or appropriate, Principal Owner agrees that Principal Owner and Franchisee will bear all costs associated with such notification, which may include, without limitation, any costs for providing credit monitoring to affected person. Upon discovery of a Security Breach, Principal Owner further agrees that Principal Owner will promptly investigate and remediate, at Principal Owner's and/or Franchisee's expense, the source of such Security Breach. Principal Owner and/or Franchisee shall pay all costs Franchisor incurs (including legal expenses) in connection with responding to any Security Breach at the Restaurant or involving Principal Owner's and/or Franchisee's operations under this Agreement. For purposes of this Section, a "**Security Breach**" is any known or suspected unauthorized use, theft, access, disclosure, loss or acquisition of any confidential information, Brand Standards Manual, any customer information, Franchisee's computer system, or the POS System.

8. Federal Law. Pursuant to the federal Defend Trade Secrets Act of 2016, Principal Owner acknowledges that it has been notified and understands that they will not be held criminally or civilly liable under any federal or state trade secrets law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

9. Governing Law; Jurisdiction. The United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.) or other applicable federal law and/or the law of the state of Virginia shall apply to the construction and enforcement of this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete without regard to its conflicts of laws. The Principal Owner hereby submits and irrevocably consents to the exclusive jurisdiction of the federal and state courts for the district where Franchisor's principal executive office is located on the date of filing of the action and agrees not to raise, and hereby irrevocably waives, to the fullest extent permitted by law, any objection based upon forum non conveniens or any other objection it may now have or hereafter have to such jurisdiction or venue. Further, nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause irreparable harm, under the usual equity rules including the applicable rules for obtaining specific performance, restraining orders and preliminary injunctions.

10. Definitions. All capitalized terms not otherwise defined in this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete will have the same meaning as in the Franchise Agreement.

11. Counterparts. This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Confidentiality and Nondisclosure Agreement and Covenant Not to Compete.

FRANCHISEE (acknowledgement):	FRANCHISOR:
________________________	S & S MADDIO'S LLC
By: _______________________	By: ____________________________
Title: ______________________	Title:
Dated: ____________________	Dated: __________________________

PRINCIPAL OWNER:

____

Dated: ____________________

Exhibit D
to the Uncle Maddio's Pizza Franchise Agreement

GUARANTEE

(Principal Owners must execute the following)

As of _________________, 20__, as an inducement to Franchisor to enter the franchise an agreement between ________________ ("Franchisee") dated ______________________, 20___ (the "Franchise Agreement"), the undersigned, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee's obligations under the Franchise Agreement will be punctually paid and performed. Upon demand by Franchisor, the undersigned will immediately make each contribution or payment required of Franchisee under the Franchise Agreement.

The undersigned herby waives: (i) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this guarantee provision, for the express purpose that none of the undersigned shall be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) all rights to require Franchisor to proceed against Franchisee for any payment required under the Franchise Agreement, proceed against or exhaust any security from Franchisee, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this guarantee provision or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (iii) any benefit of, any right to participate in, any security now or hereafter held by Franchisor; and (iv) acceptance and notice of acceptance by Franchisor of his, her or its undertakings under this guarantee provision, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. Franchisor shall have no present or future duty or obligation to the undersigned under this guarantee provision, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other guarantor, or any collateral securing any obligations of Franchisee to Franchisor. Without affecting the obligations of the undersigned under this guarantee provision, Franchisor may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Franchise Agreement or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any other guarantor, make advances for the purpose of performing any obligations of Franchisee under the Franchise Agreement, assign the Franchise Agreement or the right to receive any sum payable under the Franchise Agreement, and the undersigned each hereby jointly and severally waive notice of same and agree to be bound by any and all amendments and changes to the Franchise Agreement. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of the Franchise Agreement.

The undersigned hereby agrees to defend, indemnify, and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) ("Claims") resulting from, consisting of, or arising out of or in connection with any failure by Franchisee, its officers, directors, agents, or employees to perform any obligation under the Franchise Agreement, any amendment thereto, or any other agreement executed by Franchisee referred to therein. Notwithstanding any other language contained herein, the obligations of Guarantor(s) under this guarantee provision (including both the payment and performance obligations, and the indemnification obligations) shall not apply to any obligations or Claims arising due to the actions of third parties not under the operation, direction or control of Franchisee.

This guarantee provision shall terminate upon the termination or expiration of the Franchise Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Franchise Agreement shall remain in force according to their terms. Upon the death of any undersigned, the estate of such individual shall be bound by this guarantee provision, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other undersigned will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this guarantee provision shall have the same meaning as in the Franchise Agreement. This guarantee provision shall be interpreted and construed under the laws of the State of Virginia. In the event of any conflict of law, the laws of Virginia shall prevail, without regard to, and without giving effect to, the application of the State of Virginia conflict of law rules. Nothing in this guarantee provision is intended by the parties to subject this guarantee provision to any franchise or similar law, rule, or regulation of the State of Virginia or of any other state to which it would not otherwise be subject. Franchisor may enforce its rights in this guarantee provision in the state or federal court in the district in which Franchisor's principal executive office is located at the time the action is filed. Any and all notices required or permitted under this guarantee provision shall be in writing and shall be personally delivered, in the manner provided under Section 29 of the Franchise Agreement.

This guarantee provision may be signed in multiple counterpart copies, each of which will be deemed an original. This guarantee provision may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this guarantee provision.

IN WITNESS WHEREOF, the undersigned has signed this guarantee as of_______________, 20__.

GUARANTOR(S):

______________________________	______________________________
______________________________	______________________________
______________________________	______________________________

EXHIBIT D

EXHIBIT D TO THE DISCLOSURE DOCUMENT
BRAND STANDARDS MANUAL TABLE OF CONTENTS

BRAND STANDARDS MANUAL TABLE OF CONTENTS

EXHIBIT E

EXHIBIT E TO THE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDA AND RIDERS

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
S & S MADDIO'S

STATE OF CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVEREDTOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT. CALIFORNIA CORPORATIONS CODE SECTION 31125 REQUIRES THAT WE GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF CORPORATIONS BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

Neither we nor any person or franchise broker identified in Item 2 of this Franchise disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination and non - renewal of a franchise. If the Franchise Agreement or Development Agreement contains a provision that is inconsistent with the law, the law will control. You must sign a general release if you renew or transfer your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT *www.corp.ca.gov*.

The Franchise Agreement and Development Agreement each provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Sec. 101 et seq.). The Franchise Agreement and Development Agreement each contain a covenant not to compete which extends beyond the termination of the Franchise Agreement or the Development Agreement. These provisions may not be enforceable under California law.

THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT EACH REQUIRE APPLICATION OF THE LAWS OF Virginia . THESE PROVISIONS MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW. THE FRANCHISE AGREEMENT AND THE DEVELOPMENT AGREEMENT EACH REQUIRE BINDING ARBITRATION. THE ARBITRATION WILL OCCUR AT THE OFFICE OF THE AMERICAN ARBITRATION ASSOCIATION CLOSEST TO OUR PRINCIPAL EXECUTIVE OFFICE WITH EACH PARTY RESPONSIBLE FOR ITS OWN COSTS. YOU ARE ENCOURAGED TO CONSULT PRIVATE LEGAL COUNSEL TO DETERMINE THE APPLICABILITY OF CALIFORNIA AND FEDERAL LAWS (SUCH AS BUSINESS AND PROFESSIONS CODE SECTION 20040.5, CODE OF CIVIL PROCEDURES SECTION 1281, AND THE FEDERAL ARBITRATION ACT) TO ANY PROVISIONS OF A FRANCHISE AGREEMENT OR DEVELOPMENT AGREEMENT RESTRICTING VENUE TO A FORUM OUTSIDE THE STATE OF CALIFORNIA.

Item 5 is amended by adding the following:

The State of California has imposed a deferral condition on us. Therefore, neither the Development Fee nor the initial franchise fee fees will be due and payable by you to us until all of our pre-opening obligations are completed and your Restaurant opens for business.

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF CALIFORNIA

The following Rider to the Area Development Agreement modifies and supersedes the S & S MADDIO'S LLC Area Development Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of California or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of California pursuant to the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, as follows:

1. If any of the provisions of the Agreement concerning termination are inconsistent with either the California Franchise Relations Act or with the federal bankruptcy law (11 U.S.C. §101, et seq.) (concerning termination of the Agreement on certain bankruptcy-related events), then such laws will apply.

2. The Agreement requires that it be governed by Virginia law. This requirement may be unenforceable under California law.

3. Developer must sign a general release if Developer transfers its franchise. California Corporations Code 31512 voids a waiver of Developer's rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of Developer's rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

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

5. The Agreement requires binding arbitration. The arbitration will occur at the office of the American Arbitration Association closest to our principal executive office with each party responsible for its own costs. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

6. Neither the Development Fee nor the initial franchise fee will be due until your Restaurant opens for business.

7. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________, 20____.

FRANCHISOR:

S &S MADDIO'S LLC
By:________________________________

Print Name:_________________________

Title:______________________________

DEVELOPER:

If an Individual:

Signature: ________________________________

Print Name: _______________________________

If other than an Individual:

____

By:______________________________________

Name:____________________________________

Title:_____________________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF CALIFORNIA

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of California or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of California pursuant to the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, as follows:

1. The payment of the initial franchise fee is deferred until all of our pre-opening obligations to you are completed and your Restaurant is opened.

2. If any of the provisions of the Agreement concerning termination and non-renewal of a franchise are inconsistent with either the California Franchise Relations Act or with the federal bankruptcy law (11 U.S.C. §101, et seq.) (concerning termination of the Agreement on certain bankruptcy -related events), then such laws will apply.

3. The Agreement requires that it be governed by Virginia law. This requirement may be unenforceable under California law.

4. Franchisee must sign a general release if Franchisee renews or transfers Franchisee's franchise. California Corporations Code 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

5. Franchisee and Franchisor agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

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

7. The Agreement requires binding arbitration. The arbitration will occur at the office of the American Arbitration Association closest to our principal executive office with each party responsible for its own costs. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

8. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________, 20____.

FRANCHISOR:	**FRANCHISEE**:
S &S MADDIO'S LLC By:________________________________	If an Individual:
Print Name:_________________________	Signature: ________________________________
Title:______________________________	Print Name: _______________________________
	If other than an Individual: ____
	By:_______________________________________
	Name:____________________________________
	Title:_____________________________________

S & S MADDIO'S LLC
ADDENDUMTO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF ILLINOIS

Item 17 of this Franchise disclosure document is modified to include the following paragraph: Sec. 705/4 of the Illinois Franchise Disclosure Act of 1987 provides that "any provision in a franchise/license agreement that designates jurisdiction or venue in a forum outside of Illinois is void." Although the Franchise Agreement and the Development Agreement each provide that it will be governed by and construed in accordance with the laws of the State of Virginia , we agree that the laws of the State of Illinois will govern the construction and interpretation of the Franchise Agreement and the Development Agreement.

For choice of law purposes, and for the interpretation and construction of the Franchise Agreement and the Development Agreement, Illinois law governs. The provisions of the Franchise Agreement and the Development Agreement concerning governing law, jurisdiction, and venue shall not constitute a waiver of any right conferred on you by Illinois law. Although the Franchise Agreement and the Development Agreement each require litigation to be instituted in a court closest to our principal executive office, except as you may be restricted by the arbitration provisions of the Franchise Agreement and the Development Agreement, all litigation must be instituted in a court of competent jurisdiction located in the State of Illinois.

Item 17 of this Franchise disclosure document, the Franchise Agreement and the Development Agreement are each modified to include the following paragraph: Sec. 705/41 of the Illinois Franchise Disclosure Act of 1987 provides that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void." No person may be prevented from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall arbitration of any claim pursuant to the provisions of Title 9 of the United States Code be prevented.

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF ILLINOIS

The following Addendum modifies and supersedes the S & S MADDIO'S LLC Area Development Agreement (the "**Agreement** ") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Illinois or a non -resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of Illinois pursuant to the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat. §§ 705/1 through 705/44, as follows:

1. Section 12 of the Agreement, under the heading "TERMINATION", shall be supplemented by the addition of the following Section, which shall be considered an integral part of the Agreement:

> 12. 5 Other. If any of the provisions of this Section 12 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, then said Illinois law shall apply.

2. Although Section 21.1 of the Agreement requires that it be governed by Virginia law, Franchisor agrees that Illinois law will govern the Agreement.

3. Illinois law prohibits a prospective general release of claims subject to the Illinois Franchise Disclosure Act of 1987.

4. The provisions of the Agreement concerning governing law, jurisdiction, and venue shall not constitute a waiver of any right conferred on Developer by Illinois law. Consistent with the foregoing, any provision in the Agreement which designates jurisdiction and venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois.

5. Although Section 21.1 of the Agreement requires that litigation permitted under Section 21.2 of the Agreement must be instituted in a court closest to Franchisor's principal executive office, Franchisor agrees that jurisdiction and venue for all litigation claims brought under Section 21.2 will be in the State of Illinois.

6. Section 705/41 of the Illinois Franchise Disclosure Act of 1987 provides that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void." No person may be prevented from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall arbitration of any claim pursuant to the provisions of Title 9 of the United States Code be prevented.

7. Franchisor and Developer agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

8. Each provision of this Addendum shall be effective only to the extent, with respect to each such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

9. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on _______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:_______________________

DEVELOPER:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:
____
By:_________________________________
Name:______________________________
Title:_______________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF ILLINOIS

The following Addendum modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Illinois or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of Illinois pursuant to the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat. §§ 705/1 through 705/44, as follows:

1. Section 21 of the Agreement, under the heading "TERMINATION", shall be supplemented by the addition of the following Section, which shall be considered an integral part of the Agreement:

> 21. 5 Other. If any of the provisions of this Section 21 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, then said Illinois law shall apply.

2. Although Section 31.1 of the Agreement requires that it be governed by Virginia law, Franchisor agrees that Illinois law will govern the Agreement.

3. Illinois law prohibits a prospective general release of claims subject to the Illinois Franchise Disclosure Act of 1987.

4. The provisions of the Agreement concerning governing law, jurisdiction, and venue shall not constitute a waiver of any right conferred on Franchisee by Illinois law. Consistent with the foregoing, any provision in the Agreement which designates jurisdiction and venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois.

5. Although Section 31.1 of the Agreement requires that litigation permitted under Section 31.2 of the Agreement must be instituted in a court closest to Franchisor's principal executive office, Franchisor agrees that jurisdiction and venue for all litigation claims brought under Section 31.2 will be in the State of Illinois.

6. Section 705/41 of the Illinois Franchise Disclosure Act of 1987 provides that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void." No person may be prevented from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall arbitration of any claim pursuant to the provisions of Title 9 of the United States Code be prevented.

7. Franchisor and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

8. Each provision of this Addendum shall be effective only to the extent, with respect to each such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

9. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ________________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:_________________________
Print Name:___________________
Title:________________________

FRANCHISEE:
If an Individual:
Signature: _____________________________
Print Name: ___________________________

If other than an Individual:
____
By:___________________________________
Name:________________________________
Title:_________________________________

S & S MADDIO'S LLC
ADDENDUMTO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF MARYLAND

Area Development

Item 17 of this Franchise disclosure document is modified as follows: The general release language required as a condition of renewal, sale and/or assignment or transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. Although the Franchise Agreement and the Development Agreement each require litigation to be instituted in a court in close proximity to our principal executive office, you must institute litigation for violations of Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction located in the State of Maryland, subject to the arbitration provisions of the Franchise Agreement and the Development Agreement. The Franchise Agreement and Development Agreement each provide for termination upon your 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. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of your franchise. To the extent that any provisions of the Development Agreement, Franchise Agreement and/or Franchisee Disclosure Questionnaire require you to assent to any release, estoppel or waiver of liability as a condition to your purchasing an UNCLE MADDIO'S Restaurant franchise, such provisions are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

S & S MADDIO’S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF MARYLAND

The following Rider modifies and supersedes the S & S MADDIO’S LLC Area Development Agreement (the “**Agreement**”) with respect to UNCLE MADDIO’S Restaurant franchises offered or sold to either a resident of the State of Maryland or a non-resident who will be operating an UNCLE MADDIO’S Restaurant franchise in the State of Maryland pursuant to the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, as follows:

1. The general release language required as a condition of sale and/or assignment or transfer shall apply except for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Under certain circumstances, the Agreement requires Developer to submit to a court proceeding in the State where Franchisor’s principal executive office is located. These provisions may run contrary to the Maryland Franchise Registration and Disclosure Law. Therefore, nothing will preclude Developer from being able to enter into litigation with Franchisor in Maryland.

3. Any claims arising under the Maryland Franchisor Registration and Disclosure Law must be brought within three years after the grant of the franchise.

4. No representation or acknowledgment by Developer in the Agreement is intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on _______________________, 20____.

FRANCHISOR:	DEVELOPER:
S & S MADDIO’S LLC	If an Individual:
By:________________________	Signature: ___________________________
Print Name:__________________	Print Name: __________________________
Title:_______________________	
	If other than an Individual:
	___________________________________
	By:_________________________________
	Name:______________________________
	Title:_______________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF MARYLAND

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Maryland or a non-resident who will be operating a UNCLE MADDIO'S Restaurant franchise in the State of Maryland pursuant to the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, as follows:

1. The general release language required as a condition of renewal, sale and/or assignment or transfer shall apply except for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Under certain circumstances, the Agreement requires Franchisee to submit to a court proceeding in the State where Franchisor's principal executive office is located. These provisions may run contrary to the Maryland Franchise Registration and Disclosure Law. Therefore, nothing will preclude Franchisee from being able to enter into litigation with Franchisor in Maryland.

3. Any claims arising under the Maryland Franchisor Registration and Disclosure Law must be brought within three years after the grant of the franchise.

4. No representation or acknowledgment by Franchisee in the Agreement is intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on _______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:_________________________
Print Name:__________________
Title:________________________

FRANCHISEE:
If an Individual:
Signature: ____________________________
Print Name: __________________________

If other than an Individual:

____
By:__________________________________
Name:_______________________________
Title:________________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF MARYLAND

The following Rider modifies and supersedes the S& S MADDIO'S LLC Franchisee Disclosure Questionnaire with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Maryland or a non-resident who will be operating a UNCLE MADDIO'S Restaurant franchise in the State of Maryland pursuant to the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, as follows:

Nothing in this Franchisee Disclosure Questionnaire shall act as a release, estoppels, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:_______________________

FRANCHISEE:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:

____
By:_________________________________
Name:______________________________
Title:_______________________________

S & S MADDIO'S LLC
ADDENDUMTO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF MINNESOTA

We will protect your right to use the Marks and/or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks. Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release. Any release you sign as a condition of renewal or transfer will not apply to any claims you may have under the Minnesota Franchise Law. 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) and 180 days' notice for nonrenewal of the Franchise Agreement. Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Franchise disclosure document, the Development Agreement or the Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Minn. Rule Part 2860.4400J prohibits us from requiring you to waive your rights to a jury trial or waive your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

The following is added to Items 5 and 7: The State of Minnesota has imposed a deferral condition on us. Therefore, neither the Development Fee nor the initial franchise fee fees will be due and payable by you to us until all of our pre-opening obligations are completed and your Restaurant opens for business.

The following is added to Item 6, Insufficient Funds Fee: Insufficient Funds Checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on services charges.

FRANCHISOR:
S & S MADDIO'S LLC
By:_________________________
Print Name:__________________
Title:_______________________

FRANCHISEE:
If an Individual:
Signature: ____________________________
Print Name: __________________________

If other than an Individual:

____
By:__________________________________
Name:_______________________________
Title:_______________________________

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF MINNESOTA

The following Addendum modifies and supersedes the S & S MADDIO'S LLC Area Development Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Minnesota or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of Minnesota pursuant to the Minnesota Franchise Law, Minn. Stat. §§80C.01 through 80C.22, as follows:

1. Section 13.4 of the Agreement contains a provision requiring a general release as a condition of transfer of the franchise. This release will exclude claims arising under the Minnesota Franchise Law.

2. Sections 12.2 and 12.3 of the Agreement are each amended to add the following:
With respect to franchises governed by Minnesota law, Franchisor 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).

3. Sections 21.1 and 21.2 of the Agreement are each amended to add the following:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation or arbitration to be conducted outside Minnesota. In addition, nothing in the Agreement can abrogate or reduce any of Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or Developer's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

4. Section 21.1 of the Agreement is amended to add the following:

Minn. Rule Part 2860.4400J prohibits Franchisor from requiring Developer to waive Developer's rights to a jury trial or waive Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

5. Franchisor and Developer agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

6. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated there under by the Minnesota Commissioner of Commerce are met independently without reference to this Addendum to the Agreement.

7. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern. Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:_______________________

DEVELOPER:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:
____
By:_________________________________
Name:______________________________
Title:_______________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF MINNESOTA

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Minnesota or a non-resident who will be operating a UNCLE MADDIO'S Restaurant franchise in the State of Minnesota pursuant to the Minnesota Franchise Law, Minn. Stat. §§ 80C.01 through 80C.22, as follows:

1. Section 5.4 of this Agreement is amended by adding the following sentence: For Minnesota franchisees, the insufficient funds fee for each check will be $30.

2. Section 15 of the Agreement, under the heading "MARKS", shall be supplemented by the addition of the following paragraph, which shall be considered an integral part of the Agreement:

> 15.5 Franchisor's Indemnity. Franchisor will protect Franchisee's right to use the Marks and/or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks in accordance with Franchisor's instructions.

4. Sections 2.2 and 19.4 of the Agreement each contain a provision requiring a general release as a condition of renewal and transfer of the franchise. Each release will exclude claims arising under the Minnesota Franchise Law.

5. Sections 2.2, 21.2 and 21.3 of the Agreement are each amended to add the following:

> With respect to franchises governed by Minnesota law, Franchisor 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) and 180 days notice for nonrenewal of the Agreement.

6. Sections 31.1 and 31.2 of the Agreement are each amended to add the following:

> Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation or arbitration to be conducted outside Minnesota. In addition, nothing in the Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

7. Section 31.1 of the Agreement is amended to add the following:

> Minn. Rule Part 2860.4400J prohibits Franchisor from requiring Franchisee to waive Franchisee's rights to a jury trial or waive Franchisee's rights to any procedure, forum, or

remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

8. Franchisor and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

9. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated there under by the Minnesota Commissioner of Commerce are met independently without reference to this Addendum to the Agreement.

10. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:______________________

FRANCHISEE:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:
____
By:_________________________________
Name:______________________________
Title:_______________________________

S & S MADDIO'S LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF NEW YORK

1. All references made herein to a "Disclosure Document" shall be replaced with the term "Offering Prospectus" as used under New York Law.

2. The FDD Cover Page is amended as follows:

- **INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY ST., 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

3. ITEM 3 is amended by the addition of the following language:

- Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

4. ITEM 17 of the Disclosure Document is amended to add the following:

- The following language is added to the end of the "Summary" sections of ITEM 17(c), titled "**Requirements for franchisee to renew or extend**," and ITEM 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of the General Business Law Sections 687.4 and 687.5 be satisfied.

- The following language replaces the "Summary" section of ITEM 17(d), titled "**Termination by franchisee**":

You may terminate the Agreement on any grounds available by law.

- The following language is added to the end of the "Summary" sections of ITEM 17(v), titled "**Choice of forum**," and ITEM 17(w), titled "**Choice of law**":

The forgoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business law of the State of New York.

S & S MADDIO'S LLC
ADDENDUMTO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF NORTH DAKOTA

The following is added to Item 5 of this Franchise disclosure document:

The Franchise Agreement and the Development Agreement each contain a covenant not to compete which extends beyond the termination of the Franchise Agreement or the Development Agreement. These provisions may not be enforceable under North Dakota law. Although the Franchise Agreement and the Development Agreement each provide that the place of arbitration will be held at the American Arbitration Association office that is closest to our principal executive office, we agree that the place of arbitration will be a location that is in close proximity to the site of your business. The Franchise Agreement and the Development Agreement each require that you consent to the jurisdiction of a court in close proximity to our principal executive offices. These provisions may not be enforceable under North Dakota law because North Dakota law precludes you from consenting to jurisdiction of any court outside of North Dakota. Although the Franchise Agreement and the Development Agreement each provide that the Franchise Agreement and the Development Agreement will be governed by and construed in accordance with the laws of the State of Virginia , we agree that the laws of the State of North Dakota will govern the Franchise Agreement and the Development Agreement. A contractual requirement that you sign a general release may be unenforceable under the laws of North Dakota.

Notwithstanding anything contained in the Franchise Agreement or the Development Agreement to the contrary, each party shall bear its owns costs and expenses in connection with any enforcement action brought by either party under the Franchise Agreement or Development Agreement. Item 17 of this Franchise disclosure document, the summary column of part (i) for the Development Agreement, is modified as follows:

To the extent that Section 12.2 of the Development Agreement is in violation of Section 51-19-09 of the North Dakota Franchise Investment Law, such provisions shall be deleted from the Development Agreement. Item 17 of this Franchise disclosure document, the summary column of part (i) for the Franchise Agreement, is modified as follows:

To the extent that Section 21.2 of the Franchise Agreement is in violation of Section 51-19-09 of the North Dakota Franchise Investment Law, such provisions shall be deleted from the Franchise Agreement. Section 22.1 of the Franchise Agreement is a liquidated damages provision, which is in violation of Section 51-19- 09 of the North Dakota Franchise Investment Law. This provision will be deleted from the Franchise Agreement. To the extent any provisions of the Franchise Agreement or Development Agreement require you to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF NORTH DAKOTA

The following Rider modifies and supersedes the S & S MADDIO'S LLC Area Development Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of North Dakota or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of North Dakota pursuant to the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-17, as follows:

1. The Agreement contains a covenant not to compete which extends beyond the termination of the Agreement. This provision may not be enforceable under North Dakota law.

2. Section 13.4 of the Agreement contains a provision requiring a general release as a condition of transfer of the franchise. This release is subject to and will exclude claims arising under the North Dakota Franchise Investment Law.

3. Although Section 21.2 of the Agreement provides that the place of arbitration will be held at the office of the American Arbitration Office closest to Franchisor's principal executive office, Franchisor agrees that the place of arbitration will be a location that is in close proximity to the site of Developer's business.

4. Section 21.1 of the Agreement requires that Developer consent to the jurisdiction of a court located in close proximity to Franchisor's principal executive office. This provision may not be enforceable under North Dakota law because North Dakota law precludes Developer from consenting to jurisdiction of any court outside of North Dakota.

5. Although Section 21.1 of the Agreement provides that the Agreement will be governed by and construed in accordance with the laws of the State of Virginia , Franchisor agrees that the laws of the State of North Dakota will govern the Agreement.

6. To the extent any provision of the Agreement requires Developer to consent to a waiver of exemplary or punitive damages, the provision will be deleted from the Agreement

7. To the extent any provision of the Agreement requires Developer to consent to termination, the provision(s) will be deleted from the Agreement.

8. Franchisor and Developer agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

9. Notwithstanding anything contained in the Agreement to the contrary, each party shall bear its owns costs and expenses in connection with any enforcement action brought by either party under the Agreement.

10. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

11. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Addendum on ______________________, 20____.

FRANCHISOR: S & S MADDIO'S LLC By:________________________ Print Name:__________________ Title:_______________________	DEVELOPER: If an Individual: Signature: ____________________________ Print Name: __________________________ If other than an Individual: _________________________________ By:_________________________________ Name:_______________________________ Title:________________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
<u>STATE OF NORTH DAKOTA</u>

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of North Dakota or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of North Dakota pursuant to the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-17, as follows:

1. The Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under North Dakota law.

2. Sections 2.2 and 19.4 of the Agreement each contain a provision requiring a general release as a condition of renewal or transfer of the franchise. Each release is subject to and will exclude claims arising under the North Dakota Franchise Investment Law.

3. Although Section 31.2 of the Agreement provides that the place of arbitration will be held at the office of the American Arbitration Office closest to Franchisor's principal executive office, Franchisor agrees that the place of arbitration will be a location that is in close proximity to the site of Franchisee's business.

4. Section 31.1 of the Agreement requires that Franchisee consent to the jurisdiction of a court located in close proximity to Franchisor's principal executive office. This provision may not be enforceable under North Dakota law because North Dakota law precludes Franchisee from consenting to jurisdiction of any court outside of North Dakota.

5. Although Section 31.1 of the Agreement provides that the Agreement will be governed by and construed in accordance with the laws of the State of Virginia a, Franchisor agrees that the laws of the State of North Dakota will govern the Agreement.

6. To the extent any provision of the Agreement requires Franchisee to consent to a waiver of exemplary or punitive damages, the provision will be deemed null and void.

7. Franchisor and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

8. To the extent that Section 22.1 of the Agreement is a liquidated damages provision in violation of Section 51-19-09 of the North Dakota Franchise Investment Law, such provision will be deleted from the Agreement.

10. Notwithstanding anything contained in the Agreement to the contrary, each party shall bear its owns costs and expenses in connection with any enforcement action brought by either party under the Agreement.

11. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

12. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on _______________________, 20____.

FRANCHISOR:	FRANCHISEE:
S & S MADDIO'S LLC	If an Individual:
By:________________________	Signature: ___________________________
Print Name:__________________	Print Name: _________________________
Title:_______________________	
	If other than an Individual:
	____________________________________
	By:_________________________________
	Name:______________________________
	Title:_______________________________

S & S MADDIO'S LLC
ADDENDUMTO FRANCHISE DISCLOSURE DOCUMENT FOR
STATE OF RHODE ISLAND

Item 17, summary columns for (v) and (w) are amended to add the following:

> Any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF SOUTH DAKOTA

The following Rider modifies and supersedes the S & S MADDIO'S LLC Area Development Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of South Dakota or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of South Dakota pursuant to the South Dakota Codified Laws, Title 37, Chapter 37-5B, §§ 37-5B-1 through 37-5B-53, as follows:

1. To the extent this Rider is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Rider shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ________________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:_________________________
Print Name:___________________
Title:_________________________

DEVELOPER:
If an Individual:
Signature: ____________________________
Print Name: __________________________

If other than an Individual:

____
By:__________________________________
Name:________________________________
Title:________________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF SOUTH DAKOTA

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of South Dakota or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of South Dakota pursuant to the South Dakota Codified Laws, Title 37, Chapter 37-5B, §§ 37-5B-1 through 37-5B-53, as follows:

1. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Rider shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ________________________, 20____.

FRANCHISOR:	FRANCHISEE:
S & S MADDIO'S LLC	If an Individual:
By:_________________________	Signature: _____________________________
Print Name:___________________	Print Name: ___________________________
Title:________________________	
	If other than an Individual:
	______________________________________
	By:___________________________________
	Name:________________________________
	Title:_________________________________

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
S & S MADDIO'S LLC

STATE OF VIRGINIA

The following is added to Item 5 of this Franchise disclosure document:

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 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.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him/her under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him/her under the franchise, that provision may not be enforceable.

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF VIRGINIA

The following Rider modifies and supersedes the S & S MADDIO'S LLC, Area Development Agreement (the "Agreement") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Virginia or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of Virginia pursuant to the Virginia Retail Franchising Act,

§§ 13.1-557 through 13.1-574 of the Code of Virginia, as follows:

1. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Rider shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:_______________________

DEVELOPER:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:
____
By:_________________________________
Name:______________________________
Title:_______________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF VIRGINIA

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "Agreement") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Virginia or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of Virginia pursuant to the Virginia Retail Franchising Act,

§§ 13.1-557 through 13.1-574 of the Code of Virginia, as follows:

1. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:______________________

FRANCHISEE:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:
____
By:_________________________________
Name:______________________________
Title:_______________________________

ADDENDUMTO FRANCHISE DISCLOSURE DOCUMENT FOR
S & S MADDIO'S LLC
STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement and the Development Agreement including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement and the Development Agreement including the areas of termination and renewal of your franchise. If any of the provisions in this Franchise disclosure document, the Franchise Agreement or the Development Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Washington Franchise Investment Protection Act will prevail over the inconsistent provisions of this Franchise disclosure document, the Franchise Agreement and the Development Agreement with regard to any franchise sold in Washington. The Securities Administrator has concluded that arbitration between a franchisor and franchisee must take place either in the State of Washington or as may be mutually agreed on by the parties or as may be determined by the arbitrator. A release or waiver of rights executed by you will not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where you are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Washington Franchise Investment Protection Act, such as a right to jury trial, may not be enforceable. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act will prevail. Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

S & S MADDIO'S LLC
RIDER TO AREA DEVELOPMENT AGREEMENT
STATE OF WASHINGTON

The following Rider modifies and supersedes the S & S MADDIO'S LLC Area Development Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Washington or a non-resident who will be operating an UNCLE MADDIO'S Restaurant franchise in the State of Washington pursuant to the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, as follows:

1. The state of Washington has a statute, RCW 19.100.180, which may supersede the Agreement including the areas of termination of Developer's franchise. There may also be court decisions which may supersede the Agreement including the areas of termination of Developer's franchise.

2. If any of the provisions in the Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Washington Franchise Investment Protection Act will prevail over the inconsistent provisions of the Agreement with regard to any franchise sold in Washington.

3. The Securities Administrator has concluded that arbitration between a franchisor and franchisee must take place either in the State of Washington or as may be mutually agreed on by the parties or as may be determined by the arbitrator.

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

5. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act will prevail.

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

7. Franchisor and Developer agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

8. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

9. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________________, 20____.

FRANCHISOR: S & S MADDIO'S LLC By:________________________ Print Name:__________________ Title:_______________________	DEVELOPER: If an Individual: Signature: ___________________________ Print Name: _________________________ If other than an Individual: ___________________________________ By:_________________________________ Name:______________________________ Title:_______________________________

S & S MADDIO'S LLC
RIDER TO FRANCHISE AGREEMENT
STATE OF WASHINGTON

The following Rider modifies and supersedes the S & S MADDIO'S LLC Franchise Agreement (the "**Agreement**") with respect to UNCLE MADDIO'S Restaurant franchises offered or sold to either a resident of the State of Washington or a non-resident who will be operating a UNCLE MADDIO'S Restaurant franchise in the State of Washington pursuant to the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, as follows:

1. The state of Washington has a statute, RCW 19.100.180, which may supersede the Agreement including the areas of termination and renewal of Franchisee's franchise. There may also be court decisions which may supersede the Agreement including the areas of termination and renewal of Franchisee's franchise.

2. If any of the provisions in the Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Washington Franchise Investment Protection Act will prevail over the inconsistent provisions of the Agreement with regard to any franchise sold in Washington.

3. The Securities Administrator has concluded that arbitration between a franchisor and franchisee must take place either in the State of Washington or as may be mutually agreed on by the parties or as may be determined by the arbitrator.

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

5. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act will prevail.

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

7. Franchisor and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

8. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

9. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or
the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

Each of the undersigned hereby acknowledges having read, understood, and executed this Rider on ______________________, 20____.

FRANCHISOR:
S & S MADDIO'S LLC
By:________________________
Print Name:__________________
Title:_______________________

FRANCHISEE:
If an Individual:
Signature: ___________________________
Print Name: _________________________

If other than an Individual:
____
By:_________________________________
Name:______________________________
Title:_______________________________

EXHIBIT F

EXHIBIT F TO THE DISCLOSURE DOCUMENT
FINANCIALS

S&S MADDIO'S LLC

AUDITED FINANCIAL STATEMENTS

For the Years Ended
December 31, 2022 and 2021

S&S MADDIO'S LLC

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S&S MADDIO'S LLC

INDEPENDENT AUDITOR'S REPORT

For the Years Ended
December 31, 2022 and 2021

VIGO & VIGO, LLP
Certified Public Accountants
5805 Blue Lagoon Dr., Suite 300. Miami, FL 33126
Tel: (305) 266-1812 Fax: (305) 266-5758

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER:
S&S MADDIO'S, LLC
1410 SPRING HILL RD STE 400
MCLEAN VA 22102-3055

Opinion

We have audited the accompanying financial statements of S&S Maddio's, LLC, which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, changes in member's 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 S&S Maddio's, LLC as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of S&S Maddio's, LLC 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 S&S Maddio's, LLC'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 S&S Maddio's, LLC'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 S&S Maddio's, LLC's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information (Page 14) is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Jorge A. Vigo, CPA
February 18, 2023

S&S MADDIO'S LLC

FINANCIAL STATEMENTS

For the Years Ended
December 31, 2022 and 2021

S&S MADDIO'S LLC
Balance Sheets as of
December 31, 2022 and 2021

	Dec 31, 2022	Dec 31, 2021
ASSETS		
Current Assets		
Cash & Cash Equivalents	16,343	30,846
Accounts Receivable-Net	35,340	28,654
Total Current Assets	51,683	59,500
Other Assets		
Trademarks	422,938	422,938
Other Intangible Assets- Net	446,278	487,199
Loan Receivable	37,705	56,000
Total Other Assets	906,921	966,137
TOTAL ASSETS	**958,604**	**1,025,637**
LIABILITIES & EQUITY		
Current Liabilities		
Accounts Payable and Accrued Expenses	9,300	10,503
Total Accounts Payable and Accrued Expenses	9,300	10,503
Other Current Liabilities		
Gift Card Liability	1,782	5,063
Total Other Current Liabilities	1,782	5,063
Total Current Liabilities	11,082	15,566
Long-Term Liabilities		
Deferred Revenues	3,000	11,210
Total Long-Term Liabilities	3,000	11,210
Total Liabilities	14,082	26,776
Member's Equity		
Member's Equity	944,522	998,861
Total Equity	944,522	998,861
TOTAL LIABILITIES & MEMBER'S EQUITY	**958,604**	**1,025,637**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statements of Income for the Years Ended
December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Royalty Income	474,832	425,847
Marketing Fees	84,935	79,819
Rebate Income	73,870	59,224
Gift Card Revenue	3,000	-
Franchise and Other Fees	13,210	18,754
Total Operating Revenues	649,847	583,644
Gross Profit	649,847	583,644
Total Operating, General & Administrative Expenses	523,216	525,679
Income From Operations	126,631	57,965
Other Income (Expense)		
Interest Income	922	1,124
Total Other Income (Expense)	922	1,124
Net Income (Loss)	**127,553**	**59,089**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statements of Changes in Member's Equity for the Years Ended
December 31, 2022 and 2021

Member's Equity at December 31, 2020	1,105,772
Net Income for year ended December 31, 2021	59,089
Sub Total	1,164,861
Distributions during the year ended December 31, 2021	(166,000)
Member's Equity at December 31, 2021	**998,861**
Net Income for year ended December 31, 2022	127,553
Sub Total	1,126,414
Distributions during the year ended December 31, 2022	(181,892)
Member's Equity at December 31, 2022	**944,522**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statements of Cash Flows for the Years Ended
December 31, 2022 and 2021

	2022	2021
OPERATING ACTIVITIES		
Net Income (Loss)	127,553	59,089
Adjustments to reconcile Net Income		
to net cash provided by operations:		
Amortization	40,922	40,922
Changes in Assets and Liabilities		
Increase in Accounts Receivable	(6,686)	(8,125)
(Decrease) Increase in Accounts Payable and Accrued Exp.	(1,203)	460
Decrease in Gift Card Liability	(3,282)	(12)
(Decrease) Increase in Deferred Revenues	(8,210)	11,210
Net cash provided by Operating Activities	149,094	103,544
INVESTING ACTIVITIES		
Loan Receivable	18,295	-
Net cash provided by Investing Activities	18,295	-
FINANCING ACTIVITIES		
Member's Distributions	(181,892)	(166,000)
Net cash used in Financing Activities	(181,892)	(166,000)
Net cash decrease for period	(14,503)	(62,456)
Cash at beginning of period	30,846	93,302
Cash at end of period	**16,343**	**30,846**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC

NOTES TO THE FINANCIAL STATEMENTS

For the Years Ended
December 31, 2022 and 2021

S&S MADDIO'S, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

A. <u>Nature of Activity</u>

S&S Maddio's, LLC, ("The Company"), was formed on October 10, 2020. The Company is a Virginia Limited Liability Company that sells franchises for a restaurant concept. These franchises give exclusive rights to sell or operate an "Uncle Maddio's Pizza or Uncle Maddio's Pizza Joint" restaurant under the brand, methods and techniques developed by the company.

B. <u>Significant Accounting Policies</u>

This summary of significant accounting policies of The Company is presented to assist in understanding The Company's financial statements. These financial statements and notes are representations of The Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The accompanying financial statements of The Company are presented in conformity with U.S. generally accepted accounting principles. They have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

Cash & Cash Equivalents

The Company considers all short-term, highly liquid investments, which are readily convertible into cash within three (3) months or less to be cash equivalents. For purpose of these financial statements, cash consists of money held in four (4) bank accounts.

Accounts Receivable

The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Fixed Assets

It is The Company's policy to capitalize property and equipment over $1,000. Lesser amounts are expensed. Significant improvements are capitalized; repairs and maintenance costs that do not extend the useful lives of the assets are charged to expense as incurred. Depreciation is calculated using the straight-line method over the useful lives of the assets. As of December 31, 2022 and 2021, The Company had no fixed assets on the financial statements.

B. Significant Accounting Policies (continued)

Intangible Assets

The Company determined the useful lives of its identified intangible assets based on its assessment of all facts and circumstances, including (i) the expected use of the asset; (ii) the expected useful life of another asset or a group of assets to which the useful life of the intangible asset may relate; (iii) any legal, regulatory, or contractual provisions that may limit the useful life; (iv) its own historical experience in renewing or extending similar arrangements (consistent with the intended use of the asset), regardless of whether those arrangements have explicit renewal or extension provisions; (v) the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, known technological advances, legislative action that results in an uncertain or changing regulatory environment, and expected changes in distribution channels); and (vi) the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company's indefinite-lived intangible assets consist primarily of trademarks. The Company currently has seven (7) registered trademarks. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 350, *Intangibles-Goodwill and Other* (ASC 350), The Company's indefinite-lived intangible assets are evaluated for impairment annually similarly to goodwill. The annual process for assessing the carrying value of indefinite-lived trademark intangible assets begins with qualitative assessment that is similar to assessment performed for goodwill. When the Company determines it is appropriate, the quantitative impairment evaluation for the Company's indefinite-lived trademarks involves comparing the estimated fair value of the assets to the carrying amounts, to determine if fair value is lower and write down required. If the carrying amount of a trademark exceeds its estimated fair value, an impairment charge is recognized in an amount equal to the excess.

The fair market value of the Franchise Contracts was calculated using the income approach. The Company determined the projected future profits and discounted to present value using an appropriate rate. The fair market value of the Trademarks was calculated using the goodwill approach at the date the members acquired the assets of Integrity Brands, LLC and subsequently contributed to the Company.

Use of Estimates

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

B. Significant Accounting Policies (continued)

Revenue Recognition

Revenues of The Company principally consist of franchise royalties, franchise renewal fees & marketing fees which are primarily based on a percentage of franchisee revenue. These revenues are recorded on the accrual basis of accounting and are accrued as the underlying franchisee revenue is earned.

Revenue is recognized in compliance with FASB ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606). ASC 606 requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expect to be entitled in exchange for those goods or on services.

In accordance with ASC 606, initial franchise fees are recognized as revenue over time as performance of franchisor obligations are met. Such pre-opening activities and tasks include, but are not limited to, providing assistance in site selection, providing architectural and engineering specifications, training of the franchisee's personnel, the preparation and distribution of manuals related to operations, administration and record keeping, providing bookkeeping, information technology, and advisory services, providing inspection, testing and other quality control programs, etc. By the time the franchised unit is opened, the entire franchise fee has generally been recognized.

Concentration of Risk

Financial instruments that potentially subject The Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company places its cash with financial institutions and limits the amount of credit exposure to any one financial institution. As of December 31, 2022 and 2021, cash accounts held at each financial institution were insured by the FDIC for up to $250,000. These cash accounts included no amounts in excess of insured limits. As of December 31, 2022 and 2021, the Company had no significant concentrations of credit risk.

Income Tax

The Company has elected, with the consent of the partners' to be taxed as a partnership. A partnership does not pay income taxes. Instead, the partners are liable for income tax on the Company's taxable income or loss. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Member's Equity

The member's equity consists of accumulated deficits and contributed capital as of December 31, 2022 and 2021.

C. Accounts Receivable

Accounts receivable consist of balances due from franchisees for transactions paid by The Company, franchise, marketing and sponsoring fees as well as interest receivable. Also, sales of certain items were collected on behalf of a charitable entity in order to be donated at a later time. All balances are reflected at their net realizable value.

Accounts receivable is composed of the following:

	December 31, 2022	December 31, 2021
Franchise Royalties	27,150	24,331
Marketing Fees	5,402	3,849
Charitable Sales Receivable	2,725	-
Interest Receivable	63	474
Total Accounts Receivable	**$ 35,340**	**$ 28,654**

D. Intangible Assets

The Intangible assets were recorded at their fair market values at the date the members acquired the assets of Integrity Brands, LLC and subsequently contributed to the Company. Definite-lived intangibles are amortized over their estimated useful lives. The initial fair market values and useful lives of The Company's intangible assets were as follows:

	Value	**Years**
Trademarks	$ 422,938	Indefinite-lived - Impairment
Franchise Contracts	$ 580,000	Approximately 15 Years (Straight line)

At December 31, 2022 and 2021, franchise contracts consist of the following:

	December 31, 2022	December 31, 2021
Franchise Contracts	$ 580,000	$ 580,000
Less accumulated amortization	(133,722)	(92,801)
Total Franchise Contracts	**$ 446,278**	**$ 487,199**

For the years ended December 31, 2022 and 2021, amortization expense amounted to $40,922 and $40,922, respectively.

E. Loan Receivable

Loan Receivable consists of a loan with an owner of the entity that manages The Company. In November 2021, The Company loaned $56,000. This loan calls for interest payments payable on a quarterly basis beginning February 2022 at a two percent (2.0%) rate of interest, compounding annually. The entire unpaid principal balance and any accrued or outstanding interest shall be due in full on November 1, 2024. Accrued interest income and related interest receivable is included in the financial statements. At December 31, 2022 and 2021, the outstanding balance of the loan was $37,705 and $56,000, respectively.

F. Commitments and Contingencies

The Company may be subject to a variety of claims, suits, assessments, and legal proceedings that arise from time to time in the ordinary course of business. The Company defends itself vigorously against all such claims and lawsuits. Any such claims, whether with or without merit, could be time-consuming and expensive to defend and could divert management's attention and resources.

While the Company does not expect that the ultimate outcomes in these proceedings, individually or collectively, will have a material adverse effect on its business, financial position, results of operations, or cash flows, the results and timing of the ultimate resolutions of these various proceedings are inherently unpredictable. The Company records a provision for such matters when management believes that it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

G. Current Liabilities

Current liabilities of The Company consist of accounts payable for bills received, accrued expenses and other current liabilities.

The revenue from the Company's gift certificates is recognized when the gift certificate is redeemed by the customer. The liability is relieved when the likelihood of the gift certificate being redeemed by the customer is remote and it determines that it does not have a legal obligation to remit the value of unredeemed gift certificates.

H. Long-Term Liabilities

At December 31, 2022 and 2021, long-term liabilities consist of deferred revenues related to franchise fees for a new franchise contract signed in 2021. The revenues will be recognized over time as pre-opening obligations are met, until the franchise unit is opened.

I. Statement of Cash Flows – Supplemental Information

For the years ended December 31, 2022 and 2021, there were no significant noncash financing or investing activities.

S&S MADDIO'S, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

J. Franchising

At December 31, 2022 and 2021, The Company held thirteen (13) and fifteen (15) Franchise Contracts, respectively, including Market Development Agreements, Franchise Agreements & Non-Franchise Agreement Executory Contracts. The Franchises are located in six (6) different territories.

In general, The Company's franchise agreements provide for the payment of a franchise fee for each opened franchised location. Subject to approval and payment renewal fee, a franchise may generally renew its agreement upon expiration. The Company recognizes renewal fees as income when renewal agreement becomes effective. As territories are assigned to each franchise sold, The Company may reach the point where existing markets become saturated, and initial franchising revenue declines. Unless new markets are entered, franchise revenues after market saturation will come primarily from continuing and renewal fees for existing franchises.

K. Subsequent Events

In preparing the financial statements, The Company has evaluated events and transactions for potential recognition or disclosure through February 18, 2023, the date the financial statements were available to be issued.

S&S MADDIO'S LLC

SUPPLEMENTARY INFORMATION

For the Years Ended
December 31, 2022 and 2021

S&S MADDIO'S LLC
Schedules of Operating, General & Administrative Expenses for the Years Ended
December 31, 2022 and 2021

	2022	2021
Expense		
Accounting & Professional	60,548	44,753
Amortization	40,922	40,922
Bank Charges	291	80
Franchise Support	-	16,500
Management Fees	324,437	320,945
Marketing	89,872	92,939
Office Expenses	5,420	5,662
Recruiting Expense	-	876
Taxes & Licenses	50	50
Travel	1,676	2,952
Total Expenses	**523,216**	**525,679**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC

AUDITED FINANCIAL STATEMENTS

For the Years Ended
December 31, 2021 and 2020

S&S MADDIO'S LLC

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S&S MADDIO'S LLC

INDEPENDENT AUDITOR'S REPORT

For the Years Ended
December 31, 2021 and 2020

VIGO & VIGO, LLP
Certified Public Accountants
5805 Blue Lagoon Dr., Suite 300. Miami, FL 33126
Tel: (305) 266-1812 Fax: (305) 266-5758

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER:
S&S MADDIO'S, LLC
1410 SPRING HILL RD STE 400
MCLEAN VA 22102-3055

Opinion

We have audited the accompanying financial statements of S&S Maddio's, LLC, which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of income, changes in member's 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 S&S Maddio's, LLC as of December 31, 2021 and 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of S&S Maddio's, LLC 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 S&S Maddio's, LLC'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 S&S Maddio's, LLC'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 S&S Maddio's, LLC's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information (Page 14) is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Jorge A. Vigo, CPA
April 22, 2022

S&S MADDIO'S LLC

FINANCIAL STATEMENTS

For the Years Ended
December 31, 2021 and 2020

S&S MADDIO'S LLC
Balance Sheets as of
December 31, 2021 and 2020

	Dec 31, 2021	Dec 31, 2020
ASSETS		
Current Assets		
Cash & Cash Equivalents	30,846	93,302
Accounts Receivable-Net	28,654	20,528
Total Current Assets	59,500	113,830
Other Assets		
Trademarks	422,938	422,938
Other Intangible Assets- Net	487,199	528,122
Loan Receivable	56,000	56,000
Total Other Assets	966,137	1,007,060
TOTAL ASSETS	**1,025,637**	**1,120,890**
LIABILITIES & EQUITY		
Current Liabilities		
Accounts Payable and Accrued Expenses	10,503	10,043
Total Accounts Payable and Accrued Expenses	10,503	10,043
Other Current Liabilities		
Gift Card Liability	5,063	5,075
Total Other Current Liabilities	5,063	5,075
Total Current Liabilities	15,566	15,118
Long-Term Liabilities		
Deferred Revenues	11,210	-
Total Long-Term Liabilities	11,210	-
Total Liabilities	26,776	15,118
Member's Equity		
Member's Equity	998,861	1,105,772
Total Equity	998,861	1,105,772
TOTAL LIABILITIES & MEMBER'S EQUITY	**1,025,637**	**1,120,890**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statements of Income for the Years Ended
December 31, 2021 and 2020

	2021	2020
Operating Revenues		
Royalty Income	425,847	411,753
Marketing Fees	79,819	32,066
Rebate Income	59,224	39,596
Gift Card Revenue	-	25,100
Franchise and Other Fees	18,754	-
Total Operating Revenues	583,644	508,515
Gross Profit	583,644	508,515
Total Operating, General & Administrative Expenses	525,679	606,281
Income From Operations	57,965	(97,766)
Other Income (Expense)		
Interest Income	1,124	67
Total Other Income (Expense)	1,124	67
Net Income (Loss)	**59,089**	**(97,699)**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statements of Changes in Member's Equity for the Years Ended
December 31, 2021 and 2020

Member's Equity at December 31, 2019	1,218,471
Net Income for year ended December 31, 2020	(97,699)
Sub Total	1,120,772
Distributions during the year ended December 31, 2020	(15,000)
Member's Equity at December 31, 2020	**1,105,772**
Net Income for year ended December 31, 2021	59,089
Sub Total	1,164,861
Distributions during the year ended December 31, 2021	(166,000)
Member's Equity at December 31, 2021	**998,861**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statements of Cash Flows for the Years Ended
December 31, 2021 and 2020

	2021	2020
OPERATING ACTIVITIES		
Net Income (Loss)	59,089	(97,699)
Adjustments to reconcile Net Income		
to net cash provided by operations:		
Amortization	40,922	40,922
Changes in Assets and Liabilities		
(Increase) Decrease in Accounts Receivable	(8,125)	4,608
(Increase) Decrease in Prepaid Expenses	-	4,560
Increase (Decrease) in Accounts Payable and Accrued Exp.	460	(62,382)
Increase (Decrease) in Gift Card Liability	(12)	(21,796)
Increase (Decrease) in Marketing Fund Liability	-	(13,131)
Increase (Decrease) in Deferred Revenues	11,210	-
Net cash provided by (used in) Operating Activities	103,544	(144,918)
INVESTING ACTIVITIES		
Loan Receivable	-	(56,000)
Net cash provided by (used in) Investing Activities	-	(56,000)
FINANCING ACTIVITIES		
Member's Distributions	(166,000)	(15,000)
Net cash provided by (used in) Financing Activities	(166,000)	(15,000)
Net cash increase (decrease) for period	(62,456)	(215,918)
Cash at beginning of period	93,302	309,220
Cash at end of period	**30,846**	**93,302**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC

NOTES TO THE FINANCIAL STATEMENTS

For the Years Ended
December 31, 2021 and 2020

S&S MADDIO'S, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

A. Nature of Activity

S&S Maddio's, LLC, ("The Company"), was formed on October 10, 2020. The Company is a Virginia Limited Liability Company that sells franchises for a restaurant concept. These franchises give exclusive rights to sell or operate an "Uncle Maddio's Pizza or Uncle Maddio's Pizza Joint" restaurant under the brand, methods and techniques developed by the company.

B. Significant Accounting Policies

This summary of significant accounting policies of The Company is presented to assist in understanding The Company's financial statements. These financial statements and notes are representations of The Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The accompanying financial statements of The Company are presented in conformity with U.S. generally accepted accounting principles. They have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

Cash & Cash Equivalents

The Company considers all short-term, highly liquid investments, which are readily convertible into cash within three (3) months or less to be cash equivalents. For purpose of these financial statements, cash consists of money held in four (4) bank accounts.

Fixed Assets

It is The Company's policy to capitalize property and equipment over $1,000. Lesser amounts are expensed. Significant improvements are capitalized; repairs and maintenance costs that do not extend the useful lives of the assets are charged to expense as incurred. Depreciation is calculated using the straight-line method over the useful lives of the assets. As of December 31, 2021 and 2020, The Company had no fixed assets on the financial statements.

Use of Estimates

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

B. Significant Accounting Policies (continued)

Revenue Recognition

Revenues of The Company principally consist of franchise royalties, franchise renewal fees & marketing fees which are primarily based on a percentage of franchisee revenue. These revenues are recorded on the accrual basis of accounting and are accrued as the underlying franchisee revenue is earned.

The Financial Accounting Standards Board (FASB) issued guidance that created *Topic 606, Revenue from Contracts with Customers*, in the Accounting Standards Codification (ASC). ASC 606 superseded the revenue recognition requirements in *FASB ASC 605, Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expect to be entitled in exchange for those goods or on services. Management adopted the requirements of the new guidance as of January 1, 2020.

In accordance with ASC 606, initial franchise fees are recognized as revenue over time as performance of franchisor obligations are met. Such pre-opening activities and tasks include, but are not limited to, providing assistance in site selection, providing architectural and engineering specifications, training of the franchisee's personnel, the preparation and distribution of manuals related to operations, administration and record keeping, providing bookkeeping, information technology, and advisory services, providing inspection, testing and other quality control programs, etc. By the time the franchised unit is opened, the entire franchise fee has generally been recognized.

As The Company previously acquired all its Franchise Contracts, see Note D, the adoption of ASC 606 did not result in any deferred franchise fees nor unrecognized revenues in the liabilities section of the balance sheet at year end.

Concentration of Risk

Financial instruments that potentially subject The Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company places its cash with financial institutions and limits the amount of credit exposure to any one financial institution. As of December 31, 2021 and 2020, cash accounts held at each financial institution were insured by the FDIC for up to $250,000. These cash accounts included no amounts in excess of insured limits. As of December 31, 2021 and 2020, the Company had no significant concentrations of credit risk.

Income Tax

The Company has elected, with the consent of the partners' to be taxed as a partnership. A partnership does not pay income taxes. Instead, the partners are liable for income tax on the Company's taxable income or loss. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

B. Significant Accounting Policies (continued)

Member's Equity

The member's equity consists of accumulated deficits and contributed capital as of December 31, 2021 and 2020.

C. Accounts Receivable

Accounts receivable consist of balances due from franchisees for transactions paid by The Company, franchise, marketing and sponsoring fees as well as interest receivable. All balances are reflected at their net realizable value.

The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Accounts receivable is composed of the following:

	December 31, 2021	December 31, 2020
Franchise Royalties	24,331	16,232
Marketing Fees	3,849	3,246
Reimbursement Receivable	-	983
Interest Receivable	474	67
Allowance for bad debts	-	-
Total Accounts Receivable	**$ 28,654**	**$ 20,528**

D. Intangible Assets

The Intangible assets were recorded at their fair market values at the date the members acquired the assets of Integrity Brands, LLC and subsequently contributed to the Company. Definite-lived intangibles are amortized over their estimated useful lives. The initial fair market values & useful life of the Company's intangible assets were as follows:

	Value	Years
Trademarks	$ 422,938	Indefinite-lived - Impairment
Franchise Contracts	$ 580,000	Approximately 15 Years (Straight line)

The fair market value of the Franchise Contracts was calculated using the income approach. The Company determined the projected future profits and discounted to present value using an appropriate rate. The fair market value of the Trademarks was calculated using the goodwill approach at the date the members acquired the assets of Integrity Brands, LLC and subsequently contributed to the Company.

D. Intangible Assets (continued)

The Company determined the useful lives of its identified intangible assets based on its assessment of all facts and circumstances, including (i) the expected use of the asset; (ii) the expected useful life of another asset or a group of assets to which the useful life of the intangible asset may relate; (iii) any legal, regulatory, or contractual provisions that may limit the useful life; (iv) its own historical experience in renewing or extending similar arrangements (consistent with the intended use of the asset), regardless of whether those arrangements have explicit renewal or extension provisions; (v) the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, known technological advances, legislative action that results in an uncertain or changing regulatory environment, and expected changes in distribution channels); and (vi) the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company's indefinite-lived intangible assets consist primarily of trademarks. The Company currently has seven (7) registered trademarks. In accordance with *FASB ASC 350 Intangibles-Goodwill and Other*, The Company's indefinite-lived intangible assets are evaluated for impairment annually similarly to goodwill. The annual process for assessing the carrying value of indefinite-lived trademark intangible assets begins with qualitative assessment that is similar to assessment performed for goodwill. When the Company determines it is appropriate, the quantitative impairment evaluation for the Company's indefinite-lived trademarks involves comparing the estimated fair value of the assets to the carrying amounts, to determine if fair value is lower and write down required. If the carrying amount of a trademark exceeds its estimated fair value, an impairment charge is recognized in an amount equal to the excess.

Franchise contracts consist of the following:

	December 31, 2021	December 31, 2020
Franchise Contracts	$ 580,000	$ 580,000
Less accumulated amortization	(92,801)	(51,878)
Total Franchise Contracts	**$ 487,199**	**$ 528,122**

For the years ended December 31, 2021 and 2020, amortization expense amounted to $40,922 and $40,922, respectively.

E. Loan Receivable

Loan Receivable consists of a loan with an owner of the entity that manages The Company. In November 2020, The Company loaned $56,000. This loan calls for interest payments payable on a quarterly basis beginning February 2021 at a two percent (2.0%) rate of interest, compounding annually. The entire unpaid principal balance and any accrued or outstanding interest shall be due in full on November 1, 2024. Accrued interest income and related interest receivable is included in the financial statements.

F. Commitments and Contingencies

The Company may be subject to a variety of claims, suits, assessments, and legal proceedings that arise from time to time in the ordinary course of business. The Company defends itself vigorously against all such claims and lawsuits. Any such claims, whether with or without merit, could be time-consuming and expensive to defend and could divert management's attention and resources.

While the Company does not expect that the ultimate outcomes in these proceedings, individually or collectively, will have a material adverse effect on its business, financial position, results of operations, or cash flows, the results and timing of the ultimate resolutions of these various proceedings are inherently unpredictable. The Company records a provision for such matters when management believes that it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

G. Current Liabilities

Current liabilities of The Company consist of accounts payable for bills received, accrued expenses and other current liabilities.

The revenue from the Company's gift certificates is recognized when the gift certificate is redeemed by the customer. The liability is relieved when the likelihood of the gift certificate being redeemed by the customer is remote and it determines that it does not have a legal obligation to remit the value of unredeemed gift certificates.

H. Long-Term Liabilities

At December 31, 2021, long-term liabilities consist of deferred revenues related to franchise fees for a new franchise contract signed in 2021. The revenues will be recognized over time as pre-opening obligations are met, until the franchise unit is opened.

I. Statement of Cash Flows – Supplemental Information

For the years ended December 31, 2021 and 2020, there were no significant noncash financing or investing activities.

J. Franchising

At December 31, 2021 and 2020, The Company held fifteen (15) Franchise Contracts including Market Development Agreements, Franchise Agreements & Non-Franchise Agreement Executory Contracts. The Franchises are located in six (6) different territories.

In general, the Company's franchise agreements provide for the payment of a franchise fee for each opened franchised location. Subject to approval and payment renewal fee, a franchise may generally renew its agreement upon expiration. The Company recognizes renewal fees as income when renewal agreement becomes effective. As territories are assigned to each franchise sold, the Company may reach the point where existing markets become saturated, and initial franchising revenue declines. Unless new markets are entered, franchise revenues after market saturation will come primarily from continuing and renewal fees for existing franchises.

K. COVID -19

As a result of the continued spread of COVID-19 in the United States, economic uncertainties exist withing the restaurant and hospitality industry which may negatively impact operations of The Company. Thus far, management does not believe that there has been a material impact on franchise fee collections of The Company overall due to COVID-19 nor will there be in regards to operations subsequent to year end. Due to the uncertainty of the economic impact and unknown length of the disruption caused by COVID-19, other financial impact could occur though such potential impact is unknown at this time.

L. Subsequent Events

In preparing the financial statements, The Company has evaluated events and transactions for potential recognition or disclosure through April 22, 2022, the date the financial statements were available to be issued.

S&S MADDIO'S LLC

SUPPLEMENTARY INFORMATION

For the Years Ended
December 31, 2021 and 2020

S&S MADDIO'S LLC
Schedules of Operating, General & Administrative Expenses for the Years Ended
December 31, 2021 and 2020

	2021	2020
Expense		
Accounting & Professional	44,753	84,615
Amortization	40,922	40,922
Bank Charges	80	185
Franchise Support	16,500	25,394
Management Fees	320,945	302,520
Marketing	92,939	139,521
Office Expenses	5,662	7,707
Recruiting Expense	876	-
Taxes & Licenses	50	100
Travel	2,952	5,317
Total Expenses	**525,679**	**606,281**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC

AUDITED FINANCIAL STATEMENTS

For the Year Ended
December 31, 2020

S&S MADDIO'S LLC

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S&S MADDIO'S LLC

INDEPENDENT AUDITOR'S REPORT

For the Year Ended
December 31, 2020

VIGO & VIGO, LLP
Certified Public Accountants
5805 Blue Lagoon Dr., Suite 300. Miami, FL 33126
Tel: (305) 266-1812 Fax: (305) 266-5758

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER:
S&S MADDIO'S, LLC
1410 SPRING HILL RD STE 400
MCLEAN VA 22102-3055

Report on the Financial Statements

We have audited the accompanying financial statements of S&S Maddio's, LLC, which comprise the balance sheet as of December 31, 2020, and the related statements of income, changes in member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility for the Financial Statements

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of S&S Maddio's, LLC as of December 31, 2020, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information (Page 13) is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Jorge A. Vigo, CPA
April 12, 2021

S&S MADDIO'S LLC

FINANCIAL STATEMENTS

For the Year Ended
December 31, 2020

S&S MADDIO'S LLC
Balance Sheet as of
December 31, 2020

	Dec 31, 2020
ASSETS	
Current Assets	
Cash & Cash Equivalents	93,302
Accounts Receivable-Net	20,528
Total Current Assets	113,830
Other Assets	
Trademarks	422,938
Other Intangible Assets- Net	528,122
Loan Receivable	56,000
Total Other Assets	1,007,060
TOTAL ASSETS	**1,120,890**
LIABILITIES & EQUITY	
Current Liabilities	
Accounts Payable and Accrued Expenses	10,043
Total Accounts Payable	10,043
Other Current Liabilities	
Gift Card Liability	5,075
Total Current Liabilities	5,075
Total Liabilities	15,118
Member's Equity	
Member's Equity	1,105,772
Total Equity	1,105,772
TOTAL LIABILITIES & MEMBER'S EQUITY	**1,120,890**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statement of Income for the Year Ended
December 31, 2020

	2020
Operating Revenues	
Royalty Income	411,753
Marketing Fees	32,066
Rebate Income	39,596
Gift Card Revenue	25,100
Total Operating Revenues	508,515
Gross Profit	508,515
Total Operating, General & Administrative Expenses	606,281
Income From Operations	(97,766)
Other Income (Expense)	
Interest Income	67
Total Other Income (Expense)	67
Net Income (Loss)	**(97,699)**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statement of Changes in Member's Equity for the Year Ended
December 31, 2020

Member's Equity at December 31, 2019	1,218,471
Net Income for year ended December 31, 2020	(97,699)
Sub Total	1,120,772
Distributions	(15,000)
Member's Equity at December 31, 2020	**1,105,772**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC
Statement of Cash Flows for the Year Ended
December 31, 2020

	2020
OPERATING ACTIVITIES	
Net Income	(97,699)
Adjustments to reconcile Net Income	
to net cash provided by operations:	
Amortization	40,922
Changes in Assets and Liabilities	
Decrease in Accounts Receivable	4,608
Decrease in Prepaid Expenses	4,560
Decrease in Accounts Payable and Accrued Expenses	(62,382)
Decrease in Gift Card Liability	(21,796)
Decrease in Marketing Fund Liability	(13,131)
Net cash used in Operating Activities	(144,918)
INVESTING ACTIVITIES	
Loan Receivable	(56,000)
Net cash used in Investing Activities	(56,000)
FINANCING ACTIVITIES	
Member's Distributions	(15,000)
Net cash used in Financing Activities	(15,000)
Net cash increase for period	(215,918)
Cash at beginning of period	309,220
Cash at end of period	**93,302**

***The accompanying notes are an integral part of these financial statements**

S&S MADDIO'S LLC

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended
December 31, 2020

S&S MADDIO'S, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

A. Nature of Activity

S&S Maddio's, LLC, ("The Company"), was formed on October 10, 2020. The Company is a Virginia Limited Liability Company that sells franchises for a restaurant concept. These franchises give exclusive rights to sell or operate an "Uncle Maddio's Pizza or Uncle Maddio's Pizza Joint" restaurant under the brand, methods and techniques developed by the company.

B. Significant Accounting Policies

This summary of significant accounting policies of The Company is presented to assist in understanding The Company's financial statements. These financial statements and notes are representations of The Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The accompanying financial statements of The Company are presented in conformity with U.S. generally accepted accounting principles. They have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

Cash & Cash Equivalents

The Company considers all short-term, highly liquid investments, which are readily convertible into cash within three (3) months or less to be cash equivalents. For purpose of these financial statements, cash consists of money held in four (4) bank accounts.

Fixed Assets

It is The Company's policy to capitalize property and equipment over $1,000. Lesser amounts are expensed. Significant improvements are capitalized; repairs and maintenance costs that do not extend the useful lives of the assets are charged to expense as incurred. Depreciation is calculated using the straight-line method over the useful lives of the assets. As of December 31, 2020, The Company had no fixed assets on the financial statements.

Use of Estimates

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

B. Significant Accounting Policies (continued)

Revenue Recognition

Revenues of The Company principally consist of franchise royalties, franchise renewal fees & marketing fees which are primarily based on a percentage of franchisee revenue. These revenues are recorded on the accrual basis of accounting and are accrued as the underlying franchisee revenue is earned.

Initial Franchise Fees are recognized as revenue when substantial performance of franchisor obligations is complete, which is generally when the franchised unit is opened.

Concentration of Risk

Financial instruments that potentially subject The Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company places its cash with financial institutions and limits the amount of credit exposure to any one financial institution. As of December 31, 2020, cash accounts held at each financial institution were insured by the FDIC for up to $250,000. These cash accounts included no amounts in excess of insured limits. As of December 31, 2020, the Company had no significant concentrations of credit risk.

Income Tax

The Company has elected, with the consent of the partners' to be taxed as a partnership. A partnership does not pay income taxes. Instead, the partners are liable for income tax on the Company's taxable income or loss. Therefore, no provision or liability for federal income taxes has been included in these financial statements.

Member's Equity

The member's equity consists of accumulated deficits and contributed capital as of December 31, 2020.

C. Accounts Receivable

Accounts receivable consist of balances due from franchisees for transactions paid by The Company, franchise, marketing and sponsoring fees as well as interest receivable. All balances are reflected at their net realizable value.

The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Accounts receivable is composed of the following:

	December 31, 2020
Franchise Royalties	16,232
Marketing Fees	3,246
Reimbursement Receivable	983
Interest Receivable	67
Allowance for bad debts	0
Total Accounts Receivable	**$ 20,528**

D. Intangible Assets

The Intangible assets were recorded at their fair market values at the date the members acquired the assets of Integrity Brands, LLC and subsequently contributed to the Company. Definite-lived intangibles are amortized over their estimated useful lives. The initial fair market values & useful life of the Company's intangible assets were as follows:

	Value	Years
Trademarks	$ 422,938	Indefinite-lived - Impairment
Franchise Contracts	$ 580,000	Approximately 15 Years (Straight line)

The fair market value of the Franchise Contracts was calculated using the income approach. The Company determined the projected future profits and discounted to present value using an appropriate rate. The fair market value of the Trademarks was calculated using the goodwill approach at the date the members acquired the assets of Integrity Brands, LLC and subsequently contributed to the Company.

The Company determined the useful lives of its identified intangible assets based on its assessment of all facts and circumstances, including (i) the expected use of the asset; (ii) the expected useful life of another asset or a group of assets to which the useful life of the intangible asset may relate; (iii) any legal, regulatory, or contractual provisions that may limit the useful life; (iv) its own historical experience in

D. Intangible Assets (continued)

renewing or extending similar arrangements (consistent with the intended use of the asset), regardless of whether those arrangements have explicit renewal or extension provisions; (v) the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, known technological advances, legislative action that results in an uncertain or changing regulatory environment, and expected changes in distribution channels); and (vi) the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company's indefinite-lived intangible assets consist primarily of trademarks. The Company currently has seven (7) registered trademarks. In accordance with *FASB ASC 350 Intangibles-Goodwill and Other*, The Company's indefinite-lived intangible assets are evaluated for impairment annually similarly to goodwill. The annual process for assessing the carrying value of indefinite-lived trademark intangible assets begins with qualitative assessment that is similar to assessment performed for goodwill. When the Company determines it is appropriate, the quantitative impairment evaluation for the Company's indefinite-lived trademarks involves comparing the estimated fair value of the assets to the carrying amounts, to determine if fair value is lower and write down required. If the carrying amount of a trademark exceeds its estimated fair value, an impairment charge is recognized in an amount equal to the excess.

Franchise contracts consist of the following:

	December 31, 2020
Franchise Contracts	$ 580,000
Less accumulated amortization	(51,878)
Total Franchise Contracts	**$ 528.122**

For the year ended December 31, 2020, amortization expense amounted to $40,922.

E. Loan Receivable

Loan Receivable consists of a loan with an owner of the entity that manages The Company. In November 2020, The Company loaned $56,000. This loan calls for interest payments payable on a quarterly basis beginning February 2021 at a two percent (2.0%) rate of interest, compounding annually. The entire unpaid principal balance and any accrued or outstanding interest shall be due in full on November 1, 2024. Accrued interest income and related interest receivable is included in the financial statements.

F. Commitments and Contingencies

The Company may be subject to a variety of claims, suits, assessments, and legal proceedings that arise from time to time in the ordinary course of business. The Company defends itself vigorously against all such claims and lawsuits. Any such claims, whether with or without merit, could be time-consuming and expensive to defend and could divert management's attention and resources.

S&S MADDIO'S, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

F. Commitments and Contingencies (continued)

While the Company does not expect that the ultimate outcomes in these proceedings, individually or collectively, will have a material adverse effect on its business, financial position, results of operations, or cash flows, the results and timing of the ultimate resolutions of these various proceedings are inherently unpredictable. The Company records a provision for such matters when management believes that it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

G. Current Liabilities

Current liabilities of The Company consist of accounts payable for bills received, accrued expenses and other current liabilities.

The revenue from the Company's gift certificates is recognized when the gift certificate is redeemed by the customer. The liability is relieved when the likelihood of the gift certificate being redeemed by the customer is remote and it determines that it does not have a legal obligation to remit the value of unredeemed gift certificates

H. Statement of Cash Flows – Supplemental Information

For the year ended December 31, 2020, there were no significant noncash financing or investing activities.

I. Franchising

At December, 31 2020, The Company held fifteen (15) Franchise Contracts including Market Development Agreements, Franchise Agreements & Non-Franchise Agreement Executory Contracts. The Franchises are located in six (6) different territories.

In general, the Company's franchise agreements provide for the payment of a franchise fee for each opened franchised location. Subject to approval and payment renewal fee, a franchise may generally renew its agreement upon expiration. The Company recognizes renewal fees as income when renewal agreement becomes effective. As territories are assigned to each franchise sold, the Company may reach the point where existing markets become saturated, and initial franchising revenue declines. Unless new markets are entered, franchise revenues after market saturation will come primarily from continuing and renewal fees for existing franchises.

J. COVID -19

As a result of the continued spread of COVID-19 in the United States, economic uncertainties exist withing the restaurant and hospitality industry which may negatively impact operations of The Company. Thus far, management does not believe that there has been a material impact on franchise fee collections of The Company overall due to COVID-19 nor will there be in regards to operations subsequent to year end. Due to the uncertainty of the economic impact and unknown length of the disruption caused by COVID-19, other financial impact could occur though such potential impact is unknown at this time.

K. Subsequent Events

In preparing the financial statements, The Company has evaluated events and transactions for potential recognition or disclosure through April 12, 2021, the date the financial statements were available to be issued.

S&S MADDIO'S LLC

SUPPLEMENTARY INFORMATION

For the Year Ended
December 31, 2020

S&S MADDIO'S LLC

Schedule of Operating, General & Administrative Expenses for the Year Ended

December 31, 2020

	2020
Expense	
Accounting & Professional	84,615
Amortization	40,922
Bank Charges	185
Franchise Support	25,394
Management Fees	302,520
Marketing	139,521
Office Expenses	7,707
Taxes & Licenses	100
Travel	5,317
Total Expenses	**606,281**

***The accompanying notes are an integral part of these financial statements**

EXHIBIT G

EXHIBIT G TO THE DISCLOSURE DOCUMENT

Current Franchisees

Address	City	State	Zip	Phone	Franchisee Name	Contact
703 N Alafaya Trail	Orlando	FL	32828	407-914-2881	Maddios of Tallahassee Inc 413 Investments LLC	Michael Holmes*
3122 Mahan Dr.	Tallahassee	FL	32308	850-765-1681	Maddios of Tallahassee Inc 413 Investments LLC	Michael Holmes*
1435 E. Lafayette St	Tallahassee	FL	32301	850-765-2875	Maddios of Tallahassee Inc 413 Investments LLC	Michael Holmes*
6000 N Terminal Pkwy Concourse T	Atlanta	GA	30320		Delaware North	Scott Knight GM
2026 Cumming Highway	Canton	GA	30114	678-880-9262	KNS Holdings	Kevin Johnson
10 Franklin Rd	Newnan	GA	30263	678-414-6128	West Side Texas T Food Court, LLC	Craig Hemrick
3983 La Vista Rd Unit 115	Northlake	GA	30101	770-696-4617	Coker Restaurant Development LLC	Brett Pearmen
133 Margie Drive	Warner Robins	GA	31093	478-953-9422	JTM Investments LLC	Tyler Mobly*
101 S. Tryon Street	Charlotte	NC	28280	704-733-9800	Uncle Maddio's of Charlotte LLC	Tim Verhagen*
345 S. Kings Drive	Charlotte	NC	28078	980-406-3234	Uncle Maddio's of Charlotte LLC	Tim Verhagen*
4112-101 Brian Jordan Place	High Point	NC	27265	336-887-4992	Made to Order, LLC	Bronce McClain
10109 Northcross Center Court	Huntersville	NC	28078	704-997-8524	Uncle Maddio's of Charlotte LLC	Tim Verhagen*
3310 16th Street SW Suite 100	Minot	ND	58701	701-838-8045	MADIHOPE, LLC	Losson Leanard
125 Wendellwood Drive	Murfreesboro	TN	37129	615-217-4044	UMP Murf, LLC	James Smith

* These franchisees have signed Area Development Agreements committing to open multiple UNCLE MADDIO'S Restaurants over a period of time.

Franchisees who have left the system in 2022

Address	City	State	Zip	Contact	Franchisee	Phone
2203 Red Wolf Blvd	Jonesboro	AR	72401	770-675-9925	The Pizza Joint, LLC	Anand Patel (Andy)

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

EXHIBIT H

EXHIBIT H TO THE DISCLOSURE DOCUMENT
FORM OF RELEASE

GENERAL RELEASE

This General Release is made effective this ____ day of ______________, 20___.Inconsideration for the grant by S & S MADDIO'S LLC, a Virginia limited liability company ("Franchisor"), to the undersigned of certain rights in connection with the operation of a UNCLE MADDIO'S PIZZA Restaurant and/or the transfer or renewal thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, individually and collectively, hereby unconditionally release, discharge, and acquit Franchisor, its past and present subsidiaries and affiliates, and its and their shareholders, owners, directors, officers, managers, members, partners, employees, agents, representatives, successors and assigns, from any and all liabilities, damages, claims, demands, costs, expenses, debts, indemnities, suits, disputes, controversies, actions and causes of action of any kind whatsoever, whether known or unknown, fixed or contingent, regarding or arising out of any prior or existing franchise relationship, development agreement, franchise agreement or any other agreement executed by any of the undersigned and Franchisor (or any subsidiary or affiliate of Franchisor), any UNCLE MADDIO'S PIZZA Restaurant (whether currently or previously owned or operated by the undersigned or any of them), or any other prior or existing business relationship between any of the undersigned and Franchisor (or any subsidiary or affiliate of Franchisor), which the undersigned or any of them individually or collectively has asserted, may have asserted or could have asserted against Franchisor (or any of the aforementioned related parties) at any time up to the date of this General Release, including specifically, without limitation, claims arising from contract, written or oral communications, alleged misrepresentations, and acts of negligence, whether active or passive. This General Release shall survive the assignment or termination of any of the franchise agreements or other documents entered into by and between Franchisor and any of the undersigned. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve Franchisor or any other person, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the State of Virginia without regard to its conflicts of law provisions. This General Release may be signed in multiple counterpart copies, each of which will be deemed an original. This General Release may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this General Release.

WITNESS:

____

____

By: ____________________________

Name:__________________________

Title: ___________________________

______________________, Individually

_______________________ Individually

EXHIBIT I

EXHIBIT I-1 TO THE DISCLOSURE DOCUMENT

FORM OF
DEVELOPER INFORMATION

<u>Developer Information</u>

1. Developer's legal organization (circle one): (a) sole proprietorship; (b)partnership; corporation; (d) limited liability company; or (e) other.

2. If Developer is not a sole proprietor, list of all its partners, members or shareholders or others holding any ownership interest in Developer:

Name and address	% interest	Active in Operation of Business? (yes/no)
(a) ______________________________ ______________________________ ______________________________	_____%	_____
(b) ______________________________ ______________________________	_____%	_____
(c) ______________________________ ______________________________ ______________________________	_____%	_____

3. If Developer is not a sole proprietor, list all of its officers, directors, managers and/or general partners:

	<u>Name</u>	<u>Title</u>
(a)	______________________________	______________________________
(b)	______________________________	______________________________
(c)	______________________________	______________________________

The undersigned certifies that all information contained in this Developer Information is accurate and complete, and agrees to notify Franchisor promptly (and in any case within 15 days) upon any change in the information required to be disclosed in this Developer Information. This Developer Information may be signed in multiple counterpart copies, each of which will be deemed an original. This Developer Information may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Developer Information.

DEVELOPER:

If an Individual:
Signature:________________________________

Printed Name:_____________________________

If other than an Individual:

[INSERT ENTITY NAME]
By:______________________________________

Name:____________________________________

Title:_____________________________________

EXHIBIT I-2 TO THE DISCLOSURE DOCUMENT

FORM OF
FRANCHISEE'S INFORMATION

Franchisee Information

1. Franchisee's legal organization (circle one): (a) sole proprietorship; (b) partnership; corporation; (d) limited liability company; or (e) other.

2. If Franchisee is not a sole proprietor, list of all its partners, members or shareholders or others holding any ownership interest in Franchisee:

Name and address	% interest	Active in Operation of Business? (yes/no)
(a) ____________________ ____________________ ____________________	_____%	_____
(b) ____________________ ____________________	_____%	_____
(c) ____________________ ____________________ ____________________	_____%	_____

3. If Franchisee is not a sole proprietor, list all of its officers, directors, managers and/or general partners:

	Name	Title
(a)	____________________	____________________
(b)	____________________	____________________
(c)	____________________	____________________

The undersigned certifies that all information contained in this Franchisee Information is accurate and complete, and agrees to notify Franchisor promptly (and in any case within 15 days) upon any change in the information required to be disclosed in this Franchisee Information. This Franchisee Information may be signed in multiple counterpart copies, each of which will be deemed an original. This Franchisee Information may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Franchisee Information.

FRANCHISEE:

If an Individual:

Signature: ______________________________

Printed Name:: __________________________

If other than an Individual:

[INSERT ENTITY NAME]

By: ___________________________________

Name: _________________________________

Title: __________________________________

EXHIBIT J

EXHIBIT J TO THE DISCLOSURE DOCUMENT

FORM OF
FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, S & S MADDIO'S LLC, ("we," "us," or "our") and you are preparing to enter into a Development Agreement and/or Franchise Agreement for the operation of an UNCLE MADDIO'S Restaurant franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document (the "disclosure document"), but you must sign and date it the same day you sign the Development Agreement and/or Franchise Agreement and pay your development and/or franchise fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer on the back of this sheet.

Yes__ No__ 1. Have you received and personally reviewed the Development Agreement, the Franchise Agreement and each exhibit and schedule attached to them?

Yes__ No__ 2. Have you received and personally reviewed the disclosure document we provided?

Yes__ No__ 3. Did you sign a receipt for the disclosure document indicating the date you received it?

Yes__ No__ 4. Do you understand all the information contained in the disclosure document, the Development Agreement and the Franchise Agreement?

Yes__ No__ 5. Have you reviewed the disclosure document, the Development Agreement and the Franchise Agreement with a lawyer, accountant or other professional advisor?

Yes__ No__ 6. Have you discussed the benefits and risks of developing and operating an UNCLE MADDIO'S Restaurant franchise with an existing UNCLE MADDIO'S Restaurant franchisee?

Yes__ No__ 7. Do you understand the risks of developing and operating an UNCLE MADDIO'S Restaurant franchise?

Yes__ No__ 8. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?

Yes__ No__ 9. Do you understand we have only granted you a limited territorial protection against us locating another UNCLE MADDIO'S Restaurant near your Restaurant(s) as set forth in your Development Agreement and Franchise Agreement and that another UNCLE MADDIO'S Restaurant franchise or company owned UNCLE MADDIO'S Restaurant may open anywhere outside your limited protected territory.

Yes__ No__ 10. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the production, distribution and sale of food products and other products under the UNCLE MADDIO'S Restaurant name or other mark, at any location, other than an UNCLE MADDIO'S Restaurant within your limited protected territory, or by any method of distribution even within your limited protected territory, and these other restaurants or methods of distribution may compete with your UNCLE MADDIO'S Restaurant(s) and adversely affect its sales?

Yes__ No__ 11. Do you understand that the only radius restriction concerning where another franchised or company UNCLE MADDIO'S Restaurant may open is the limited protected territory specified in your Development Agreement and Franchise Agreement?

Yes__ No__ 12. Do you understand that most disputes or claims you may have arising out of or relating to the Development Agreement and/or the Franchise Agreement must be litigated in the courts closest to our principal executive office or arbitrated at the office of the American Arbitration Association closest to our principal executive office?

Yes__ No__ 13. Do you understand that you (and your manager if you will employ one full-time) must satisfactorily complete our initial training course before we will allow your UNCLE MADDIO'S Restaurant to open?

Yes__ No__ 14. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating an UNCLE MADDIO'S Restaurant franchise that is not contained in the disclosure document or that is contrary to, or different from, the information contained in the disclosure document?

Yes__ No__ 15. Has any employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in the Development Agreement and the Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the disclosure document?

Yes__ No__ 16. Has any employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue an UNCLE MADDIO'S Restaurant franchise will generate, that is not contained in the disclosure document or that is contrary to, or different from, the information contained in the disclosure document?

Yes__ No__ 17. Do you understand that the Development Agreement and the Franchise Agreement contain the entire agreement between us and you concerning the franchise for the UNCLE MADDIO'S Restaurant, meaning any prior oral or written statements not set out in the Development Agreement or the Franchise Agreement will not be binding?

Yes___ No___ 18. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and these dealings are solely between you and us?

Yes__ No__ 19. Do you acknowledge that you are an independent contractor and responsible for running your own Restaurant business and that we do not have any authority to hire or fire your employees?

Yes__ No___ 20. Do you expressly agree and will never contest otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain functions for Restaurant does not directly or indirectly vest in us the power to hire, fire, or control any such employee?

Yes__ No__ 21. Do you acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities, and elements of your Restaurant and that under no circumstance shall we do so or be deemed to do so?

Yes__ No__ 22. Do you further acknowledge and agree and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in our Brand Standards Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Restaurant, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Restaurant, but rather are to protect the Uncle Maddio's and brand?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

This Questionnaire may be signed in multiple counterpart copies, each of which will be deemed an original. This Questionnaire may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Questionnaire.

EXPLANATION OF ANY NEGATIVE RESPONSES [REFER TO QUESTION NUMBER AND USE ADDITIONAL PAPER IF NECESSARY]:

____
Name of Franchisee/Applicant

Date:__________________________, 20___

____
Signature

____
Name and Title of Person Signing

EXHIBIT K

EXHIBIT K TO THE DISCLOSURE DOCUMENT
STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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 or Status**
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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 other seller-assisted marketing plans.

EXHIBIT L

EXHIBIT L TO THE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

This disclosure document summarizes provisions of the development agreement, the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If S & S MADDIO'S 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. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. 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 payment of any consideration, whichever occurs first.

If S & S MADDIO'S 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit "A" to this disclosure document).

We authorize the respective state agencies identified on Exhibit "A" to receive service of process for us if we are registered in the particular state.

Issuance Date: April 30, 2023

The name, principal business address, and telephone number of the franchise sellers offering the franchise are:

Name	Principal Business Address	Telephone Number
Robert Cuffaro	1410 Spring Hill Rd Suite 400 McLean, Virginia 22102	(404) 430-6699

I received a disclosure document dated April 30, 2023. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits

A. State Agencies And Administrators and Franchisor's Agents For Service Of Process
B. Area Development Agreement
C. Franchise Agreement
D. Brand Standards Manual Table Of Contents
E. State Specific Addenda and Riders
F. Financial Statements
G. Current Franchisees and Former Franchisee

H. Form of Release
I-1. Developer Information
I-2. Franchisee Information
K. Franchisee Disclosure Questionnaire
L. Receipt(s)

This receipt may also be signed by signature exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and this receipt so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. This receipt transmitted by such electronic transmission service shall be considered original executed counterparts for all purposes.

Date: ________________ Prospective Franchisee:

____

____
Print Name

Date: ________________ Prospective Franchisee:

____

____
Print Name

RECEIPT

This disclosure document summarizes provisions of the development agreement, the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If S & S MADDIO'S 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. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. 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 payment of any consideration, whichever occurs first.

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L. Receipt(s)

This receipt may also be signed by signature exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and this receipt so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. This receipt transmitted by such electronic transmission service shall be considered original executed counterparts for all purposes.

Date: ________________ Prospective Franchisee:

____

____
Print Name

Date: ________________ Prospective Franchisee:

____

____
Print Name