



Westside Pizza®

It's all about the pizza!®

FRANCHISE DISCLOSURE DOCUMENT

WESTSIDE PIZZA INTERNATIONAL INC

a Washington corporation

8515 W Overland Road

Boise, ID 83709

(360) 536-1339

rodneynelson@westsidepizza.com

<http://www.westsidepizza.com>

Received
LA Mailroom

APR 19 2017

Department of
Business Oversight

You will operate a retail outlet specializing in carry-out, dine-in and delivery of pizza

The total investment necessary to begin operation of a Westside Pizza franchise is approximately from \$123,400 to \$319,400. This includes the \$14,000 initial franchise fee that must be paid to us or our affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read 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.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or 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 to understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D C 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date for states not requiring franchise registration or filing: March 31, 2017

STATE COVER PAGE

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

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

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

Please consider the following RISK FACTORS before you buy this franchise

1 The franchise agreement requires you to resolve disputes with us only in Washington state. Out-of-state dispute resolution may force you to accept a less favorable settlement for disputes. It may also cost you more in Washington than in your own state.

2 The franchise agreement states that Washington law governs the agreement, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

3 Subject to your limited territory rights described in item 12, we and our affiliates may establish certain franchised and company owned locations at any location and may establish other channels of distribution, and may sell or distribute any product or service, under the same and/or different trademark, in competition with the franchise.

4 Continuation of the trade area for the franchised business is dependent on achievement of a certain sales volume.

5 Your spouse (or legal domestic partner) must also sign a personal guarantee making your spouse individually liable for your financial obligations under the agreement. The guarantee will place your spouse's marital and personal assets at risk if your franchise fails.

6 There may be other risks concerning this franchise.

Certain state laws may supersede these provisions. See State Addenda in Exhibit E for a summary of some of these laws.

Effective Date. See the next page for state effective dates.

STATE EFFECTIVE DATES

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

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

California _____

Washington _____

TABLE OF CONTENTS

ITEM	PAGE
Item 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	6
Item 2 BUSINESS EXPERIENCE	8
Item 3 LITIGATION	8
Item 4 BANKRUPTCY	9
Item 5 INITIAL FEES	9
Item 6 OTHER FEES	9
Item 7 ESTIMATED INITIAL INVESTMENT	12
Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	14
Item 9 FRANCHISEE'S OBLIGATIONS	17
Item 10 FINANCING	18
Item 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	19
Item 12 TERRITORY	23
Item 13 TRADEMARKS	25
Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	26
Item 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	26
Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	27
Item 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	28
Item 18 PUBLIC FIGURES	33
Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS	33
Item 20 OUTLETS AND FRANCHISEE INFORMATION	35
Item 21 FINANCIAL STATEMENTS	38

Item 22 CONTRACTS	38
Item 23 RECEIPT	38

EXHIBITS

Exhibit A	Franchise Agreement, including Schedules
Exhibit B	Financial Statements for Westside Pizza International Inc
Exhibit C-1	List of Franchisees as of December 31, 2016
Exhibit C-2	Lists of Certain Former Franchisees, Franchisees that Have Signed Franchise Agreements But Are Not Yet Open, and List of Company or Affiliate Owned Outlets
Exhibit C-3	List of Trademark Specific Franchisee Organizations
Exhibit D	Names and Addresses of State Regulatory Authorities and Agents for Service of Process in States
Exhibit E	State Specific Addenda
Exhibit F	Conditional Assignment of Telephone and Directory Listings
Exhibit G	Manual Table of Contents (See Also Item 11)
Exhibit H	Addendum to Franchisee's Lease
Exhibit I	Acknowledgment of Receipt of Completed Agreements
Exhibit J	Receipt of Disclosure Document

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

To simplify the language in this disclosure document “WPI,” “we,” “us,” or “our” means Westside Pizza International Inc , the franchisor “You” or “your” means the person or persons, including legal entities and their owners, that buy the franchise

Franchisor’s Name, Business Form, Predecessors, Parents, and Affiliates WPI is a Washington corporation formed on December 15, 2011 Jason West, opened the first Westside Pizza outlet as a sole proprietor in January 1996 Our predecessor and affiliate is Jason West Enterprises Inc d/b/a Westside Pizza (“JWE”) JWE is a Washington corporation formed on July 19, 2005, to franchise pizza restaurants under the name Westside Pizza JWE was the franchisor for those franchisees who signed Westside Pizza franchise agreements prior to December 2011 These franchise agreements have been assigned to us There are no other parents, predecessors or affiliates required to be disclosed

Business Name, Address, Agents for Service We do business under the name of “Westside Pizza”, and under our entity name Our principal business address is

8515 W Overland Road
Boise, ID 83709

Our agents for service of process, and their addresses are listed in Exhibit D

Our predecessor and affiliate, JWE, does business under the name of “Westside Pizza”, and under its entity name JWE’s principal business address is

8515 W Overland Road
Boise, ID 83709

In this disclosure document the word “affiliate” means an entity controlled by, controlling, or under common control with, another entity, and includes parents and subsidiaries The word “person” means an individual, group, association, partnership, or entity

Franchisor’s Business and Franchises to be Offered We offer a franchise to operate a retail outlet specializing in carry-out, dine-in and delivery of pizza You will sell pizza, chicken wings, pasta, salad, breadsticks, beverages and other similar items to retail customers You will operate your franchised business under a license to use our business system, know-how, and trademarks

The market for your products or services is competitive and well established You will compete with national and local businesses offering similar products and services Your competition will include any pizza delivery, pizza dine-in or carry-out and bake pizzeria in your delivery area, including grocery stores, as well as other restaurants and food service providers There are no guarantees of your success as there exist both typical and special business risk factors, including changing market conditions, competition, cost of supplies, equipment, real estate and improvements, capital and labor, your own health and continuity of your management, continuation of sources of supply, quality and availability of labor, availability of financing,

recession or depression locally, nationally, or internationally, wars, strikes, emergencies, natural and manmade disasters, litigation, and liability and casualty losses

Other risks could have an adverse effect on your business. These include industry developments, such as pricing policies of competitors, and supply and demand. Another risk factor is our dependence on our key personnel, the loss of whom could have an adverse effect on us. Our ability to fulfill our obligations under the Franchise Agreement depends in part upon our present and future financial condition. Litigation risks also may exist, including future litigation that may not be foreseeable. See Item 3 of this disclosure document for certain past and present litigation.

Certain Laws The business of operating a Westside Pizza franchise is subject to all of the laws, codes, ordinances and regulations ("laws") normally applicable to retail businesses. These include federal, state, and in most instances, city, county, parish, borough, municipality or other local laws.

Some jurisdictions have special industry laws and licensing and certification requirements with which you may have to comply. For example, permits needed to operate may include health department food handlers permits, building and zoning inspection and permits both before and after installation, fire inspection and permits, and environmental inspection and permits. Utilities involved in the building and installation process include exhaust stack in ceiling, ventilation, power, sewage and water. Your restaurant may be subject to state and local food and health permits and inspection laws. Health laws are intended in part to reduce food borne illnesses and may cover such issues as requiring employees to take a test and obtain a license as a food service worker, having accessible sinks, bathrooms for certain size establishments, inspections for cleanliness and compliance, equipment cleaning, storage and packaging, size of facilities, allowed foods, refrigeration, etc. Regulations may govern the storage, handling and serving of food. There may be laws restricting smoking, requiring certain public accommodations including restrooms, governing employee health and safety, setting standards and requirements for fire safety and general emergency preparedness, governing vending machines, regulating the proper use, storage and disposal of waste, and governing insecticides and other hazardous materials.

To operate the restaurant, you may need to obtain a beer or liquor license. State and local laws, regulations and ordinances vary significantly in the procedures, difficulty and cost associated with obtaining such licenses, and the potential liability imposed involving injuries, directly and indirectly, related to the sale of alcohol. If your location sells cigarette and tobacco related products, you will be subject to additional laws.

The United States Department of Agriculture and the Food and Drug Administration also regulate the manufacture, labeling and distribution of food products. A few examples of other federal laws affecting many businesses generally are wage and hour, occupational health and safety, equal employment opportunity, taxes, hazardous materials communication to employees, hazardous waste and environmental, and the Americans with Disabilities Act. State and federal privacy laws may require covered companies to maintain or completely destroy documents containing certain personal information.

State and local laws may cover the same topics as federal laws. A few examples of other state laws affecting many businesses generally include environmental, occupational health and

safety, fire, taxes, health, and building, design, maintenance and construction laws. Local laws may cover the same topics as federal and state laws. A few examples of other local laws affecting many businesses include health and sanitation, building and zoning, fire safety, other business permits and licenses, and waste disposal.

The foregoing are examples of some, but not all of the laws that may be applicable to the franchised business described in this disclosure document. The Franchise Agreement places the responsibility for complying with all applicable laws and regulations, including labor and employment laws, upon you, the franchisee. You should research all of these requirements before you invest, and should consult with your own legal counsel.

Prior Business Experience of Franchisor, Predecessors and Affiliates We have offered similar franchises since January 2012. We operate businesses of the type being franchised and have since January 2012. WPI is not engaged in any other business activities. JWE offered similar franchises from April 2006 through January 2012. WPI acquired JWE's Westside Pizza franchise agreements as of December 31, 2011, and JWE no longer conducts any business activities. JWE operated businesses of the type being franchise from its inception in 2005 through December 31, 2011. We have not offered franchises in other lines of business, and do not presently intend to do so. Our predecessors have not offer franchises in other lines of business. The business system is derived from the business experience of our officers listed in Item 2.

Item 2

BUSINESS EXPERIENCE

President

and Franchisee Recruitment and Relations Manager

Rodney Nelson

Rodney has been our President since February 2017, prior to that he was our Vice President and a Franchisee Recruitment and Relations Manager since our inception in December 2011. He was a co-owner of the Westside Pizza outlet in Colfax, Washington from June 2007 to December 31, 2011, and the co-owner of the Westside Pizza outlet in Chelan, Washington from July 2008 through January 31, 2016.

Secretary and Training Manager

Aaron Olson

Aaron has been our Secretary and an Operations Manager since our inception in December 2011. He has been a co-owner of the Westside Pizza outlet in Colfax, Washington from June 2007 to December 31, 2011, and the co-owner of the Westside Pizza outlet in Chelan, Washington from July 2008 through January 31, 2016.

There are no franchise brokers with management responsibility.

Item 3

LITIGATION

State of Washington On June 19, 2012, Jason West and JWE entered into Consent Order S-12-0956-12-CO01 with the State of Washington, Department of Financial Institutions, Securities Division (the "Division"). The Division alleged that JWE offered and sold Westside

Pizza franchises after its Washington franchise registration expired in April 2007 and without providing its purchasers with a disclosure document JWE and Jason West, without admitting or denying the Division's findings of fact or conclusions of law, agreed in the Consent Order to cease and desist from the offer or sale of franchises in violation of the Franchise Investment Protection Act of the state of Washington, to reimburse the Division \$2,000 for its costs of investigation of the matter, and to waive their rights to a hearing and judicial review of this matter

Other than the action listed above, no litigation or other dispute resolution must be disclosed in this Item

Item 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

Item 5
INITIAL FEES

Initial Fee You must pay us a lump sum payment when you sign the Franchise Agreement of \$14,000 For veterans of the United States military, we will discount the initial fee by 25% For existing franchisees that purchase a second or subsequent franchise, we will discount the initial fee to 50% of the then-current fee charged to new franchisees If you have managed a Westside Pizza outlet for a minimum of one year when you purchase your first franchise, we will discount the initial fee to \$12,000

There are no other initial mandatory fees or payments to us Other payments to us that occur after you open for business are described in Item 6 All other mandatory purchases and leases are from third parties, and are described in Items 7 and 8

Refundability and Financing (See Item 10 Below) The initial franchise fee is not refundable However, if you fail to open your pizzeria within 12 months after execution of the Franchise Agreement, or you fail to complete or achieve a passing grade in our customary training course by the earlier of (a) three months prior to the opening of the Pizzeria or (b) 180 days after the date a final location of the Pizzeria is obtained, we may, at our option, terminate the Franchise Agreement and refund the initial franchise fee less our expenses, as determined in our sole discretion

Variability Except as may be stated in this Item 5, the initial franchise fee is uniform for all franchisees Certain pilot franchises of our predecessor did not pay an initial franchise fee

Item 6
OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty	4% of Gross Sales	Weekly by ACH payment	See Note 1

Name of Fee	Amount	Due Date	Remarks
Additional Training	\$60 per hour	Before training	Payable if training is needed after initial training
Franchisee Local Marketing	The lesser of 2% of Gross Sales each full calendar quarter, or \$36,000 per each full calendar year The total of the Franchisee Local Marketing and the Marketing Fund Fee will not exceed 2% of Gross Sales	Quarterly	Payable to local advertising vendors
Marketing Fund Fee	Up to 1% of Gross Sales, or such lesser amount as we specify	At the same time and manner as the Royalty	See Note 1
Late Payment Fee	Currently the fees are \$50 per day for each late payment and \$50 per day for each late report, plus a fee of 1% of gross sales for the most recent full month	Upon due date of fees	See Note 2
Audit Fees	Cost of Audit	Upon billing after audit	Payable only if you fail to report or the audit shows an understatement of at least 2%
Transfer fees	\$4,500	Before occurrence of transfer	Payable when you sell your franchise or offer securities
Renewal Fee	\$1,000	Before expiration of current franchise agreement	A condition of renewal
Insurance	Approximately \$4,800 to \$12,000 per year	Before beginning franchise	Payable to third parties See Note 3

Name of Fee	Amount	Due Date	Remarks
Computer Systems, Website, and Other Equipment Maintenance, Upgrades, Updates	Approximately \$2,400 per year	At time of purchase or billing	Payable to Third parties See Items 8 and 11 and Note 4
Relocation Fee	\$4,000	Upon approval by us of the relocation of your retail outlet	A condition of relocation

Except as stated above, you pay all fees to us. All fees are non-refundable and all fees are uniformly imposed on all franchisees. Certain pilot franchises of our predecessor pay a reduced royalty.

Note 1 Gross Sales is defined in the Franchise Agreement as "the total gross receipts from all sales by the Pizzeria, including all pizza and other food, beverages, coin operated games, juke boxes, and vending machines, and other products or services sold at the Pizzeria, and off-site sales of Pizzeria products including delivery, tips and gratuities, without reserve or deduction for inability or failure to collect, but exclusive of sales and equivalent taxes collected from customers and paid to the government." You will reimburse us for any gross receipts, sales, use, withholding, or other tax assessed on amounts payable by you to us, by state or local governments.

The royalty begins the first day that you begin business and continues throughout the duration of the franchise. The royalty is currently payable weekly by ACH payment, but we can change the time and the manner of payment.

Certain franchisees with older franchise agreements may pay a different royalty rate, including on any subsequent franchises purchased.

Note 2 The late payment fee is charged for any payment not received by the 15th day of each month. At our option we may also charge 1% of Gross Sales for the most recent full month for non-compliance. We will not charge beyond any legal maximum.

Note 3 You must procure and maintain, at a minimum, the insurance coverage and limits that we specify, including (i) property insurance, (ii) commercial general liability insurance, (iii) workers' compensation insurance (in your name) and other insurance as required by applicable law, and (iv) business interruption insurance. You must also procure and maintain automobile liability insurance including contractual liability coverage, liability coverage for vehicles owned, hired or borrowed by you ("owned auto" and "hired auto" coverage, respectively), and liability coverage for vehicles owned by others ("non-owned auto" coverage), with limits of not less than \$1,000,000 per occurrence of bodily injury and property damage combined, together with an umbrella liability policy with minimum limits of \$3,000,000, and together with any other or increased amounts of insurance which we may periodically require. These policies must name us as additional named insured. You must provide us with certificates of insurance evidencing the required coverage, and must provide us with full and complete copies of any insurance policies that we request. All insurance policies must be issued by an insurance company licensed to do business in the state.

where the Pizzeria is located and must be rated A or better by A M Best & Company, Inc or approved in writing by us in our sole discretion The insurance company must agree by endorsement or separate written document to give us at least 30 days prior written notice of termination, expiration, cancellation, modification or reduction in coverage limits of any such policy If you fail to acquire and maintain in effect any of the insurance required, or to provide us with satisfactory proof of insurance, we may, in our discretion, obtain insurance coverage on your behalf and you must promptly reimburse us for such costs We may change these insurance requirements, upon reasonable notice to you, to conform to prudent business practices

Note 4 Equipment and Computer Systems updates and upgrades may range from \$500 per year (in the case of a minor update) to approximately \$1,500 (in the case of a major upgrade)

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	Approx \$7,000 to \$14,000 (Note 1)	Lump sum	On signing Franchise Agreement	Us
Real Estate, Leasehold Improvements, Fixtures	Approx \$35,000 to \$160,000 (Note 2)	As incurred	As requested by contractors	Contractor, Architects, Suppliers
Equipment and Small Wares	Approx \$47,000 to \$93,000 (Note 3)	As incurred	Before opening	Suppliers
Initial Inventory and Supplies	Approx \$7,000 to \$12,000 (Note 4)	As incurred	Before opening	Suppliers
Travel and Living Expenses during Training	Approx \$1,000 to \$3,000	As incurred	As incurred	Third parties
Prepaid Expenses, including Permits, Deposits & Licenses	Approx \$2,000 to \$3,000	As incurred	Before opening	Government Agencies and other Third parties

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Pre-Paid Insurance	Approx \$400	As incurred	Before opening	Third parties
Advertising and Marketing	Approx \$8,000 (Note 5)	As incurred	Before opening	Third parties
Signage and Decor	Approx \$3,500 to \$10,000	As incurred	Before opening	Third parties
Printing	Approx \$2,500 to \$6,000	As incurred	Before opening	Third parties
Additional Funds and Miscellaneous	\$10,000 (Note 6)	As incurred	Expended over approximately the first three months of operation	Employees, professionals, utilities, suppliers, etc
TOTAL	Approx \$123,400 to \$319,400			

NO FEES ARE REFUNDABLE EXCEPT AS DESCRIBED IN ITEM 5, AND ALL MUST BE PAID IN A LUMP SUM AS INCURRED AND WILL NOT BE FINANCED, UNLESS OTHERWISE STATED

- (1) The initial franchise fee is \$14,000 for one franchise. For veterans of the United States military, we will discount the initial fee by 25%. For existing franchisees that purchase a second or subsequent franchise, we will discount the initial fee to 50% of the then current fee charged to new franchisees. If you have managed a Westside Pizza outlet for a minimum of one year when you purchase your first franchise, we will discount the initial fee to \$12,000.
- (2) You may choose to spend more for leasehold improvements, but this is not normally recommended. These sums do not include any sums for purchase of real property, as it is not anticipated that you will purchase real property. Typical lease locations are on busy streets and have approximately 2,700 square feet of space. This estimate includes a deposit for first and last month's rent. We have not included amounts for ongoing lease commitments except these amounts.
- (3) This category includes ovens, mixer, pizza make table, tables, chairs, dish washer, coolers, freezer, sinks, shelving, small wares, oven hood system, slice warmers, security system, and the point of sale, information processing and communications systems described in Item 11.

- (4) The inventory category includes pizza ingredients, beverages, packaging, cleaning supplies and paper products
- (5) Most advertising and marketing expenses are incurred after opening. We use a “soft opening” approach which means we do not advertise until you and the staff are prepared for the generated business.
- (6) This estimates your other initial three months start-up expenses, less income earned, not including any salary or other payments to the franchisee owner, nor any finance costs or debt service. These figures are just estimates and we cannot guarantee that you will not have higher costs, or that you will ever achieve profitability. If you are not profitable or have low net cash flow (for example, because of low sales, high costs, or high debt service), you will need more additional funds.

These amounts are estimates only, and specific amounts will vary depending upon local market conditions, which are outside our control, and upon your choice of suppliers and locations. Competitive conditions described in Item 1 above also affect these costs. We cannot guarantee that your costs will not be higher. You should review the figures carefully with a business advisor before making any decision to purchase the franchise.

We occasionally may sell an operating company-owned business, and when doing so, we may charge for goodwill, other intangibles, and other items that add value to an existing ongoing business. Franchisees may also sell their existing businesses. These amounts are not included in this disclosure document as they vary, are specific to any operating unit to be sold, and are difficult to predict.

We do not offer financing to you, directly or indirectly. The availability and terms of third-party financing depend on a number of factors including availability of financing generally, your creditworthiness and available collateral, lending institutions’ policies concerning the type of business you operate, and other comparable elements. We are not able to estimate your loan repayments to third parties (see Item 10).

Except as noted, none of these payments are refundable by us.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases or Leases of Goods, Services, Supplies, Fixtures, Equipment, Inventory, Computer Software or Hardware and Real Property and Other Items

You must purchase your main food supplies, including pizza ingredients, from distributors we designate. We specify one designated contractor for interior design layout. All large equipment must be purchased from our designated supplier unless written approval is obtained from us. Currently you must sell our specified vendor’s beverage products in your pizzeria, but we can change our designated vendors at our discretion. You must also purchase our designated Computer Systems (defined in Item 11) to be used in your pizzeria, including point-of-sale software from our designated supplier. You must also use our designated supplier, for credit card processing and gift cards. You must use our designated vendor’s payroll services. We currently

specify a type of security camera and a designated vendor for portioning. We and our affiliates are not a designated or approved supplier of any products for your franchise. None of our officers, owners or managers owns an interest in any designated suppliers.

You may purchase all equipment, fixtures, produce and other supplies from suppliers of your choice as long as they meet our standards.

We do not require you to do business with us or purchase supplies from us or from any designated source other than as we describe above.

How We Issue Supplier Approvals We base our specifications and product and supplier approvals on our discretionary determination of quality, value and appearance. There are no written criteria for supplier approval. We must approve all of your supply sources in writing before their use. We may require suppliers to provide certain information, sign a non-disclosure agreement, guarantee our level of quality, and produce sufficient samples to allow us to test the sample at your expense. If you request us to approve a new supplier, there is no fee for supplier approval unless we require third-party testing, in which case you will pay the actual cost of the tests. We may issue specifications in Manuals or directives, in writing or electronically, and we may modify them at any time. We will respond to a written request to approve a supplier within a reasonable time, normally 30 days of its receipt. We may revoke our approval of a supplier, in our sole discretion, at any time, such revocation of approval is effective 30 days after you have received written notice.

Our Specifications and Standards To maintain uniform standards of quality, appearance, and marketing, it is essential that you conform to our standards and specifications. Our specifications are in our Manual. Therefore, you must conform all of your leases, fixtures, goods, services, inventory, equipment, Computer Systems, advertising, marketing, trademark usage, trade dress, suppliers, and materials required for the operation of the franchised business, to our standards and specifications. We expect that changes to technology, laws and markets will result in changes that we will make to our standards and specifications, and to our franchise system. All such modifications become our property.

You are solely responsible for your own operations and employees, including hiring, firing, discipline and other employment practices. You are solely responsible for monitoring and enforcing our system standards within your business, including all communications with your employees and agents. If we provide you forms or practices, you are solely responsible for ensuring that your forms and practices comply with local laws or other laws applicable to your business. Any changes made by you to the system must be pre-approved by us in writing, and will generally only be approved to the extent necessary to comply with applicable law. You will notify your employees in writing that you are their employer, and that we are not their employer or a joint employer, and will provide us with a signed acknowledgement in a form that we approve from each employee before that employee starts to work for you.

We may offer or designate others to offer certain supplies or services, and our affiliates or we may become approved suppliers or the only approved supplier(s) for other goods and services.

You must participate in and cooperate with multi-area marketing programs including Internet (defined in Item 11), yellow pages, directory, affinity, gift card and loyalty, contests and awards that we may develop in the future. These programs may require your cooperation (including refraining from certain channels of marketing and distribution), participation (including payment of commissions or referral fees and purchase of Computer Systems), and adherence to pricing to the extent permitted by law. You must follow our trademark and copyright usage directions.

Payments to Us and Affiliates from Suppliers and from Sales to You

A Payments to Us or Affiliates from Suppliers Our suppliers will make payments to us based on purchases made by our franchisees. These payments may be in the form of commissions, promotional fees, advertising allowances, rebates, our annual convention promotions, or other payments. The total amount of such payments is described in Subsection C below. We currently will receive a \$0.10 per pound rebate from our supplier for certain meats purchased by our franchised locations. We receive a 2% rebate from our approved food vendor for qualifying purchases made by our franchisees. We are a member of a purchasing group called Axis Purchasing, and receive an average of \$2,600 per month in rebates. We receive from our designated flour supplier a \$1.00 rebate per bag of flour purchased. We receive from our designated beverage supplier a rebate of \$0.25 per case of 2-liter bottles purchased, and \$1.00 per gallon of fountain drink mix purchased.

B Revenue from Sales by Us or Affiliates to You We and our affiliates do not currently but may in the future derive revenue, profit, or markups from sales or leases to you for goods or services that we or our affiliates supply. The amount of revenue, if any, will be described in the next section.

C Amounts of These Payments from Suppliers and from Sales to You In our fiscal year ended December 31, 2016, we had revenue of \$1,349,074. The total amount of payments received by us or our affiliates from suppliers was \$130,367, which is approximately 9.7% of our total revenue for that year. During the fiscal year ending December 31, 2016 we received no revenues from the sale or lease of products and services to franchisees.

Extent of Required Purchases Compared to Your Total We estimate that your initial expenditures from us or our affiliates, or those we specify or approve, will be 70-90% of your total initial purchases. During the operation of the franchised business, required purchases or leases from us or our affiliates, or that we specify or approve are estimated to total 20-60% of your annual operating expenses.

Cooperatives and Associations There are no franchise purchasing or distribution cooperatives.

Negotiated Prices We price compare with vendors and attempt to negotiate purchase arrangements with suppliers for the benefit of franchisees.

Material Benefits We do not provide material benefits to you based solely on your use of designated or approved sources, other than that you will not be in default, will be able to renew or transfer, and will have the intangible benefit of uniform quality standards.

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. References are to the Franchise Agreement unless otherwise specified.

	Obligation	Section in Franchise or Other Agreement	Disclosure Document Item
a	Site selection and acquisition/lease	Sections 2, 8(a) and 9(b) of Franchise Agreement	Items 5, 7, 8, 11 and 12
b	Pre-opening purchases/leases	Section 9(b) of Franchise Agreement	Items 5, 6, 7, 8 and 11
c	Site development and other pre-opening requirements	Sections 9(a) – 9(f) of Franchise Agreement	Items 5, 6, 7, 8 and 11
d	Initial and ongoing training	Section 8(b) of Franchise Agreement	Item 11
e	Opening	Section 9(a) of Franchise Agreement	Item 11
f	Fees	Section 7 of Franchise Agreement	Items 5, 6 and 7
g	Compliance with standards and policies/Manual	Sections 4(a)(v-vi), 9(c) – 9(f), 9(i) and 9(k), of Franchise Agreement	Items 8, 11 and 16
h	Trademarks and proprietary information	Section 9(o) of Franchise Agreement	Items 13 and 14
i	Restrictions on products/services offered	Sections 8, 9(f) and 9(h) of Franchise Agreement	Items 8 and 16
j	Warranty and customer service requirements	Section 9(v) of Franchise Agreement	Item 16
k	Territorial development and sales quotas	Not applicable	Item 12
l	Ongoing product/service purchases	Sections 9(b), 9(f) and 9(h) of Franchise Agreement	Item 8
m	Maintenance, appearance and remodeling requirements	Sections 9(b), 9(d), 9(e), 9(k), of Franchise Agreement	Item 11
n	Insurance	Sections, 4(b), 9(r) of Franchise Agreement	Item 6

	Obligation	Section in Franchise or Other Agreement	Disclosure Document Item
o	Advertising	Section 8(h) of Franchise Agreement	Items 6 and 11
p	Indemnification	Sections 4(b), 9(t) and 17(d) of Franchise Agreement	Item 6
q	Owner's participation/management/staffing	Section 9(h) of Franchise Agreement	Items 11 and 15
r	Records and reports	Sections 4(d) and 9(m) of Franchise Agreement	Item 6
s	Inspections and audits	Sections 9(m) and 9(q) of Franchise Agreement	Items 6 and 11
t	Transfer	Sections 11 and 12 of Franchise Agreement	Item 17
u	Renewal	Section 6 of Franchise Agreement	Item 17
v	Post-termination obligations	Sections 14(b) and 14(c) of Franchise Agreement	Item 17
w	Non-competition covenants	Section 10 of Franchise Agreement	Item 17
x	Dispute resolution	Not applicable	Item 17
y	Other Guarantee of franchisee obligations (Note 1)	Section VI A 6 1	Not applicable
Notes (1) Each person or entity that directly or indirectly owns any of the equity or voting control of the franchised business must guarantee the terms of the Franchise Agreement, and have any spouse or legal domestic partner do so			

Item 10 **FINANCING**

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

We do not represent that you will be able to secure financing for the franchised business, nor do we make any representations as to the possible terms for the financing

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

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

Our Obligations Before You Open Before you open your business, we will

- 1) Designate your Trade Area, if applicable (Section 3 and Schedule 1, Franchise Agreement)
- 2) Assist you in locating a site for your franchised business (Section 8(a), Franchise Agreement)
- 3) Provide written specifications for store construction or remodeling and for all required equipment, inventory and supplies (Sections 8(d) and 8(e), Franchise Agreement)
- 4) Consult with you regarding your floor plan, equipment purchases, acquiring licenses and permits, and other development issues you may encounter in building out your pizzeria (Section 8(f)(1), Franchise Agreement)
- 5) Train you in our training program (Section 8(b), Franchise Agreement)
Also, see this Item 11 below for information on the training program
- 6) Be present at your franchised site for a minimum of seven days to provide you with pre-opening and opening assistance (Section 8(b), Franchise Agreement) For franchisees that open two or more stores, we will provide a minimum of three days for the second and any subsequent stores
- 7) Lend you a copy of the confidential Manual, in one or more volumes, or in electronic media, or on an Intranet or password protected portion of the Internet, and which may be amended, supplemented, or replaced at any time, which will assist you in developing and using the franchise system (Section 8(c), Franchise Agreement) This Manual is confidential and remains our property, and we may modify it at any time The table of contents of the Manual with the number of pages for each section as of our latest fiscal year-end (unless another date is stated) is attached as Exhibit G

Length of Time between Signing of Franchise Agreement and Opening The typical length of time between the signing of the Franchise Agreement or the first payment of any consideration for the franchise, and the opening of the franchised business is approximately three to four months The factors that affect this length of time are the time it takes to mutually schedule and satisfactorily train you before the opening of business, and the length of time of your pre-opening preparations You must open within twelve months after signing the Franchise Agreement (Sections 5(b), 9(a), and 14(a)(2) Franchise Agreement)

Our Obligations During Your Operation of the Franchised Business After you open your business, we will, at no additional charge, except as described in Item 6 or below

1) For the first 90 days after opening, we will be in contact with you by telephone to discuss your operational issues (Section 8(f)(i), Franchise Agreement)

2) Advise you regarding operating problems disclosed on reports or in inspections (Section 8(f)(ii), Franchise Agreement)

3) Continue efforts to develop the methods of operation, and lend you any amendments, supplements or replacements to the confidential Manual (as described in this Item 11 above), and any amendments We will notify you if there are any changes made to policies or procedures so that you can comply (Section 8(c), Franchise Agreement) The current table of contents is attached as Exhibit G

4) Review and approve advertising submitted to us by you (Section 8(h), Franchise Agreement)

5) Provide supplemental training of you and your management employees, at your cost (Section 8(b), Franchise Agreement)

6) Attempt to negotiate with suppliers for all operating consumables in the franchised business (Section 8(e), Franchise Agreement)

Marketing Fund Fee You must pay to us a monthly, non-refundable, assessment of up to 1% of your Gross Sales, or such lesser amount that we specify (the "Marketing Fund Fee") for the development of public relations and recognition of Westside Pizza franchise system and the development of marketing, advertising and public relations programs and materials You pay the Marketing Fund Fee separately from the royalty fee, at the same time and manner as the royalty fee We have not and do not intend to use the Marketing Fund Fees for the promotion or solicitation of franchise sales We do not receive payments directly from Marketing Fund Fees, except the administrative fee described in the next paragraph (Section 7(f), Franchise Agreement)

Each franchise owned and company-owned store will contribute Marketing Fund Fees at a rate of up to 1% of Gross Sales, or such lesser amount that we specify, monthly We will maintain all sums you pay as Marketing Fund Fees in an account separate from our general account and we won't use this account to defray any of our expenses not directly related to the administration of the Marketing Fund Fees and the development of advertising programs for system-wide use We manage the Marketing Fund Fees and have absolute discretion in administering the Marketing Fund Fees, including allocation of the funds, methods of payment, and reimbursement of expenses and advances we pay for the Marketing Fund Fees The media of our advertising and promotion may be print, mail, phone, radio, TV, Internet or other, and coverage may be local, regional or international We make expenditures in our sole discretion, and make no representations that we will make any particular level of expenditure for particular programs or to benefit particular franchise owners or franchised locations We do not provide a periodic accounting of how we spend the advertising fees, but we will provide a summary breakdown for you upon request, which we will make available to you typically within 30 days of your written request to us We do not use the funds for the solicitation of new franchise owners At the end of the year, we will carry over to the following year any advertising fees we have not spent and will use these monies for advertising and marketing

In our last fiscal year ended December 31, 2016 no Marketing Fund Fees were collected or expended

There is no advertising council or cooperative yet formed to advise us on advertising policies. If one is formed, we will have the power to select and approve the members and to form, change, dissolve or merge the advertising council

Franchisee's Minimum Advertising or Promotion We require you to spend a minimum amount of your franchised store's Gross Sales each quarter on local advertising. You must spend the lesser of 2% of Gross Sales each full calendar quarter, or \$36,000 per each full calendar year. The total of the Franchisee Local Marketing and the Marketing Fund Fee will not exceed 2% of Gross Sales (Sections 7(e) and (f), Franchise Agreement)

You are required to report your quarterly advertising expenditures to us by the 30th day of each succeeding quarter, on forms to be determined by us (Section 9(m), Franchise Agreement)

Our Approval You must obtain our approval for any marketing or use of our trademarks in any media (including Internet or electronic media) without our prior review and written approval, except when using materials approved by us. Our approval will normally take 7 days. You must make reasonable efforts to participate in and cooperate with all advertising and marketing programs selected by us, (including Internet or electronic media). All expenses of this independent advertising will be yours. You must follow our trademark and copyright usage directions. We control all Internet access, marketing, and usage, and you may not advertise on the Internet without our prior consent (Sections 4(a)(vi) and 8(h), Franchise Agreement)

Computer Systems As used in this disclosure document, the term "Computer Systems" means information processing and communications systems, computers, mobile smart devices, smart processors in hardware including point of sale devices, software and related hardware including credit, debit and gift card processing systems and online ordering systems, accounting systems, and systems to access the Internet

As used in the disclosure document, the term "Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology, and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor, websites or similar remotely-accessible electronic information sources (whether password protected or not), use of domain names, other locators, or emails that use our trademarks, internet phone services, cellular or similar messaging, mobile applications, social networks or social media, or wikis, podcasts, online content sharing communities, or blogging

You must acquire, maintain, and upgrade Computer Systems all as we specify. The initial cost for these purchases is approximately \$15,000. In addition, we require you to obtain an Internet Service Provider (ISP). The fee for an ISP is typically between \$20-\$100 per month

You must maintain, upgrade and update the Computer Systems during the term of the franchise, as we periodically determine, at your expense. There are no limits on the cost or frequency of your obligation to do so. This estimated ongoing cost is \$2,640 per year. We may in the future require you to obtain additional Computer Systems. We have no way of predicting or

estimating what the costs for these Computer Systems might be until we determine the actual Computer Systems

The Computer Systems will be used to report to and communicate with us, for processing orders from customers, tracking sales, for your accounting, and for other tasks that we may designate. We may have independent access to the information required in our reports, without limitation. You must transmit information to us daily or at other intervals that we specify in the form and manner that we specify.

Computer Systems are vulnerable in varying degrees to computer viruses, bugs, worms, spy-ware, power disruptions, communication line disruptions, Internet access failures, Internet content failures, hardware and software failures, and attacks by hackers and other unauthorized intruders and other disruptions. It is your responsibility to protect yourself from these problems. This may include taking reasonable steps to secure your Computer Systems and other systems (such as using and continually updating firewalls, password protection, and anti-virus systems), to use backup systems, and to comply with privacy and data security laws (Section 9(d), Franchise Agreement).

Table of Contents of the Manual The table of contents of the version of the Manual, in one or more volumes, or in electronic media, or on an Intranet or password protected portion or the Internet, and which may be amended, supplemented, or replaced at any time, current as of our last fiscal year-end, or other specified date, is in Exhibit G. The current number of pages devoted to each subject and the total number of pages are stated.

Methods Used to Select the Location We do not select the location of the franchised business. It is your responsibility to do so. However, you must obtain our approval of the location. We will base our approval on factors such as cost, distance between locations, demographics of the surrounding area such as population, population density, deliverable population mean income and age distribution, competition, traffic patterns, accessibility, and similar factors which we analyze based on our experience and our own subjective judgment. We cannot predict, represent, or warrant success, suitability, or income levels for any location.

You must notify us when your restaurant is ready to open and specify an opening date no earlier than 14 days or later than 21 days after the notice is given. We will promptly inspect the restaurant at a time mutually agreed and give you notice of any defects, or that it complies with our specifications and requirements. You are required to remedy any defects within 14 days after receiving notice from us. Within seven days after written acknowledgment from us that your restaurant complies, you will begin operation of the restaurant. Our approval will normally take no more than 20 days. If you and we cannot agree on a site, we may terminate the Franchise Agreement, and may refund your franchise fee, less our costs, as determined by us in our sole discretion (Section 9(a), Franchise Agreement).

Training Program

(1) Initial Training The initial mandatory training program will take place at our Boise, Idaho store, or at another location that we choose. The duration is normally seven to ten days over a seven to twelve day period. In addition, we will spend seven days at your

franchised location to assist you in preparing for and opening your franchised location. The initial training will be without charge to your individual majority owner, your approved manager and assistant managers, up to three individuals. You must pay the cost of accommodations and travel for training. The training program is conducted after the signing of the Franchise Agreement and payment of the initial franchise fee, and approximately 30 days before the franchised business is opened. Satisfactory completion of the initial training program is mandatory for you or your approved full time manager. This training is described in the chart below (Section 8(b), Franchise Agreement)

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE-JOB TRAINING	LOCATION
Procedures regulations, general health code compliance, review of operational manual	7 25 hours		Conference room at Boise ID store or other location we choose
Opening/closing procedures		5 5 hours	Boise ID store or other location we choose
Phone answering pizza making food prep stocking cleaning and other operational procedures		22 hours over two weeks	Boise, ID store or other location we choose
Accounting reporting inventory ordering and POS manager training		4 5 hours	Boise ID store or other location we choose
Customer service and public relations		7 5 hours	Boise ID store or other location we choose

The training director will be Aaron Olson, whose experience is described in Item 2 of this disclosure document. Rodney Nelson and Aaron Olson will provide training. Their experience is also described in Item 2.

The instructional materials are video tutorials, and the Manual. The Manual's table of contents is attached as Exhibit G.

(2) Subsequent Training. We may require you or your manager to receive or attend the additional or advanced training we reasonably require at a cost of \$60 per hour, or whatever charge is made by third-party trainers, plus travel, food, and accommodations, and all other necessary expenses, subject to increase (Section 8(f)(11), Franchise Agreement).

Item 12 TERRITORY

Protected Territory. You will not receive a completely protected territory, because we reserve certain rights in your territory as described below in this Item 12. Because of our reserved

rights described below, you may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands we control. Your territory is not completely exclusive, as there are exceptions summarized below. You will normally receive a partially protected area that is a five mile radius from your franchised store location (subject to the exceptions described below), but you will not receive a partially protected area if your location is in a mall, or within a downtown of a town of more than 20,000 in population, or in certain other high density areas that we may designate. Your Trade Area will be described in a schedule to the Franchise Agreement or in an addendum or map attached to it.

You may operate the franchised business at one location only. You may not open or operate another franchised location without our prior written consent. You may not relocate your existing franchise premises without our written consent, which consent will not be unreasonably withheld if the relocation would likely result in higher sales or if the current building location is in bad shape or disrepair.

Within the partially protected Trade Area, we and our affiliates may not operate or grant a franchise for the operation of a carry-out, dine-in or delivery pizza restaurant.

We and our affiliates may

- (i) Own, franchise, and operate units in locations not in your Trade Area,
- (ii) Purchase, or be purchased by, or merge or combine with, competing businesses, wherever located,
- (iii) Implement Internet marketing and other multi-area marketing programs, which may allow us or others to solicit or sell customers anywhere,
- (iv) Own or franchise outlets located in malls within your Trade Area, but no delivery service will be provided from such mall locations
- (v) Manufacture and sell any products and services anywhere, through channels of distribution other than the fixed location type of business reserved to you, including the Internet and wholesale, and in defined high volume and chain locations (such as at airports, hotels, grocery stores, sporting venues, food courts, military bases, train stations, co-branded locations, etc.) We reserve these markets exclusively.
- (vi) Provide dissimilar products and services (such as spices and sauces in containers) anywhere, under Westside Pizza® or a different trademark. Such activity may be owned and/or operated by us and we may accept orders within your territory. There is no timetable for this business and we do not currently have plans to operate such business activity, but reserve the right to do so in the future.

Customer Restrictions You may not solicit orders within another Westside Pizza store's Trade Area, but you may accept orders from any customer.

Other You generally do not receive the right to acquire additional franchises, but we may at our sole discretion offer you a right of first refusal to acquire additional franchises within a defined area

Continuation of the Franchise Area Continuation of the Trade Area for the franchised business is dependent on achievement of a certain sales volume. If your sales fall under \$12,000 per month for three consecutive months, we may cancel your Trade Area's partial protection. We may not otherwise modify your partially protected Trade Area.

Item 13 **TRADEMARKS**

We own and license to you the trademark WESTSIDE PIZZA and Design, as shown on the front cover of this disclosure document. By trademark we mean trade names, trademarks, service marks, logos, trade dress, and other commercial symbols used to identify the business. Some of our trademarks are registered with the U.S. Patent and Trademark Office ("PTO") on the Principal Register, as described below. We also claim common law rights in our trademarks based on our prior usage. You may not use any of our trademarks as part of your business entity name or Internet domain name or online address. We control all Internet access, marketing, and usage.

The following trademarks are registered on the Principal Register of the PTO:

Mark	Registration Number	Registration Date	Status/Affidavits
 WestsidePizza	3,626,809	May 26, 2009	Registered, required affidavits have been filed
it's all about the pizza!	4,271,716	January 8, 2013	Registered, no affidavits currently due
WESTSIDE PIZZA	4,830,349	October 13, 2015	Registered, no affidavits currently due

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state where this disclosure document is required, or any court, or any pending infringements, opposition, or cancellation proceeding or any pending material litigation involving our principal trademarks.

There are no agreements currently in effect that significantly limit our rights to use or license the use of our trademarks in a manner material to the franchise.

You must notify us immediately of any infringement of, or challenge to, your use of our trademarks. We are not obligated by the Franchise Agreement to protect your rights to use these trademarks or to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving our trademark or if the proceeding is resolved unfavorably to you, but may defend, prosecute or settle these claims or litigation.

However, we may, control any administrative proceedings or litigation involving a trademark licensed by us to you. You must modify or discontinue the use of any trademarks or use one or more substitute trademarks if we request you to. Our only obligation will be to reimburse you for 50% of the tangible costs of new exterior signs. You may not contest our ownership, title, right or interest in our trademarks that are part of the business. Upon termination of the Franchise Agreement for any reason, you must cease using these trademarks in any manner.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where the franchised business is to be located.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We claim trade secret protection with respect to our knowledge, trade secrets, methods, products, systems, information, customer, prospect and supplier lists, Manual, proprietary software (if any), confidential electronic and other communications, methods of Internet and trademark usage, marketing programs, and research and development. You must comply with all privacy and data breach laws with respect to the customer lists. If you discover a data breach requiring notification to any third party, you must also simultaneously notify us.

You may use the information contained in our Manual, in one or more volumes, or in electronic media, or on an Intranet or password protected portion or the Internet, and which may be amended, supplemented, or replaced at any time. While we have not filed an application for registration of our copyright with the United States Copyright Office, we claim copyright right protection for our Manual, any software, webpages, Internet content, marketing materials, designs, creative works, and other original works in any media. You do not receive the right to use an item covered by a patent. We do not have any patent applications pending with the United States Copyright Office.

You acknowledge in the Franchise Agreement that all of these are proprietary and are our trade secrets and that you will maintain their confidentiality. You must follow our security procedures, including you and any agent or employee who is allowed access signing any non-disclosure, and Intranet, Extranet, and Internet usage agreements that we require. The signed original non-disclosure agreements must be delivered to us within one week of any access of any person to confidential information. You must promptly tell us when you learn about unauthorized use of our proprietary information.

We have no obligation to protect the copyright or defend you against claims arising from your use of copyrighted items or to indemnify or defend you in any infringement action. We may change or discontinue the subject matter covered by the copyright at any time, and you must conform to these changes.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must participate personally in the franchised business until you understand the basic operation of the franchised business, but you may then appoint a designated full-time manager to

handle day-to-day operations. If you do not personally handle day-to-day operations, we must approve your manager. There is no minimum equity interest that your designated manager must have in the franchise. Each equity or voting owner who owns 5% or more of the franchised business must personally guarantee the Franchise Agreement including confidentiality and non-competition covenants. A copy of the Guarantee is attached to the Franchise Agreement. Your spouse or legal domestic partner must also sign a personal guarantee making your spouse or legal domestic partner individually liable for your financial obligations under the agreement.

You, or in the case of an entity, the designated participating owner or designated manager, must satisfactorily complete training. If an entity franchisee wishes to change its designated full owner or manager, you must notify us of this fact and we must approve it in writing. Your new designated full time owner or manager must satisfactorily complete the training program at your expense. See Item 17 regarding the effect of death or disability of an individual on the franchise and the requirement of designating and training a successor franchisee.

Each owner and other person who obtains access to confidential information must sign an agreement to maintain confidentiality (see Item 14) and a covenant not to compete (see Item 17).

If reasonably necessary to prevent interruption of the franchised business and loss of goodwill of the trademarks, we may take over operation of your business for your account. In that event all revenue derived from our operation will be for your account, less expenses, debts, liabilities of the business, and less reasonable compensation to us.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

To maintain uniform quality standards, you must follow our directions concerning the services and products you provide. You are not limited in the customers to whom you may sell, except as to a multi-area marketing program described in Item 8. You may sell only those approved services and products consistent with the image and product line as have been expressly approved by us. (See Item 8). You must sell all products and services we authorize. If you want to add or delete an item from the menu, we must first approve it in writing. You may not sell any good or service unless you receive our prior written consent.

We may recommend your prices to your customers, set maximum resale prices, and determine pricing strategy of multi-area marketing programs (described in Item 8), each to the extent permitted by law.

We may change the types of goods or services we authorize. There are no limits on our right to do so.

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. All references are to the Franchise Agreement, unless otherwise specified.

Provision	Section in Franchise or Other Agreements	Summary
a Length of the franchise term	Section 5(a)	5 years or length of lease, whichever occurs first
b Renewal or extension of the term	Section 6	You may have the right to renew your franchise for one additional term not to exceed 5 years, if certain renewal conditions are satisfied
c Requirements for you to renew or extend	Section 6	You must sign a new and then-current Franchise Agreement including the renewal addendum thereto within 30 days of receipt, sign a release, provide us proof that you have the right to continue operating at the location or have found an alternative location, refurbish the outlet, complete refresher training courses we require, satisfy all payment obligations, including the renewal fee. You must be in substantial compliance with the Franchise Agreement during the initial term and not in default at the time of renewal. The new franchise agreement may contain terms and conditions materially different from those in your previous franchise agreement, like different fee requirements and territorial rights. We may at our option waive some of these requirements, and may instead allow you to renew by assuming the original franchise agreement, in which case the parties will sign our

Provision	Section in Franchise or Other Agreements	Summary
		form of an assumption and mutual release agreement Alternatively, if at the time for renewal we are not offering franchises in the U S or cannot by law offer a renewal franchise to you, your existing franchise agreement will be extended for a one-year period, if at the end of the one-year extension we still have not offered franchises in the U S or still cannot by law offer a renewal franchise to you, the franchise agreement will expire and you will not have any further renewal or extension rights
d Termination by you	N/A	Not Applicable
e Termination by us without cause	N/A	Not Applicable
f Termination by us with cause	Sections 5(a), 14(a)	We can terminate the Franchise Agreement if you fail to complete our training program or fail to open within 12 months You can be terminated if you default Your royalty fee may be increased to 5% of Gross Sales if you materially default The Franchise Agreement and other agreements define your obligations
g "Cause" defined - curable defaults	Section 14(a)	Failure to maintain insurance (48 hours to correct after notice), failure to follow policies or standards (7 days to correct after notice), failure to correct other defaults and non-payment within 30 days after notice
h "Cause" defined – non-curable defaults	Section 14(a)	Material misrepresentation, failure to comply with systems or Manual, failure to complete initial training, failure to open for business, abandonment, insolvency (except as may be limited by bankruptcy laws,)

Provision	Section in Franchise or Other Agreements	Summary
		loss of occupancy of premises, committing a felony, intentional underreporting, repeated defaults, loss of alcoholic beverage license
i Your obligations on termination/non-renewal	Sections 14(b) and (c)	De-identification, payment of past due and future amounts, return Manuals and proprietary materials, cease use of all trademarks, assignment of listings, non-disclosure, non-competition, allow our inspection and audit, facilitate our right of first refusal and options Send to us your current monthly financial statements up to the end of the previous month, any delinquent records and reports, copies of business tax returns for the prior 24 months, a list of assets and their cost, a list of payables and receivables, a list of material contracts including insurance, supplier, employment, leases, loans and financing, and copies of these contracts if requested by us Turn over control of the assets to us within 30 days after termination or expiration
j Assignment of contract by us	Section 12(e)	No restriction
k "Transfer" by you - defined	Sections 11 and 12(a)	Includes transfer of the franchise agreement, assets, location or lease, or an ownership interest in an entity franchisee
l Our approval of transfer by you	Sections 11 and 12(a)	We have the right to approve all transfers, but will not unreasonably withhold or delay approval

Provision	Section in Franchise or Other Agreements	Summary
m Conditions for our approval of transfer	Sections 11 and 12	You provide us at least 60 days' prior notice of intent to Transfer, accompanied by required information, you are not in default, all your debts are paid in full before transfer, you sign a release (see also below), transferee qualifies as a transferee of the alcoholic beverage license, transferee is not a competitor, meets our standards, successfully completes training, signs our then-current form of franchise agreement with then-current terms and a transfer addendum, or at our option assumes your contract, payment of transfer fee (see Item 6), refurbishment of the outlet
n Our right of first refusal to acquire your business	Section 11	We can match any offer for your business, for 30 days
o Our option to purchase your business	Section 14(c)	Upon the termination or expiration, except termination by you for cause, We have the option for 30 days to purchase the assets of the business at the fair market value of the tangible assets, with no value given to goodwill, trademarks, or other intangible assets You must accept our offer within 10 days of receipt and turn over control of the assets to us, or provide evidence in the form of an appraisal or comparable sales data of an alternative fair value of the assets We will then have five days to make a counteroffer or to decide not to buy the assets If we cannot agree on the value of the assets, you will nevertheless turn over control of the assets to us within 30 days after termination or expiration, and seek payment of its alleged value as any other alleged breach of this Agreement

Provision	Section in Franchise or Other Agreements	Summary
		We may exclude from our purchase your liabilities and certain non-compliant or unusable assets. If you are located in California, the option price may be different—see the State Addenda in Exhibit E.
p Your death or disability	Section 13	Your heirs or legal representative must submit a proposal meeting our transfer requirements with 120 days. Transfer must be complete within 60 days of our approval of proposal.
q Non-competition covenants during the term of the franchise	Section 10	No involvement in competing business, non-disclosure of confidential information, non-solicitation of customers and employees.
r Non-competition covenants after the franchise is terminated or expires	Section 10	No competing business for two years within 20 miles of us, of our affiliates, of a franchisee, or of your Trade Area, and on the Internet, non-solicitation, of customers and of employees.
s Modification of the agreement	Section 23	Only by mutual agreement in writing. Manual is subject to change.
t Integration/ merger clause	Section 22	Only the terms of the Franchise Agreement, are binding or enforceable (subject to state law), and any other promises are not binding. Any representations made in this disclosure document are not disclaimed.
u Dispute resolution by arbitration or mediation	N/A	Not applicable.
v Choice of forum	Section 20	Any legal action shall be brought in a court of competent jurisdiction.
w Choice of law	Section 20	The laws of the state in which the Pizzeria is located and U.S. Federal Trademark Act (Lanham Act) apply.

Certain states have statutes which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. These and other states may have court decisions that may supersede the Franchise Agreement in your relationship with us. The State Addenda in Exhibit E, to the extent applicable, may also describe certain state laws that may supersede the Franchise Agreement in your relationship with us.

Item 18 PUBLIC FIGURES

We do not use any public figure or personality to promote the franchise in any way.

Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

Shown below are unaudited monthly gross sales as reported to us by our franchisees for the year ended December 31, 2016. All franchised locations are included, except that partial months and months with incomplete reporting were excluded.

Monthly Sales By Unit 2016

UNIT	JAN	FEB	MAR	APRIL	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	Total
#1	\$88,093	\$77,338	\$90,474	\$85,014	\$90,628	\$96,934	\$95,173	\$90,131	\$93,290	\$97,761	\$90,082	\$93,751	\$1,088,669
#2	\$29,888	\$27,432	\$28,857	\$30,395	\$30,728	\$32,184	\$34,189	\$33,318	\$32,920	\$34,064	\$30,445	\$33,887	\$378,307
#3	\$38,179	\$39,099	\$43,698	\$46,264	\$43,284	\$48,454	\$54,937	\$47,622	\$46,813	\$45,473	\$43,332	\$44,995	\$540,150
#4	\$26,399	\$24,880	\$28,278	\$26,395	\$29,150	\$25,707	\$27,804	\$29,339	\$26,755	\$29,203	\$23,848	\$26,839	\$324,597
#5	\$49,920	\$46,355	\$48,597	\$60,607	\$75,508	\$89,497	138,906	118,612	\$72,620	\$57,200	\$42,766	\$48,079	\$848,667
#6	\$53,062	\$53,494	\$58,135	\$59,524	\$56,405	\$60,221	\$64,358	\$55,762	\$53,669	\$62,674	\$51,936	\$59,967	\$689,197
#7	\$79,224	\$81,636	\$86,406	\$91,443	\$91,739	\$93,590	100,010	\$99,175	\$92,164	\$86,219	\$77,836	\$80,485	\$1,059,927
#8	\$108,675	\$111,598	\$124,613	\$127,044	\$121,834	\$125,708	\$141,607	\$125,302	\$109,735	\$114,933	\$98,090	\$109,381	\$1,418,520
#9	\$53,242	\$52,036	\$56,706	\$55,794	\$57,411	\$54,577	\$50,777	\$57,792	\$60,426	\$65,003	\$58,648	\$62,052	\$684,464
#10	\$62,071	\$61,943	\$72,409	\$70,154	\$70,275	\$72,455	\$74,623	\$76,204	\$76,439	\$74,581	\$65,180	\$72,561	\$848,895
#11	\$38,466	\$37,083	\$42,638	\$43,904	\$43,256	\$44,340	\$45,155	\$46,938	\$46,593	\$49,685	\$40,879	\$46,840	\$525,777
#12	\$58,021	\$53,993	\$60,689	\$63,783	\$65,850	\$60,890	\$73,507	\$67,367	\$68,314	\$63,615	\$57,866	\$64,276	\$758,171
#13	\$74,146	\$80,507	\$78,532	\$71,655	\$68,749	\$55,327	\$59,342	\$67,404	\$81,421	\$89,348	\$73,874	\$74,593	\$874,898
#14	\$36,631	\$34,244	\$36,445	\$37,764	\$37,832	\$37,425	\$37,052	\$36,574	\$37,108	\$35,246	\$33,452	\$39,258	\$439,031

#15	\$44,634	\$43,770	\$44,689	\$45,488	\$47,847	\$49,955	\$47,937	\$45,481	\$50,666	\$56,411	\$44,830	\$41,917	\$563,625
#16	\$96,956	\$91,458	\$90,145	\$89,727	\$93,122	\$86,411	\$90,576	\$87,166	\$90,418	\$99,601	\$82,840	\$91,983	\$1,090,403
#17	\$29,576	\$29,094	\$31,105	\$32,382	\$31,194	\$34,679	\$40,041	\$34,669	\$40,090	\$39,957	\$30,697	\$30,673	\$404,157
#18	\$33,194	\$35,895	\$40,921	\$47,279	\$43,481	\$45,141	\$46,117	\$43,620	\$43,291	\$45,757	\$42,427	\$44,481	\$510,504
#19	\$38,782	\$38,172	\$44,720	\$41,009	\$36,872	\$38,158	\$36,881	\$40,604	\$38,972	\$42,805	\$34,839	\$41,470	\$473,284
#20	\$55,579	\$57,847	\$60,352	\$60,978	\$62,036	\$62,084	\$60,128	\$58,036	\$64,905	\$60,706	\$53,879	\$68,579	\$725,109
#21	\$42,804	\$41,715	\$47,698	\$50,641	\$48,861	\$48,547	\$61,430	\$59,539	\$53,170	\$50,100	\$36,986	\$37,330	\$578,821
#22	\$57,092	\$54,359	\$60,032	\$57,428	\$55,460	\$53,487	\$51,280	\$53,053	\$56,394	\$56,639	\$53,766	\$54,807	\$663,797
#23	\$43,761	\$45,078	\$44,048	\$44,512	\$45,973	\$43,272	\$47,271	\$46,800	\$48,933	\$49,954	\$45,068	\$49,025	\$553,695
#24			\$55,520	\$38,249	\$30,400	\$29,695	\$30,288	\$28,428	\$26,019	\$25,288	\$21,077	\$23,730	\$308,694
#25	\$18,278	\$19,738	\$17,267	\$18,326	\$16,687	\$20,494	\$23,407	\$25,334	\$24,186	\$24,217	\$20,540	\$23,607	\$252,081
#26	\$32,347	\$32,274	\$36,610	\$32,652	\$30,305	\$18,688	\$26,578	\$25,846	\$30,313	\$30,708	\$26,138	\$24,893	\$347,352

Average and Median of Unit Sales 2016

MONTH	JAN	FEB	MAR	APRIL	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	
													TOTAL SALES
Total	\$1,289,020	\$1,271,038	\$1,429,584	\$1,428,301	\$1,424,887	\$1,427,920	\$1,559,374	\$1,500,116	\$1,465,624	\$1,487,148	\$1,278,321	\$1,391,017	\$16,952,350
AVERAGE	\$51,561	\$50,842	\$54,984	\$54,935	\$54,803	\$54,920	\$59,976	\$57,697	\$56,370	\$57,198	\$49,166	\$53,501	
MEDIAN SALES	\$44,634	\$45,078	\$48,148	\$48,910	\$48,354	\$49,251	\$51,029	\$50,338	\$51,918	\$53,256	\$43,798	\$47,460	

AVERAGE MONTHLY SALES (AVERAGE OF ALL MONTHS LISTED ABOVE) \$54,685

YOUR INDIVIDUAL FINANCIAL RESULTS ARE LIKELY TO DIFFER FROM THE RESULTS STATED ABOVE. IT MAY TAKE SEVERAL YEARS FOR YOU TO ACHIEVE YOUR INCOME POTENTIAL.

Written substantiation of the data used in preparing this item 19 will be made available to you on reasonable request.

The financial performance representation figures do not reflect the costs of sales or operating expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. The best source of cost and expense data may be from franchisees and former franchisees, some of whom may be listed in Exhibits C-1, C-2 and C-3.

Actual results vary from unit to unit and we cannot estimate the results of any particular franchise.

Other than this financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. 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 our management by contacting Rodney Nelson at 8515 W Overland Road, Boise, ID 83709, or by email at rodneynelson@westsidepizza.com, or by phone at (360) 536-1339, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

The name of each of our current franchisees, including those who have signed franchise agreements but are not yet open, and the address and telephone number of each of their outlets as of the end of our last fiscal year is in Exhibit C-1. Our fiscal year ends on December 31 of each year.

(Table No. 1)
Systemwide Outlet Summary
For Years 2014 to 2016

Outlet Type	Year	Outlets operating at the start of year	Outlets operating at the end of year	Net Change
Franchised	2014	18	23	0
	2015	23	24	+1
	2016	24	27	+3
Company-Owned	2014	1	1	0
	2015	1	2	+1
	2016	2	1	-1
Total Outlets	2014	19	24	0
	2015	24	26	+2
	2016	26	28	+2

(Table No 2)
Transfers of Operating Outlets from Franchisees to New Owners (other than Us)
For Years 2014 to 2016

State	Year	Number of Transfers
California	2014	0
	2015	0
	2016	0
Idaho	2014	0
	2015	0
	2016	0
Washington	2014	0
	2015	0
	2016	1
Total	2014	0
	2015	0
	2016	1

(Table No 3)
Status of Franchised Outlets³
For Years 2014 to 2016

State	Year	Outlets operating at the start of year	Outlets opened	Terminations	Non Renewals	Reacquired by franchisor	Ceased operations	Outlets operating at the end of year
CA	2014	3	2	0	0	0	0	5
	2015	5	0	0	0	0	0	5
	2016	5	0	0	0	0	0	5
ID	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
WA ¹	2014	15	2	0	0	0	0	17
	2015	17	1	0	0	0	0	18
	2016	18	3 ²	0	0	0	0	21
Total	2014	18	5	0	0	0	0	23
	2015	23	1	0	0	0	0	24
	2016	24	3	0	0	0	0	27

¹ The Colville, WA and Chewelah, WA outlets operate under a verbal franchise agreement with Jason West

² Our Chelan outlet was sold by us to a franchisee on February 1, 2016

³ If multiple events occurred affecting an outlet, this table shows the event that occurred last in time

(Table No 4)
Status of Operating Company Owned Outlets
For Years 2014 to 2016

State	Year	Outlets operating at the start of year	Outlets opened	Re-Acquired from Franchisee	Outlet Closed	Outlet Sold to Franchisee	Outlets operating at the end of year
ID	2014	0	0	0	0	0	0
	2015	0	1	0	0	0	1
	2016	1	0	0	0	0	1
WA	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	1	0
Total	2014	1	0	0	0	0	1
	2015	1	1	0	0	0	2
	2016	2	0	0	0	1	1

¹ If multiple events occurred affecting an outlet, this table shows the event that occurred last in time

(Table No 5)
Projected Openings as of December 31, 2016

State	Franchise Agreements signed but outlet not opened	Projected New Franchised Outlets in the next Fiscal year	Projected New Company Outlets in the Next Fiscal Year
CA	0	1-2	0
ID	0	0	0
WA	2	2-3	0
Total	2	3-5	0

The name and last known city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee within the most recently completed fiscal year who has had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement or who has not communicated with us within 10 weeks of the issuance date of this disclosure document, is in Exhibit C-2

If you buy this franchise, your contact information may be disclosed to other buyers and in this disclosure document which may be publicly available during the term of the franchise, and after you leave the franchise system

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you

Exhibit C-3 lists, to the extent known, the name, address, telephone number, email address, and web address of each trademark-specific franchisee organization associated with the franchise system being offered, which we have created, sponsored or endorsed and that has asked to be included in this disclosure document

Resales of Franchise Controlled Businesses If we sell a previously franchised business that we now control, detailed five-year ownership and transfer information will be provided separately from this disclosure document

Item 21

FINANCIAL STATEMENTS

Our fiscal year ends on December 31 each year Attached as Exhibit B are our audited financial statements for the years ended December 31, 2016 and December 31, 2015, and for the years ended December 31, 2015 and December 31, 2014

Item 22

CONTRACTS

You will be asked to sign the following

- | | |
|-----------|--|
| Exhibit A | Franchise Agreement, including the following Schedules |
| | Schedule 1 – Opening or Transfer Date |
| | Schedule 2 – Individual Guaranty |
| | Addendum Only for Franchisees Who Obtain SBA Financing |
| Exhibit E | State Specific Addenda |
| Exhibit F | Conditional Assignment of Telephone and Directory Listings |
| Exhibit H | Addendum to Franchisee's Lease |
| Exhibit I | Acknowledgment of Receipt of Completed Agreements |
| Exhibit J | Receipt of Disclosure Document |

Item 23

RECEIPT

Included as the last document of this disclosure document is a detachable receipt to be signed by you

**EXHIBIT A
TO THE FDD
FRANCHISE AGREEMENT**



It's all about the pizza!®

FRANCHISE AGREEMENT

BETWEEN

WESTSIDE PIZZA INTERNATIONAL INC

AND

[Name of Franchisee]

WESTSIDE PIZZA INTERNATIONAL INC
FRANCHISE AGREEMENT TABLE OF CONTENTS

PARAGRAPH		PAGE NO
1	GRANT OF FRANCHISE	1
2	RELOCATION	2
3	PROTECTED TRADE AREA	2
4	OFF-SITE DELIVERY	3
5	TERM OF AGREEMENT	5
6	RENEWAL OF FRANCHISE	6
7	FEES	7
8	DUTIES OF FRANCHISOR	8
9	DUTIES OF FRANCHISEE	10
10	NON-COMPETITION	17
11	RIGHT OF FIRST REFUSAL	18
12	TRANSFER AND ASSIGNMENT	18
13	OPERATION IN THE EVENT OF ABSENCE, DISABILITY OR DEATH	20
14	DEFAULT AND TERMINATION	21
15	UNAVOIDABLE DELAYS	24
16	SEVERABILITY AND CONSTRUCTION	24
17	RELATIONSHIP BETWEEN PARTIES	24
18	NO WAIVER	25
19	NOTICES	25
20	APPLICABLE LAW AND JURISDICTION	25
21	TERMINOLOGY	25
22	STATUS OF AGREEMENT	25
23	AMENDMENT OF AGREEMENT	26
24	COSTS AND EXPENSES OF ENFORCEMENT	26
25	CAPTIONS	26
26	CONSENT AND APPROVAL	26
27	REPRESENTATIONS	26
28	EFFECTIVE DATE	27

SCHEDULE 1 TRADE AREA, LOCATION

SCHEDULE 2 INDIVIDUAL GUARANTEE OF FRANCHISE AGREEMENT USE FOR
ENTITY FRANCHISEES

ADDENDUM ONLY FOR FRANCHISEES WHO OBTAIN SBA FINANCING

WESTSIDE PIZZA INTERNATIONAL INC

PIZZERIA FRANCHISE AGREEMENT

THIS AGREEMENT is entered into by and between WESTSIDE PIZZA INTERNATIONAL INC ("WPI" or "Franchisor"), a Washington corporation located at 8515 W Overland Road, Boise, ID 83709, email _____, and _____ (the "Franchisee"), whose street address is _____, and whose email address for notices is _____

RECITALS

A WPI has established a method and system (the "System") for the development and operation of Westside Pizza Pizzerias ("Pizzerias") which includes WPI's

* marks "Westside Pizza," "Westside Pizza Parlor & Design," "Westside Pizza Slices," "Westside Pizza Pizzeria," and all trade names, trademarks, service marks, logos, domain names, color schemes, trade dress, and other commercial symbols of WPI that WPI authorizes Franchisee to use at any time, and associated goodwill (the "Marks"),

* copyrights,

* the Manuals incorporating required standards, procedures, policies, and techniques,

* secret food formulae, and

* advertising, marketing and promotional programs

B WPI desires to grant to Franchisee, and Franchisee desires to obtain from WPI, the right to establish and operate the Pizzeria under the System

IT IS AGREED AS FOLLOWS

1 GRANT OF FRANCHISE

Subject to all the terms of this Agreement, WPI grants to Franchisee the nonexclusive right to use the System to establish and operate the Pizzeria. Franchisee acknowledges that adherence to the standards and policies of the System, is absolutely essential for the continued operation of the franchise granted by this Agreement. Uniformity is important to the value of the System and Marks to WPI and to all franchisees. Any breach of this Agreement or failure to conform to the System or Manuals could substantially adversely affect that value. WPI expects that changes to technology, laws and markets will result in changes that WPI will make to the System. All such modifications become WPI's property. This Agreement is for the establishment of one Westside Pizza Pizzeria to be located at the location stated on Schedule 1 to this Agreement (the "Location") may not develop or operate a Westside Pizza Pizzeria at any other location other than the single Location.

2 RELOCATION

Franchisee shall have the right to establish and operate the Pizzeria only at the single location designated above. Any relocation of the Pizzeria shall require WPI's prior written consent. Such consent may be withheld in WPI's sole discretion unless the lease for the site of its Pizzeria expires or terminates without fault of Franchisee, or if the site is destroyed, condemned or otherwise rendered unusable, in which case WPI will grant permission for relocation of the Pizzeria to a location and site meeting WPI's then-current standards. WPI charges Franchisee a Relocation Fee of \$4,000 to cover WPI's costs in approving and processing the request for relocation. Such fee is payable upon approval by WPI at such location. Any relocation will be at Franchisee's sole expense.

3 PROTECTED TRADE AREA

(a) **Trade Area** Subject to this Agreement, Franchisee shall have the exclusive right to operate the Pizzeria within a five mile radius of the location of the Pizzeria ("Trade Area") as stated on Schedule 1 to this Agreement, except that if Franchisee's Pizzeria is located in a mall or within a town of more than 20,000 in population, or certain other high density areas as may be designated by WPI, no such exclusive right shall be granted. Neither WPI nor an affiliate will operate or grant a franchise for the operation of a carry-out, dine-in or delivery pizza restaurant business with a Trade Area that overlaps the Pizzeria's Trade Area.

(b) **Alteration of Trade Area** If Franchisee has been granted a designated Trade Area, Franchisee's Trade Area may not be altered except by the mutual written agreement of Franchisee and WPI.

(c) **Reserved Rights** WPI and its affiliates may, regardless of any Trade Area granted to Franchisee:

(i) Own, franchise, and operate units in locations not in Franchisee's Trade Area,

(ii) Purchase, or be purchased by, or merge or combine with, competing businesses, wherever located,

(iii) Implement Internet (defined below) and other multi-area marketing programs, which may allow WPI or others to solicit or sell customers anywhere,

(iv) Own or franchise outlets located in malls within Franchisee's Trade Area, but no delivery service will be provided from such mall locations,

(v) Manufacture and sell any products and services anywhere a through channels of distribution other than the fixed location type of business reserved to Franchisee, including the Internet and wholesale, and b in defined high volume and chain locations (such as at airports, hotels, grocery stores, sporting venues, food courts, military bases, train stations, co-branded locations, etc.) WPI reserves these markets exclusively.

(vi) Sell products (such as spices and sauces in containers) anywhere

(d) Continuation of any Trade Area for the franchised business is dependent on achievement of a certain sales volume. If Franchisee's Gross Sales fall under \$12,000 per month for three consecutive months, WPI may cancel the Trade Area upon 30 days' notice if the Gross Sales also do not exceed \$12,000 for that 30 day period.

(e) As used in this Agreement, the term "Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology, and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor, websites or similar remotely-accessible electronic information sources (whether password protected or not), use of domain names, other locators, or emails that use the Trademarks, internet phone services, cellular or similar messaging, mobile applications, social networks or social media, or wikis, podcasts, online content sharing communities, or blogging.

4 OFF-SITE DELIVERY

Franchisee must offer delivery services for the days and times that WPI specifies, currently a minimum of five hours each day, from 4:00 p.m. to 9:00 p.m. Hours of service are to be determined by Franchisee, subject to approval by WPI. The scope of the delivery area will be congruent with the scope of the Trade Area (as discussed in Paragraph 3(a) of this Agreement). Due to fluctuations in population density and vehicular traffic patterns over time, WPI may, in its sole discretion, extend the radius in which the Pizzeria must offer delivery services. WPI may subsequently reduce this delivery area due to further changes in population density, vehicular traffic patterns or the opening of another Pizzeria in a proximate location, although such delivery area may not be reduced to less than an area having a two mile radius, or the size of Franchisee's Trade Area, if any, whichever is larger. Franchisee acknowledges that the size of the delivery area is based on quality control and operational considerations, which is different from any protected Trade Area granted Franchisee with respect to the establishment of Pizzeria locations.

(a) Certain Standards and Requirements

(i) Franchisee shall ensure that any and all vehicles utilized for off-site delivery (a) are maintained in good condition and repair and comply with all requirements for the safe and lawful operation of such vehicles on the streets and highways of all applicable localities, and (b) are operated, at all times, by employees of Franchisee, who shall be duly qualified, authorized and licensed to operate such vehicles and who shall maintain insurance covering liability as a driver as required by this Paragraph of this Agreement. Franchisee shall further undertake all necessary action to assure that employees operate delivery vehicles safely and lawfully. Subcontracting of or for off-site delivery services is prohibited.

(ii) In the discretion of Franchisee, vehicles used for off-site delivery services may bear signage indicating that the vehicle is delivering Westside Pizza products, provided, however, such signage must be professionally manufactured or produced and shall be subject to approval by WPI prior to any public display or use by Franchisee. If requested by WPI, Franchisee shall exhibit on all delivery vehicles (or on car top signs on all delivery vehicles) signs of sufficient prominence and wording as WPI may prescribe so as to advise the public that the Pizzeria is owned, operated and maintained by Franchisee and that each such delivery vehicle is

owned, operated and maintained by Franchisee or the driver of the vehicle, as the case may be. Franchisee shall carry insurance, in accordance with Paragraph 4(b) of this Agreement, covering any and all vehicles used for off-site delivery services

(iii) WPI reserves the right, in its discretion, to designate those food and beverage products which may be offered by Franchisee for off-site delivery. Under WPI's current policy, **ONLY WITH FRANCHISOR'S PRIOR WRITTEN APPROVAL MAY FRANCHISEE OFFER ALCOHOLIC BEVERAGES FOR OFF-SITE DELIVERY**. Moreover, Franchisee will take all steps necessary to ensure that alcoholic beverages are not available to employees operating delivery vehicles

(iv) All pizza and other food and beverage products approved for off-site delivery sales shall be prepared at the Pizzeria, in full compliance with all specifications, standards, operating procedures and rules relating to the quality, taste, ingredients and uniformity, and manner of preparation, of pizza, food and beverage items sold at the Pizzeria, and in accordance with the Manuals

(v) Franchisee shall employ all efforts necessary to assure that pizza and other food products offered for sale and sold by off-site delivery are delivered to customers fresh and hot, and are of uniform high quality. Such efforts shall include the use of WPI-approved packaging and containers for all off-site delivery sales, and in accordance with the Manuals

(vi) WPI has the right in its sole discretion, to approve or disapprove any and all advertising in any way related to off-site delivery sales

(b) **Indemnification and Insurance** Franchisee shall indemnify, defend and hold WPI and its affiliates and successors, and their respective officers, employees and agents, harmless from and against any and all claims, costs, damages or liability of any nature whatsoever, arising out of or in any way related to off-site delivery services by Franchisee. At all times that Franchisee conducts off-site delivery services, it shall maintain in full force and effect, in addition to all insurance coverage required by this Agreement, automobile liability insurance including contractual liability coverage, liability coverage for vehicles owned, hired or borrowed by Franchisee ("owned auto" and "hired auto" coverage, respectively), and liability coverage for vehicles owned by others ("non-owned auto" coverage), with limits of not less than \$1,000,000 per occurrence of bodily injury and property damage combined, together with an umbrella liability policy with minimum limits of \$3,000,000, and together with any other or increased amounts of insurance which WPI may require

(c) **Insurance** Franchisee shall provide WPI with certificates of insurance evidencing the required coverage, which certificates shall be renewed and provided annually, and shall contain such detailed information as WPI may request, and Franchisee shall also provide WPI with full and complete copies of any and all of the above policies, including copies of any renewals or modifications thereto upon request by WPI. All insurance policies must be (i) issued by an insurance company licensed to do business in the state where the Pizzeria is located and (ii) rated A or better by A M Best & Company, Inc. or approved in writing by WPI, in WPI's sole discretion. Franchisee shall also cause the companies to agree by endorsement or separate written document that WPI shall be given at least 30 days prior written notice of termination, expiration,

cancellation, modification or reduction in coverage limits of any such policy. Upon failure of Franchisee to maintain in effect any of the insurance required, or to furnish to WPI satisfactory evidence of such insurance, WPI may, in its discretion, obtain insurance coverage on behalf of Franchisee, and Franchisee agrees to promptly execute any applications or instruments required to obtain any such insurance and to pay to WPI, on demand, any costs and premiums incurred by WPI. Franchisee shall additionally require each of its employees who at any time operates a vehicle in connection with off-site delivery services which is owned by a person other than Franchisee to maintain insurance covering the employee's liability as driver of the vehicle in an amount no less than the minimum amount required by law, and Franchisee shall require and maintain at the Pizzeria evidence of such insurance coverage, which evidence Franchisee shall provide to WPI upon request. Franchisee expressly waives and releases WPI and its affiliates and successors, and the respective officers, directors, owners, employees and agents, from any obligation or responsibility with respect to any claim asserted, or which may be asserted, by a third party or parties, arising out of or relating to Franchisee's conduct of off-site delivery services.

(d) **Fees and Reports** All revenue of any kind or nature derived from off-site delivery sales shall be included for purposes of computing all fees payable to WPI under this Agreement. All revenue related to any additional charges to customers Franchisee may choose to make for off-site delivery services are included in Gross Sales, without limitation or offset for cost incurred by Franchisee in connection with providing such services to the customer. Off-site delivery sales shall be recorded by Franchisee and reported to WPI at the same time or times, and in the same manner, as all other sales from Franchisee's Pizzeria operation, provided, further, Franchisee shall report off-site delivery sales as a separate subtotal of total reported sales for each reporting period. In addition, Franchisee shall provide WPI with such further information relating to off-site delivery sales as WPI may request, including separate reports of costs of operation for off-site delivery services.

5 TERM OF AGREEMENT

(a) **Term** The term of this Agreement shall commence on the date of execution of this Agreement by WPI, and shall expire five years after the date the Pizzeria opens for business or the length of the lease, whichever occurs first. Franchisee may request that the term of this Agreement be lengthened to be congruent with the term of the lease for the Pizzeria premises. WPI may grant or withhold consent to such request, in WPI's sole discretion.

(b) **Termination** In the event that (i) Franchisee fails to open the Pizzeria within 12 months after WPI's execution of this Agreement, or (ii) Franchisee fails to complete or achieve a passing grade in the customary training course concerning the operation of the Pizzeria by the earlier of (a) three months prior to the opening of the Pizzeria or (b) 180 days after the date a final location of the Pizzeria is obtained, then this Agreement shall terminate, and WPI shall refund to Franchisee the Initial Franchise Fee paid by Franchisee to WPI, less expenses incurred by WPI in connection with this Agreement, as determined in WPI's sole discretion.

6 RENEWAL OF FRANCHISE

(a) **Renewal Conditions** Franchisee, at its option, shall have the right to renew the franchise granted herein for an additional five year term, upon conditions contained in the then-current standard Franchise Agreement in use by WPI on the date of renewal, provided that

(i) Franchisee is not in default of any provision of this Agreement or any other agreement with WPI or its subsidiaries or affiliates or any other creditor or supplier of the Pizzeria, and has substantially complied with all the terms and conditions of these agreements substantially in accordance with their terms and has satisfied all monetary obligations owed to these parties,

(ii) Franchisee is able to maintain possession of the site of its Pizzeria or to secure and develop a suitable alternative site approved by WPI,

(iii) Franchisee agrees to refurbish the site in accordance with Paragraph 9 of this Agreement,

(iv) Franchisee executes a general release, in a form satisfactory to WPI, of any and all claims it may have against WPI and its officers, directors, owners, agents, and employees, in their corporate and individual capacities, and

(v) Franchisee, or a representative approved by WPI, attends and satisfactorily completes any retraining or refresher training program that WPI may require, in its sole discretion

(b) **Renewal Fee** In connection with this renewal, Franchisee must execute WPI's then-current standard Franchise Agreement and all other agreements customarily used by WPI in the renewal of franchises, which may provide for higher Royalty Fees and for greater expenditures for advertising and promotion than were provided for under this Agreement, and may contain other fees and terms materially different from the terms of this Agreement. The Trade Area of the Pizzeria will not be modified unless such modification is consistent with criteria then in effect for comparable market areas. There will be no Initial Franchise Fee upon the renewal of the franchise, but Franchisee shall pay WPI the sum of \$1,000 to offset expenses incurred in connection with the renewal. Franchisee must also sign WPI's form of renewal addendum. WPI may at its option waive these requirements, and may instead allow Franchisee to renew by extending the term of the original franchise agreement, in which case the parties will sign WPI's form of an extension and mutual release agreement.

(c) **Other Obligations** WPI will send all agreements relating to renewal of the franchise for Franchisee's review and execution not less than 12 months prior to the expiration of this Agreement along with a notification of the expiration of this Agreement. WPI's notice may also state what actions, if any, Franchisee must take to correct the deficiencies in the operation of the Pizzeria and will specify the time period in which these deficiencies must be corrected. Renewal of the franchise will be conditioned upon Franchisee's continued compliance with all the terms and conditions of this Agreement and all other agreements with WPI and its affiliates and subsidiaries and all other creditors and suppliers of the Pizzeria up to the date of expiration. Failure by Franchisee to return these agreements to WPI within 30 days after receipt will be deemed an

election not to renew the franchise Franchisee will have no right to renew the franchise upon the expiration of the first additional term

(d) **Unable to Offer Renewal Franchise** Notwithstanding the preceding paragraphs of this Section 6, if at the time of the renewal, WPI is not offering franchises in the United States, or not able by law to offer a renewal franchise agreement to Franchisee, then this Agreement will be extended for a period of one year If at the end of the one-year extension, WPI still has not offered franchises in the United States, or is still not able by law to offer a renewal franchise to Franchisee, this Agreement will expire, unless further extended by mutual consent WPI may decide to not renew Franchisee if Franchisee fails to satisfy WPI's then-current standards for new franchisees

7 FEES

(a) **Initial Franchise Fee** If Franchisee is opening a new Pizzeria at its first franchise location Franchisee shall pay to WPI an Initial Franchise Fee of \$14,000, or \$12,000 for Westside Pizza managers with more than one years' experience The Initial Franchise Fee is payable upon signing this Franchise Agreement For each subsequent franchise which may be granted, Franchisee shall pay one-half of the Initial Franchise Fee then required by WPI for new Franchisees

(b) **Royalty Fee** Franchisee agrees to pay to WPI, commencing from the date the Pizzeria opens a Royalty Fee of 4% of the Gross Sales generated by the Pizzeria Payment of the Royalty Fee shall be made weekly, in such manner as Franchisee determines, including pre-authorized electronic transfer WPI may change the time and the manner of payment

(c) **Gross Sales** The term "Gross Sales" as used herein means the total gross receipts from all sales by the Pizzeria, including all pizza and other food, beverages, coin operated games, juke boxes, and vending machines, and other products or services sold at the Pizzeria, and off-site sales of Pizzeria products including delivery, tips and gratuities, without reserve or deduction for inability or failure to collect, but exclusive of sales and equivalent taxes collected from customers and paid to the government Franchisee will reimburse WPI for any gross receipts, sales, use, withholding, or other tax assessed on amounts payable by Franchisee to WPI by state or local governments

(d) **Late Payment Charges** If Franchisee is late in paying the Royalty Fee or report pursuant to this Agreement, a late charge of \$50 per day for each late payment and \$50 per day for each late report will be payable from the date such payments or reports were due, plus at WPI's option, 1% of Gross Sales for the most recent full month

(e) **Franchisee Local Marketing** Franchisee must spend on local advertising or marketing ("Franchisee Local Marketing"), a minimum of the lesser of 2% of Gross Sales each full calendar quarter, or \$36,000 per each full calendar year The total of the Franchisee Local Marketing and the Marketing Fund Fee will not exceed 2% of Gross Sales For example, if a Marketing Fund Fee of 1% is paid, the Franchisee Local Marketing will be reduced to 1%

(f) **Marketing Fund Fee** Franchisee shall pay WPI a monthly, non-refundable, fee of up to 1% of Gross Sales (the "Marketing Fund Fee"), or such lesser amount as WPI specifies

This Marketing Fund Fee shall be used by WPI solely for the development of multi-area marketing, advertising, public relations, promotional programs, Internet marketing, similar purposes, media, printing and dissemination costs, including SEO, social media, agencies and independent contractors, employee costs, and related administrative, management and professional expenses. The Marketing Fund Fee shall be paid separately from the royalty fee at the same time and manner as the royalty fee, and shall be deposited by WPI in an account separate from WPI's general account. WPI will maintain a separate bookkeeping account for all Marketing Fund Fees (the "Marketing Account") which, upon request, shall be made available to Franchisee. The Marketing Account will be managed by WPI, and WPI has discretion with administration of the Marketing Account, including allocation of the funds, methods of payment, and reimbursement of WPI's expenses. WPI is not a fiduciary with respect to Marketing Account, and has full discretion as to its use for the purposes described above.

The Marketing Fund Fee shall be calculated based upon Franchisee's Gross Sales for the previous calendar month, and payment shall be submitted to WPI together with Franchisee's monthly financial report described below in Section 9(m) of this Agreement, or in such time and manner as WPI reasonably requires.

8 DUTIES OF FRANCHISOR

(a) Franchisee may not execute a lease or a purchase agreement for the Pizzeria that has not been reviewed by WPI. Franchisee shall provide WPI with any and all documents relating to a site under consideration and the lease or purchase agreement for such site when seeking WPI's review of such site. While it is Franchisee's obligation to find a suitable location for the Pizzeria which meets WPI's criteria, WPI may have assisted Franchisee with the search for a suitable location by advising and consulting with Franchisee, if requested to do so by Franchisee. Franchisee acknowledges that WPI's assistance or review of a location does not constitute a representation or guaranty by WPI that the location will be a successful location for the Pizzeria.

(b) Training. Prior to the public opening of the Pizzeria, WPI will make available to Franchisee, WPI's customary training course concerning the operation of the Pizzeria, as described in Paragraph 9(h) of this Agreement. At its discretion, WPI may also offer additional training programs and refresher courses to Franchisee and management employees during the term of this Agreement, at Franchisee's expense.

(c) Manuals. WPI shall allow Franchisee the right to use during the term of the franchise one or more copies of a manual or bulletins or similar written materials containing specifications, standards and operating procedures issued by WPI, that may be revoked, changed, or supplemented by WPI, in electronic or other media (collectively, the "Manuals"). WPI will provide franchisee with updated versions as they become available. Franchisee must comply with the Manuals.

(d) Design. WPI shall designate the standard design, color scheme, trade dress and motif for the Pizzeria.

(e) Fixture, Sign, Equipment, Computer Systems, Inventory and Supply Specifications. WPI shall designate standard fixtures, signs, equipment, Computer Systems

(defined below), and initial and continuing inventory and supplies for placement in and use at the Pizzeria. As used in this Agreement, the term "Computer Systems" means computers, mobile smart devices, smart processors in hardware including point of sale devices, software and related hardware, and systems to access the Internet.

(f) Advice and Consultation

(i) WPI shall advise and consult with Franchisee periodically in connection with the development and operation of the Pizzeria, to the extent WPI deems advisable. Franchisee shall submit to WPI within one month prior to the opening of the Pizzeria, a business plan setting forth the proposed prices, expenses and other operational items reasonably requested by WPI so that WPI may provide guidance to Franchisee in the initial operation of the Pizzeria. WPI shall communicate to Franchisee its know-how, new developments, techniques, and improvements in restaurant management, food preparation, and services which are pertinent to the operation of the Pizzeria in accordance with the System, all subject to Franchisee's obligation to maintain in confidence such information as would not ordinarily be disclosed during operation of the Pizzeria.

(ii) WPI will advise Franchisee of operating problems of its Pizzeria disclosed by reports submitted to or inspections made by WPI. WPI will make no separate charge to Franchisee for such assistance, except that WPI may make reasonable charges for forms and other materials supplied to Franchisee and for operating assistance made necessary in its judgment as a result of Franchisee's failure to comply with any provision of this Agreement, or for assistance requested by Franchisee in excess of that normally provided by WPI. Excess assistance is currently charged at \$60 per hour, but this may be reasonably increased by WPI.

(iii) WPI may make available to Franchisee the services of certain principals, employees, representatives or agents of WPI on a consulting basis. Such individuals may provide, at Franchisee's request and at such individual's then-current rates and charges, extraordinary services above and beyond the operational assistance customarily provided by WPI.

(g) Independent Status of Franchisee. Franchisee is an independent contractor and shall not hold itself out as an agent or partner of WPI. WPI shall not establish requirements regarding Franchisee's employment policies, assignment or direction of Franchisee's employees, or wages. Franchisee will notify its employees in writing that Franchisee is their employer, and that WPI is not their employer. WPI will not be responsible for the management or day-to-day operation of the Pizzeria. Franchisee will fully comply with all laws, including labor and employment laws, will pay all applicable taxes, including payroll taxes, relating to the Pizzeria, and will obtain and maintain all licenses relating to the Pizzeria.

(h) Advertising. Franchisee acknowledges the need for uniformity in the Westside Pizza Pizzeria image, therefore, except for any advertising or promotional materials prepared by or previously approved by WPI, no advertising or promotional materials shall be used by Franchisee until Franchisee has submitted the materials to WPI, and unless the use of such materials has not been approved by WPI, or not disapproved by WPI within a period of 10 days after the date of WPI's receipt of the materials.

9 DUTIES OF FRANCHISEE

In addition to its duties as set forth elsewhere in this Agreement, Franchisee agrees to perform the following

(a) **Preparation of Location** Within 11 months after WPI's execution of this Agreement, Franchisee shall totally equip and ready the location of the Pizzeria for occupancy, and notify WPI that the Pizzeria is ready to open and specify an opening date no earlier than 14 days or later than 21 days after the notice is given. WPI will promptly inspect the Pizzeria at a time mutually agreed and give Franchisee notice of any defects, or that it complies with the System's specifications and requirements. Franchisee shall remedy any defects within 14 days after receiving notice from WPI. Within seven days after written acknowledgment from WPI that the Pizzeria complies, Franchisee shall commence operation of the Pizzeria.

(b) **Lease and Purchase Agreement Responsibilities** Franchisee shall be responsible for the lease or purchase agreement covering the Pizzeria location, including any required security deposit and prepaid rent. Franchisee shall provide to WPI a copy of the fully executed lease (and any assignments or subleases) or purchase agreement within 15 days after WPI's signing of such document, and in any event within six months of signing this Agreement.

(c) **Construction Standards** Franchisee shall be responsible for the establishment and completion of the Pizzeria, including construction or remodeling and equipment installation. Franchisee agrees that in constructing or remodeling the Pizzeria, it shall secure all necessary permits and adhere to the plan, design, color scheme and motif as approved by WPI, provided that Franchisee may make minor changes to the standard plans and specifications, if necessary, to meet the requirements of local codes and regulations. Franchisee shall submit all building plans to WPI and shall not proceed with construction until after WPI's written approval has been obtained. In the event Franchisee commences construction, remodeling, installation, or other work on the premises without the prior written approval of WPI, or contrary to the specifications and directions of WPI, Franchisee shall upon notice from WPI and solely at Franchisee's expense, promptly remove or appropriately modify all objectionable items so as to comply with WPI's specifications and directions. Franchisee shall also obtain all required zoning changes, all required building, driveway, utility, health, sanitation and sign permits and any other required permits and shall obtain all customary contractor's sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services, and other materials or labor liens.

(d) **Fixture, Equipment, and Computer Systems Standards** Franchisee shall lease or purchase all fixtures, equipment, and Computer Systems designated by WPI and shall install, or have installed, in the Pizzeria all such fixtures, equipment, and Computer Systems. Franchisee has the right to lease or purchase the fixtures, equipment, and Computer Systems from any source, provided, however, all fixtures, furnishings, color schemes, machinery, equipment, Computer Systems and accessories shall conform to specifications of design, color, quality, performance, and utility designated and approved by WPI. Computer Systems are vital to WPI and to Franchisee, and are vulnerable in varying degrees to problems such as viruses, worms, spyware, power and access disruptions, Internet content failures, hardware and software failures, and cyber security breaches, and attacks by hackers and other unauthorized intruders. It is Franchisee's

responsibility to protect itself from these problems. This may include taking reasonable steps to secure Franchisee's Computer Systems and its other systems (such as using and continuously updating firewalls, access code protection, and anti-virus systems), to use backup systems, and to comply with privacy and data security laws.

(e) **Sign Standard** Franchisee shall prominently display and maintain in good appearance and condition on the land and building comprising the Pizzeria all signs of such nature, form, color, illumination, and size, and containing such legends and symbols as WPI shall require. Franchisee shall not display at the Pizzeria any signs to which WPI objects.

(f) **Inventory and Supply Specifications**

(i) All pizza ingredients, beverage products, cooking materials, containers, packaging materials, other paper and plastic products, utensils, required clothing and color scheme, menus, forms, cleaning and sanitation materials and other supplies and materials used in the operation of the Pizzeria must conform to the specifications and quality standards established by WPI.

(ii) Any ingredient, supply or material not previously approved by WPI as conforming to its specifications and quality standards must be submitted for examination and testing prior to use. WPI has the right to examine the facilities of any approved supplier or distributor and to test or inspect the ingredients, materials or supplies to determine whether they meet WPI's standards and specifications. WPI has the right to charge fees for testing and evaluating any new equipment, Computer System, fixture, furniture, or sign proposed for use by Franchisee as well as for testing and evaluating proposed and approved suppliers or distributors. WPI also may impose reasonable limitations on the number of approved suppliers or distributors of any product. WPI will notify Franchisee within a reasonable time (generally not to exceed 30 days) whether any ingredients, supplies, materials, suppliers or distributors submitted or proposed by Franchisee meet with its approval. WPI also may revoke for any reason its previous approval of any ingredient, supply, material, supplier or distributor, and such revocation becomes effective 30 days after Franchisee receives written notice thereof. Franchisee shall have certain other limited additional rights to advertise on the boxes constituting the packaging for the pizza and related food items, upon WPI's prior consent.

(g) **Confidential Information and Manuals** Franchisee and its owners are obligated to maintain the absolute confidentiality of the Manuals and all other information concerning the WPI's System during and after the term of the franchise, disclosing this information to the other employees of the Pizzeria only to the extent necessary for the operation of the Pizzeria in accordance with this Agreement. Franchisee and its owners may not use any such information in any other business or in any manner not specifically authorized or approved in writing by WPI. The customer lists and all historical data relating to the sale of all pizza and beverage products at or from the Pizzeria (the "Customer Lists") also are confidential. Franchisee (i) acknowledges that the Customer Lists are a valuable asset of WPI, (ii) may not use the Customer Lists in any other business or capacity, and (iii) must maintain the absolute secrecy and confidentiality of the Customer Lists. Franchisee must comply with all privacy and data breach laws with respect to the Customer Lists. If Franchisee discovers a data breach requiring notification to any third party, Franchisee will also simultaneously notify WPI.

(h) **Operation of Pizzeria** Franchisee, the controlling owner of Franchisee or a manager who meets WPI's requirements, must devote his or her full time and efforts in managing the general business matters and operations of the Pizzeria (or other related activities approved by WPI) Each person or entity that directly or indirectly owns any of the equity or voting control of the Franchised Business, and their spouse or any legal domestic partner must guarantee the terms of this Agreement Any newly designated owner must obtain WPI's approval in writing, sign a guarantee of this Agreement and have any spouse or legal domestic partner do so, and satisfactorily complete the training program at his or her expense Further, Franchisee, its owners and its operator, if any, may not, during the term of this Agreement, engage in any competing or conflicting enterprises or any business activity which would be detrimental or interfere with the operation or management of the Pizzeria In addition, the Pizzeria must be at all times under the direct, on-premises supervision of Franchisee or Franchisee shall employ a manager for such purpose, who shall have met the following requirements (i) he or she has been properly trained by Franchisee, (ii) his or her identity has been disclosed in writing to WPI, and (iii) he or she has executed, at WPI's request, an agreement in the form provided by WPI agreeing not to divulge any trade secret or confidential or proprietary information, including the contents of the Manuals, or to engage in or have any interest in any other carry-out, dine-in or delivery pizza business Franchisee must offer for final consumption, and not for resale, except in certain retail markets that are authorized in writing by WPI, all pizza and beverage products that WPI authorizes WPI may change the types of authorized and required goods and services at any time and for any reason, and Franchisee is required to comply with these changes within 60 days after receiving notice of such changes, and must offer the carry-out services and the delivery services described in Paragraph 4 of this Agreement Franchisee is prohibited from offering or selling any products or services not authorized by WPI and from using the premises of the Pizzeria for any purpose other than the operation of the Pizzeria (or other related activities approved by WPI) Franchisee shall conspicuously post at the Pizzeria a notice to the effect that the Pizzeria is a franchised business owned and operated by Franchisee independently of Westside Pizza International Inc , the franchisor of Westside Pizza Pizzerias

(i) **Sanitation and Maintenance Standards** At its sole expense, Franchisee shall at all times maintain the interior and exterior of the Pizzeria premises, including all of the fixtures, signs, Computer Systems, and equipment, in a good, clean, attractive, and safe condition and repair

(j) **Improvements** Franchisee shall refurbish its Pizzeria in addition to regular maintenance and repair within six months after receipt of written notice from WPI, to maintain or improve the appearance and efficient operation of the Pizzeria, to increase the sales potential, or to comply with WPI's standards and identity Refurbishing may include (i) replacement of worn out or obsolete equipment, Computer Systems, fixtures, furniture and signs, (ii) the substitution or addition of new or improved equipment (including safes), Computer Systems, fixtures, furniture and signs, (iii) redecorating, (iv) repair of the interior and exterior of the premises and repair and resurfacing of parking facilities, and (v) structural modifications and remodeling of the premises Franchisee will not be required to make aggregate expenditures for refurbishing in excess of \$6,000 per year or, except in connection with a renewal of the franchise, to effect any refurbishing of the Pizzeria during the last 12 months of the term of the franchise

(k) **Dress and Grooming Standards** Franchisee shall maintain an adequate number of neat, clean, competent, and courteous employees at the Pizzeria to insure maximum customer satisfaction and consistent service. Franchisee shall require all employees to wear the clothing of such color, design, and other specifications as WPI may designate.

(l) **Hours of Operation** Franchisee shall operate the Pizzeria at such minimum hours and on such days as may be prescribed by WPI (except when the Pizzeria is untenable as a result of fire or other casualty) and shall maintain sufficient supplies of goods and products so as to operate the Pizzeria at maximum capacity and efficiency.

(m) **Sales Records, Financial Statements and Quarterly Advertising Expenditures** Franchisee agrees to furnish WPI with a report of Gross Sales for the prior week or month, including a tabulation of daily cash register tape or computer totals, certified to be true and correct by Franchisee, on or before the 5th day following the end of each week or month during the term of this Agreement. Franchisee agrees to maintain its accounting records in accordance with the accounting system employed by WPI, which system includes costs of all saleable products and services. Franchisee shall also furnish WPI on or before the 20th day following the end of each month with an updated financial statement prepared in accordance with generally accepted accounting principles, which will provide WPI with current results of Franchisee's operations. All financial statements and reports shall be supported by actual physical inventories of supplies and products on hand at the beginning and end of each monthly or other reporting period. All financial statements and reports shall be prepared following the format used by the WPI presently or as changed. If requested by WPI, Franchisee shall furnish more frequent reports of Gross Sales electronically, by telephone or as otherwise specified by WPI. Franchisee shall monthly at the same time as financial statements are delivered, or upon request of WPI, deliver to WPI copies of all sales tax reports, and copies of all business tax returns. In addition, Franchisee shall keep all financial and tax records for at least six years. WPI reserves the right to audit or cause to be audited the sales reports, financial statements and tax returns that Franchisee is required to submit to WPI, and Franchisee's other business records. In the event any audit discloses an understatement of the Gross Sales of Franchisee's Pizzeria for any period or periods, Franchisee must immediately pay to WPI the due and unpaid fees due under this Agreement and the amount, if any, plus interest due on these amounts. Further, in the event such understatement for any period or periods is 2% or more of the Gross Sales of the Pizzeria, or if such inspection or audit is made necessary by Franchisee's failure to timely furnish reports, supporting records, financial statements or other information required by this Agreement, Franchisee is obligated to reimburse WPI for the cost of such audit, including the charges of any independent certified public accountant and the travel expenses, room and board and compensation of WPI's employees incurred in conducting such audit. Franchisee is required to report Franchisee's quarterly advertising expenditures to WPI by the 30th day of each succeeding quarter, on forms to be determined by WPI.

(n) **Entertainment and Vending Machines** Unless first approved in writing by WPI, Franchisee shall neither allow any product, vending machine or entertainment device to be sold, displayed, situated, or used at the Pizzeria, nor permit any live entertainment, musicians, motion pictures, or other entertainment, including dancing, at the Pizzeria. Pool tables and gaming machines must also be approved in writing by WPI.

(o) **Trade Name and Marks**

(i) WPI's Marks licensed hereunder are the sole and exclusive property of WPI. WPI may change, add to, or eliminate any of the Marks at any time. Franchisee shall acquire no right to use any of the Marks except in connection with the operation of the Pizzeria at the approved location in compliance with this Agreement. Franchisee shall not use any part of the Marks or any word or mark confusingly similar thereto as part of its legal entity name. Franchisee shall use its best efforts to promote and protect Franchisee's and WPI's business interests and protect the goodwill and trade name of Westside Pizza Pizzerias and the Marks. Franchisee also shall immediately notify WPI of any infringement of or challenge to Franchisee's use of the Marks. WPI, though, is not obligated to protect Franchisee's right to the use of WPI's Marks, and further, is not obligated to protect Franchisee against any claim of infringement or unfair competition with respect to the Marks. WPI is not obligated to indemnify Franchisee against or to reimburse Franchisee for any damages for which Franchisee is held liable in any proceeding arising out of Franchisee's use of the Marks.

(ii) Franchisee must use the Marks solely in the manner, times, and media specified or approved by WPI. Franchisee will use the Marks only as directed by WPI on all signs, advertising, menus, letterhead, telephone listings, and other materials with which the Pizzeria is identified. Franchisee shall not use the Marks on any vehicle, except as expressly authorized by this Agreement. Franchisee shall not use the Marks on the Internet (including mobile apps and social media), except as expressly authorized by WPI in writing. WPI reserves exclusively the right to market and sell in these media and other electronically.

(iii) If there should be asserted a claim of prior use of any of the Marks used in the Pizzeria, Franchisee, at Franchisee's expense shall use such other Marks as may then be provided by WPI, and Franchisee shall have no claim against WPI for any damages due to the change in Marks.

(iv) If it becomes advisable at any time in WPI's sole discretion for Franchisee to modify or discontinue use of any Marks, Franchisee must do so. WPI's sole obligation in such an event is to reimburse Franchisee for 50% of its actual, out-of-pocket costs incurred in changing exterior signage.

(v) WPI retains and reserves the right in its sole discretion to manufacture and distribute products anywhere in the world, including Franchisee's Trade Area regardless of whether such products are authorized for sale in Westside Pizza Pizzerias.

(vi) Franchisee must participate in and cooperate with multi-area marketing programs including Internet, yellow pages, directory, affinity, gift card and loyalty, contests and awards that WPI may develop in the future. These programs may require cooperation (including refraining from certain channels of marketing and distribution), participation (including payment of commissions or referral fees and purchase of Computer Systems), and adherence to pricing to the extent permitted by law.

(p) Legal Compliance. Franchisee is solely responsible for monitoring and enforcing the System standards within its Pizzeria, including all communications with Franchisee's employees and agents. If WPI provides Franchisee forms or practices, Franchisee is solely responsible for ensuring that Franchisee's forms and practices comply with local laws or

other laws applicable to Franchisee's business. Any changes made by Franchisee to the System must be pre-approved by WPI in writing, and will generally only be approved to the extent necessary to comply with applicable law. At its sole expense, Franchisee shall secure and maintain in force all required licenses, permits and certificates and shall operate its Pizzeria in full compliance with all applicable federal, state and local laws, ordinances and regulations. In addition, Franchisee shall require each delivery driver to submit proof of insurance not less frequently than once every 90 days, or as required by Franchisee's insurance company, if it requires more frequent showing of such proof.

(q) **Right of Inspection** WPI has the right, at any time during business hours and without prior notice to Franchisee, to conduct reasonable inspections of the Pizzeria and its business records wherever located. Inspections of the Pizzeria will be made at WPI's expense, unless WPI is required to make any additional inspections in connection with Franchisee's failure to comply with this Agreement. In such event, WPI has the right to charge Franchisee for the costs of making all additional inspections in connection with such failure to comply including travel expenses, room and board, compensation of its employees, and the total cost of having a representative of WPI visit the Pizzeria until WPI shall determine that there is compliance.

(r) **Insurance** Franchisee must at all times during the term of this Agreement maintain in force at its sole expense: (i) property insurance on a replacement cost of the restaurant and all assets of the business, based at a minimum limit based on the total value of Franchisee's assets (including fire, extended coverage, vandalism and malicious mischief), (ii) commercial general liability insurance, including contractual liability, food products-completed operations, personal and advertising injury, employment practices (including unfair labor practices and joint employer coverage), data breach, privacy breach, and cybercrime, and liquor liability, with minimum limits of liability for each type of insurance of \$1,000,000 each occurrence, \$2,000,000 general aggregate, (iii) primary automobile liability insurance as described in Paragraph 4(b) of this Agreement, (iv) workers' compensation insurance (in Franchisee's name) and other insurance as required by applicable law, and (v) business interruption insurance of at least \$1,000 per day. In addition, Franchisee is required to carry an umbrella policy for excess coverage on the policies described above up to \$3,000,000 of coverage. All insurance policies must be issued by an insurance carrier rated A or better by Alfred M. Best & Company, Inc. or an alternative company approved in writing by WPI, in WPI's sole discretion. All liability insurance policies must name WPI and the subsidiaries and affiliates which it designates, as additional named insured's entitled to the coverage afforded to all named insured's, without regard to any other insurance or self-insured program which WPI may have in effect, and must also provide that WPI receive 30 days prior written notice of termination, expiration, cancellation, modification, or reduction in coverage or limits of any such policy. WPI may also reasonably increase the minimum liability protection requirement annually and require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards in public, product or motor vehicle litigation or other relevant changes in circumstances. Franchisee must submit to WPI annually a copy of the certificate of or evidence of the renewal or extension of each such insurance policy or any modifications to any such insurance policy. If Franchisee at any time fails or refuses to maintain in effect any insurance coverage required by WPI, or to furnish satisfactory evidence of such insurance, WPI may, at its option and in addition to WPI's other rights and remedies under this Agreement, obtain such insurance coverage, on behalf of Franchisee, and Franchisee must promptly execute any applications or other forms or instruments required to obtain any such

insurance Franchisee shall also promptly pay to WPI on demand any costs and premiums incurred by WPI, together with an amount equal to 10% of the premium charged, as a fee to WPI Franchisee's obligation to obtain and maintain the insurance described in this Agreement will not be limited in any way by reason of any insurance maintained by WPI

(s) Notification of Legal Proceedings Franchisee shall notify WPI in writing within seven days after the commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award, or decree of any court or government agency which may adversely affect Franchisee's financial condition or ability to perform its duties or meet its obligations hereunder

(t) Indemnity Franchisee shall pay all bills, debts, obligations and liabilities incurred in the operation of the Pizzeria and in the performance of off-site delivery services and shall indemnify and hold each Indemnified Party (as defined below) harmless there from If an Indemnified Party is subjected to any claim demand or liability or becomes a party to any suit or other judicial or administrative proceeding by reason of any claimed act or omission of Franchisee, its employees or agents, or by reason of any act or omissions occurring on the Pizzeria premises or otherwise relating to the business or operation of the Pizzeria, including acts or omissions relating to off-site delivery services, Franchisee shall indemnify each Indemnified Party and hold each Indemnified Party harmless from and against all judgments, settlements, penalties and expenses, including attorneys' fees, court costs and other expenses of litigation or administrative proceeding, incurred by or imposed on any Indemnified Party in connection with the investigation or defense related to such claim or litigation or administrative proceeding The defense of such claim, litigation or administrative proceeding by an Indemnified Party, or by Franchisee on an Indemnified Party's behalf, shall be at the sole cost and expense of Franchisee, who shall hold each Indemnified Party free and harmless from all such obligations and liabilities and shall reimburse the Indemnified Party for all expenses incurred therein, including attorneys' fees Further, the Indemnified Party shall have the right independently to take any action it may deem necessary, in its sole discretion, to protect and defend itself against any threatened action subject to indemnification hereunder, without regard to expense, forum or other parties that may be involved As used in this Agreement, the term "Indemnified Party" means WPI and any owner, subsidiary or affiliated company of WPI, and any manager, officer, employee or agent of WPI or of any such subsidiary or affiliated company Franchisee's indemnification obligations described above will continue in full force and effect after the expiration or termination of this Agreement

(u) Copyrights WPI owns copyrights in various works WPI shall have the right, in its sole discretion, to grant to Franchisee a revocable, non-exclusive, royalty-free license to reproduce, copy, and distribute copyrighted works selected and made available to Franchisee by WPI, but any such license shall not include the right to make adaptations or derivative works based upon the licensed works WPI and Franchisee have the same rights and obligations in relation to copyrights as they do, respectively, in relation to WPI's Marks under of this Agreement

(v) Warranties, Surveys, and Service Franchisee must honor any "Satisfaction Guaranteed" or other warranty policy specified by WPI Currently, the specified policy is as follows "Franchisee must replace any pizza or refund money to any customer who returns half of more of a pizza, and is unsatisfied for any reason The Pizzeria must also have this guarantee in printing on menu flier or pizza box The Pizzeria may suspend warranty for any customer who is

repetitively using guarantee under false pretense ” WPI may change, add to, or eliminate warranty policies at any time WPI may at its own expense poll customers or hire mystery shoppers to evaluate customer service WPI may require Franchisee to re-train or replace any employee not upholding customer service requirements as specified in the Manuals WPI is not liable for any guarantee or warranty Franchisee makes to a customer or other third party, unless WPI agrees in writing to make such a guarantee or warranty Franchisee will not make any unauthorized guarantee or warranty, or misrepresent or omit to state any warranty or guarantee that WPI authorizes in writing Neither Franchisee nor WPI shall provide customers of the Pizzeria with a guarantee of time within which a delivery will be made

10 NON-COMPETITION

(a) Covenant Not to Compete

(i) During the term of this Agreement including any extended or renewal term, neither Franchisee nor any of its owners, managers, employees or agents, or their immediate families, or domestic partners, may, either directly or indirectly, for the benefit of Franchisee or its owners or through or on behalf of or in conjunction with any other person, partnership or corporation, own, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest, whether financial or otherwise, in any other carry-out, dine-in or delivery pizza restaurant business, or in any fast service restaurant business that features pizza or that delivers pizza

(ii) For a period of two years after termination or expiration or transfer of this Agreement, within a radius of 20 miles of the Pizzeria, , neither Franchisee nor any of its owners, managers, employees or agents, or their immediate families, or domestic partners, may, either directly or indirectly, for the benefit of Franchisee or its owners or through or on behalf of or in conjunction with any other person, partnership or corporation, own, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest, whether financial or otherwise, in any other carry-out, dine-in or delivery pizza restaurant business, or in any fast service restaurant business that features pizza or that delivers pizza

(b) Damages Franchisee acknowledges that the damages to WPI arising from a violation of this covenant by Franchisee are difficult to ascertain and agrees that, for each month that Franchisee operates a business in violation of this Paragraph 10, WPI shall be entitled to liquidated damages, in addition to its other remedies under law or equity, equal to the average Royalty Fee paid or owed to WPI during the most recent six months of full operation of the Pizzeria that Franchisee operates or operated pursuant to this Agreement If Franchisee has not operated the Pizzeria for six months or more, Franchisee shall pay to WPI the average Royalty Fee paid or owed to WPI during the actual period that Franchisee operated the Pizzeria pursuant to this Agreement

(c) Employees Neither Franchisee nor its owners, managers, employees or agents may, during the term of this Agreement, during any renewal or extended term, or for two years thereafter, directly or indirectly employ any person who is employed by WPI, by any entity controlled by WPI or by any other of its franchisees, nor may Franchisee or its owners induce or attempt to induce any of these people to leave their employment without WPI's prior written

consent and the consent of their employers. WPI will not induce or attempt to induce Franchisee's employees to leave their employment with Franchisee and become employed by WPI or its subsidiaries or affiliates without Franchisee's consent, while Franchisee is in compliance with this Agreement.

11 RIGHT OF FIRST REFUSAL

If Franchisee or any of its owners propose to sell or assign or encumber (i) the Pizzeria (or a substantial part of its assets), or (ii) this Agreement in whole or in part, or (iii) the Location or lease, or (iv) if Franchisee is a legal entity, any interest in the entity (a "Transfer"), such Transfer may only be made with WPI's written consent. In the case of a Transfer or proposed Transfer, Franchisee or its owner must obtain a bona fide executed written offer from the Transferee relating to the terms of the proposed Transfer, and Franchisee or its owners must deliver a copy of the bona fide offer to WPI along with all documents to be executed by Franchisee or its owners and the proposed transferee. WPI will, for a period of 30 days after the date of delivery of such offer to it, have the right, exercisable by written notice to Franchisee or its owners, to purchase the Pizzeria (or its assets) or such ownership interest for the price and on the terms and conditions contained in such offer. If the offer is to purchase the interest of an owner and is for less than all of the outstanding interests of the owner, WPI also has the right, during the 30 day period upon written notice to the other owners, to purchase the remaining owner interest at a per unit or interest price equivalent to the price being offered under the bona fide offer to the owner. If WPI does not exercise this right of first refusal, the offer may be accepted by Franchisee or its owners, subject to WPI's prior written approval. If the offer is not accepted within 60 days, WPI will again have the right of first refusal described in this Paragraph.

12 TRANSFER AND ASSIGNMENT

(a) **Transfer by Franchisee.** This Agreement is personal to Franchisee and its owners. Accordingly, neither Franchisee nor its owners may make a Transfer except as specifically authorized under this Agreement. A Transfer may only be made with WPI's approval. Any such Transfer without WPI's approval will have no effect and will constitute a breach of this Agreement. WPI may condition its permission to make a Transfer on the following:

(i) Franchisee provides WPI notice of Franchisee's intent to Transfer at least 60 days prior to the proposed effective date of the Transfer, accompanied by all information related to the proposed Transfer required by law or that we request,

(ii) Franchisee (or any of its owners) is not in default under this Agreement or any other agreement with WPI or its subsidiaries or affiliates or with any creditor or supplier of the Pizzeria,

(iii) the transferee signs a new franchise agreement and related agreements (including individual and spousal guarantees) with WPI in WPI's then-current form that may vary materially from this Agreement, but that are the same generally as other new and renewing franchisees; transferees must also sign WPI's form of transfer addendum, WPI may at its option instead require the transferee to assume the original franchise agreement, in which case the parties will sign WPI's form of an assumption, consent, and mutual release agreement, it is

WPI's option to allow transferees to receive the full initial term contained in any such franchise agreement, or just Franchisee's remaining term,

(iv) All debts of Franchisee to WPI are paid in full prior to such transfer,

(v) Franchisee executes a general release, in a form satisfactory to WPI, of any and all claims against WPI and its past and present officers, directors, owners, employees and agents, in their corporate and individual capacities,

(vi) The proposed transferee (and its controlling owner and all other owners if it is a legal entity) meets WPI's standards for franchisees and owners including good reputation and character, business experience, operational ability, financial strength and other business considerations,

(vii) The proposed transferee (and its owners) is not operating, franchising or licensing the operation of any pizza business or business that features or delivers pizza, except other Westside Pizza Pizzerias,

(viii) The proposed transferee (and its owners) agrees to sign WPI's then-current standard franchise agreement for a term equal to, at WPI's election, the remaining term of this Agreement, the remaining term of the existing lease for the Pizzeria premises, or the term set forth in the then-current standard Franchise Agreement,

(ix) The proposed transferee (or the person designated by WPI) completes all required training to the extent required by WPI,

(x) At WPI's request, the proposed transferee refurbishes the Pizzeria,

(xi) The proposed transferee pays a Transfer Fee of \$4,500 to cover WPI's costs in approving and processing the assignment, and

(xii) The proposed transferee qualifies as a transferee of the alcoholic beverage license applicable to the Pizzeria

Franchisee acknowledges that WPI may, in its sole discretion and as it may deem necessary in particular circumstances, vary or waive conditions or requirements which WPI deems necessary for the operation of the franchised business in connection with its approval of a transfer

(b) **Transfer to Owned Legal Entity** WPI will allow Franchisee to assign this Agreement and the Pizzeria (and its assets) to a legal entity, for convenience of ownership of the Pizzeria, provided

(i) The legal entity is wholly owned by Franchisee or its owners, and is newly formed and conducts no business other than the Pizzeria (or other related businesses authorized by WPI),

(ii) The legal entity is actively managed by Franchisee or its owners,

(iii) The person designated as the controlling owner controls not less than 70% of the equity and voting power of the entity, and

(iv) All other owners meet the requirements established by WPI in its sole discretion and agree to guarantee the obligations of Franchisee under this Agreement and be bound by the terms of this Agreement in the manner prescribed by WPI, and have any spouse or legal domestic partner do so. The articles of incorporation or the organization documents of any legal entity must recite that they are subject to all restrictions contained in this Agreement. WPI also has the right to require, as a condition of any Transfer to a legal entity, that the owners enter into a buy/sell agreement among themselves in a form and containing such terms as WPI prescribes for Transfers of ownership interests in such legal entity.

(v) The proposed transferee qualifies as a transferee of the alcoholic beverage license applicable to the Pizzeria.

(c) No Sub franchise Rights. Franchisee does not have the right to grant a sub franchise or similar rights.

(d) Offerings by Franchisee. Transfers of ownership interests in Franchisee that are subject to securities laws may be offered by private offering or otherwise, only with the prior written consent of WPI. All materials required for such offering by federal or state law shall be submitted to WPI for review 30 days prior to their use or filing with any government agency, and any materials to be used in any offering that is claimed to be exempt from registration under federal or state securities laws shall be submitted to WPI for review 30 days prior to their use. No offering by Franchisee shall imply by use of the Marks or otherwise that WPI is participating in underwriting, issuing, or offering securities of Franchisee or WPI. WPI's review of any offering materials shall be limited solely to matters deemed relevant by WPI, and WPI's failure to comment on any items shall not be deemed approval. Franchisee and the other participants in the offering must fully indemnify WPI in connection with the offering. For each proposed offering, Franchisee shall pay to WPI a non-refundable fee not to exceed WPI's reasonable costs and expenses associated with reviewing the proposed offering including legal and accounting fees.

(e) Transfer by WPI. WPI shall have the right to sell, assign, or transfer all or any part of its interests to this Agreement, or its assets or ownership, to any person or entity without prior notice to or consent of Franchisee. Except as otherwise expressly provided herein, this Agreement shall inure to the benefit of and shall bind the heirs, executors, personal representatives, administrators, successors, and assigns of WPI and Franchisee.

13 OPERATION IN THE EVENT OF ABSENCE, DISABILITY OR DEATH

(a) Death of Franchisee. Upon the death or permanent disability of Franchisee or the death or permanent disability of the controlling owner, this Agreement or the ownership interest of the deceased or permanently disabled owner must be transferred to a party approved by WPI. Any such transfer, including transfers by devise or inheritance or trust provisions, will be subject to the same conditions for Transfers that are contained in this Agreement. Except as otherwise prescribed in writing by WPI, Franchisee's personal representative or the personal representative of such owner must submit to WPI a proposal meeting the requirements for Transfer.

of this Agreement or such ownership interest within 120 days after Franchisee's death or permanent disability or the death or permanent disability of such owner. WPI will communicate its approval or disapproval of any such proposal within 15 days after receipt. WPI will not unreasonably withhold its consent to the transfer of this Agreement or such ownership interest to Franchisee's spouse or legal domestic partner, heirs or relatives or the spouse or legal domestic partner, heirs or relatives of such deceased or permanently disabled owner, provided the general requirements for a Transfer of this Agreement are satisfied. WPI, during such 120 day period, will evaluate any proposal regarding transfer of this Agreement or such ownership interest. Franchisee's personal representative or the personal representative of such deceased or permanently disabled owner must complete the transfer of this Agreement or such ownership interest within 60 days after the date of WPI's approval of any such proposal. Upon the death of any other owner, the interest of such owner must be transferred within a reasonable time to a person meeting WPI's requirements. All such transfers must also comply with the general Transfer requirements of this Agreement, including qualification of the proposed transferee as a transferee of the alcoholic beverage license applicable to the Pizzeria. Franchisee's failure, or the failure of any of its owners, to transfer the interest in accordance with the provisions of this Paragraph will be considered a breach of this Agreement.

(b) **Permanent Disability** Franchisee will be deemed to have a "permanent disability" if Franchisee's or its owners' usual, active participation in the Pizzeria as contemplated by this Agreement is for any reason curtailed for a continuous period of six months.

(c) **Appointment of Manager** WPI has the right to appoint a manager for the Pizzeria if in WPI's judgment the Pizzeria is not being managed properly after Franchisee's death or permanent disability (or the death or permanent disability of an owner if Franchisee is a legal entity). The manager appointed by WPI may be WPI, in its capacity as a restaurant management business. In no event will WPI charge more to Franchisee's Pizzeria in management fees than it charges its own affiliated entities. All funds from the operation of the Pizzeria during the management by WPI's appointed manager will be kept in a separate fund, and all expenses of the Pizzeria, including compensation, other costs and travel and living expenses of WPI's manager will be charged to this fund. In managing the Pizzeria, WPI's obligation will be to use its reasonable efforts and WPI will not be liable for any debts or obligations of the Pizzeria, or to any of Franchisee's creditors for any products, materials, supplies or services purchased by the Pizzeria prior to or during WPI's management.

14 DEFAULT AND TERMINATION

(a) **Grounds for Termination** WPI has the right to terminate this Agreement and the franchise effective upon delivery of notice of termination to Franchisee, if

(i) Franchisee or any of its owners have made any material misrepresentations on its application for the franchise or has made any representation or warranty or provided WPI with any information which is untrue or inaccurate in any material respect,

(ii) Franchisee does not open the Pizzeria within 12 months after the date of execution of this Agreement,

(iii) Franchisee or any of its owners is judged a bankrupt, becomes insolvent, makes an assignment for the benefit of creditors, is unable to pay its debts as they become due, a petition under any bankruptcy law is filed against Franchisee or any of its owners or a receiver or other custodian is appointed for all or substantially all of the assets of the Pizzeria,

(iv) Franchisee abandons or fails to continuously and actively operate the Pizzeria,

(v) The lease or sublease for the Pizzeria is terminated or cancelled or Franchisee is unable to renew or extend the lease or sublease or Franchisee fails to maintain possession of the Pizzeria premises (unless Franchisee is permitted to relocate the Pizzeria as provided in this Agreement),

(vi) Franchisee or any of its owners is convicted of a felony or other crime that substantially impairs the goodwill associated with the Marks or engages in any misconduct which, in WPI's judgment, adversely affects the reputation of the Pizzeria or the goodwill associated with the Marks,

(vii) Franchisee intentionally underreports the Gross Sales of the Pizzeria for any period or periods,

(viii) Any other Franchise Agreement between Franchisee or any of its owners and WPI is terminated by WPI for cause,

(ix) Franchisee fails to obtain or maintain insurance required by WPI and does not correct such failure within 48 hours after written notice is delivered to Franchisee, provided, however, that WPI will not exercise its right to terminate this Agreement if Franchisee immediately ceases operating the Pizzeria and obtains all such insurance within 10 days after written notice is delivered to Franchisee,

(x) Franchisee fails to comply with any provision of this Agreement or of the Manuals or the System relating to the use of any Marks or the quality of pizza or any beverage sold or the cleanliness or sanitation of the Pizzeria and does not correct such failure within seven calendar days after written notice is delivered to Franchisee,

(xi) Franchisee or any of its owners fails to comply with any other provision of this Agreement or the Manuals or the System and fails to correct this failure within 30 calendar days after written notice is delivered to Franchisee,

(xii) Franchisee fails to pay any amount owed to WPI, its affiliates or subsidiaries, or any creditor or supplier of Franchisee or the Pizzeria or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and does not correct such failure within 20 days after written notice is delivered to Franchisee, or

(xiii) Franchisee or any of its owners on three or more occasions within any one year period fails to comply with any one or more provisions of this Agreement including the obligation to submit when due, sales reports or financial statements, to pay when due the

Royalty Fees, Marketing Fund Fee, or other payments to WPI or its affiliates or subsidiaries or any other creditors or suppliers of Franchisee or the Pizzeria, whether or not such failure to comply is corrected after notice is delivered to Franchisee

(xiv) Franchisee loses its alcoholic beverage license applicable to the Pizzeria

In addition to its other remedies, upon material default in the Franchise Agreement, WPI may increase the royalty to 5% of Gross Sales for the remainder of the term of the franchise

(b) **Obligations upon Termination** Upon termination or expiration of the franchise, Franchisee is required to immediately pay WPI all Royalty Fees, Marketing Fund Fees and other charges which are due and owing under this Agreement. Franchisee must also immediately return to WPI all copies of the Manuals, and must cease any use of the Marks, and must take such action as may be required to cancel all assumed name or equivalent registrations relating to the use of any Marks, notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use all telephone numbers and all classified and other directory listings of the Pizzeria, and authorize transfer of these to WPI or its designee, and make the Pizzeria accessible and available for WPI to operate if WPI elects to do so. If Franchisee fails to take any of these measures, it shall pay to WPI a fee of \$2,500 for the expense of handling the matters referred to in the prior sentence. Upon termination or expiration of this Agreement, if a business is carried on in the location formerly occupied by the Pizzeria, Franchisee must, at its own expense, and within 5 days of termination or expiration of this Agreement, make such modifications in the exterior and interior decor and signage of the premises to eliminate its identification as a Westside Pizza Pizzeria, and must cease identifying the business as a Westside Pizza Pizzeria or as being associated with WPI and the Marks

(c) **Purchase of Pizzeria Assets** Upon the termination or expiration of the franchise, except termination by Franchisee for cause, WPI has the option, but not the obligation, exercisable for 30 days, to purchase the assets of the Pizzeria at the fair market value of the tangible assets, with no value given to goodwill, trademarks, or other intangible assets. Within five days after termination, Franchisee will send to WPI current monthly financial statements up to the end of the previous month, any delinquent records and reports, copies of business tax returns for the prior 24 months, a list of assets and their cost, a list of payables and receivables, a list of material contracts including insurance, supplier, employment, leases, loans and financing, and copies of these contracts if requested by WPI. WPI will be given access to the premises and to business records. WPI generally will not assume, and therefore may exclude from its purchase, unsecured liabilities and payables. WPI may also exclude any items not complying with the then-current Manual, and items not usable in the Pizzeria. Within 10 days of receiving the required information from Franchisee, WPI will make an offer in writing for the assets at their fair market value (the value that a willing buying would pay for used equipment and other assets and not as a going concern). Franchisee must accept that offer within 10 days of receipt, and turn over control of the assets to WPI, or provide evidence in the form of an appraisal or comparable sales data of an alternative fair value of the assets. WPI thereafter will have five days to make a counteroffer or to decide not to buy the assets. If the parties cannot agree on the value of the assets, Franchisee will nevertheless turn over control of the assets to WPI within 30 days after termination or expiration, and seek payment of its alleged value as any other alleged breach of this Agreement

15 UNAVOIDABLE DELAYS

In the event of failure to perform or delays in the performance of any duties hereunder caused by unpredictable forces not within the reasonable preventive control of the party due to perform, for example (without limitation), government regulations, fire, flood, labor disputes, natural disasters, acts of God, civil disorders, riots, insurrections, work stoppages, slowdowns or disputes, or other similar events, such failures or delays shall not cause a default in performance, but, in the event of delay, the parties shall extend the time of performance, but only for the time that the delay is unavoidable, and only to the extent the delay cannot be mitigated. Provided that this section shall not apply to or extend the time for any payment or the term of this Agreement.

16 SEVERABILITY AND CONSTRUCTION

(a) **Severability** Each provision of this Agreement shall be considered severable, and if, for any reason, any provision is determined to be invalid by a court or agency having valid jurisdiction, such shall not impair the operation of other provisions of this Agreement.

(b) **No Rights to Others** Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than the parties any rights.

17 RELATIONSHIP BETWEEN PARTIES

(a) **No Fiduciary or Agency Relationship** It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that Franchisee is an independent contractor, and that neither party is an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of the other for any purpose whatsoever. Neither party will be bound by the other, except as set forth in this Agreement.

(b) **Independent Contractors** Franchisee will not permit the general public to confuse itself with WPI, and may not enter into contracts or obligations that bind WPI. Franchisee will prominently state and show to the public and to its employees Franchisee's legal entity name, and that Franchisee is "independently owned and operated", in a manner that WPI approves. For example, in all forms used with vendors, customers and employees (including paychecks), Franchisee must use its full legal entity name, and may not use any of the Marks unless approved in writing. Use of the Marks will not be permitted on employee forms.

(c) **Operations and Employees** Franchisee is solely responsible for its own operations and employees, including hiring, firing, discipline and other employment practices. Franchisee will notify its employees in writing that Franchisee is their employer, and that WPI is not their employer or a joint employer, and will provide WPI with a signed acknowledgment in a form that WPI approves from each employee before that employee starts to work for Franchisee.

(d) **Indemnification** Franchisee understands and agrees that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on WPI's behalf, or to incur any debt or other obligations in WPI's name, and that WPI shall in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of Franchisee. Franchisee shall indemnify and hold WPI, its subsidiaries and

affiliates, and their respective officers, directors, owners, employees and agents harmless against any and all claims relating to or arising directly or indirectly from, as a result of, or in connection with the Pizzeria and with Franchisee's activities, as well as the costs, including attorneys' fees, of defending against them

18 NO WAIVER

No failure of WPI to exercise any power given to it hereunder, or to insist on strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of WPI's right to demand exact compliance with the terms hereof. Waiver by WPI of any particular default by Franchisee shall not affect or impair WPI's rights with respect to any subsequent default of the same or of a different nature, nor shall any delay or omission of WPI to exercise any rights arising from a default affect or impair WPI's rights as to the default or any subsequent default. WPI may treat each situation and each franchisee differently, as it deems appropriate.

19 NOTICES

All notices under this Agreement are effective when hand delivered, or when received if delivered by courier or by registered or certified mail, or by electronic means, at the parties' addresses set forth on the first page of this Agreement. Notice may also be given to Franchisee at the Pizzeria location specified herein after the date the Pizzeria is first open for business. Each method of delivery shall confirm proof of delivery or a delivery receipt. The parties may change the addresses by written notice to the other as provided herein.

20 APPLICABLE LAW AND JURISDICTION

This Agreement, the interpretation of this Agreement, and disputes arising under or relating to this Agreement shall be governed by the laws of the state of Washington. This choice of law shall not be construed to expand the applicability of any Washington law. Any legal action between the parties shall be brought in a court of competent jurisdiction in King County, Washington.

21 TERMINOLOGY

Use of the words "includes", "including" and similar words shall not be deemed to limit any subsequent list.

22 STATUS OF AGREEMENT

(a) Entire Agreement. This Agreement and the exhibits attached contain the entire agreement of the parties and there are no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, between the parties hereto other than those set forth and duly executed in writing in this Agreement. However, nothing in this Agreement or related agreements is intended to disclaim any representation that WPI may have made in the latest franchise disclosure document that WPI delivered to Franchisee prior to signing the agreement.

(b) **Other Agreements** Upon execution of this Agreement by WPI, all previous discussions, communications, agreements, or undertakings of any kind relative to the subject matter of this Agreement are cancelled

23 AMENDMENT OF AGREEMENT

This Agreement shall not be modified or amended except by written agreement executed by both parties hereto

24 COSTS AND EXPENSES OF ENFORCEMENT

The prevailing party shall recover the reasonable costs and expenses, including reasonable attorneys' fees, incurred by such party in connection with any legal proceeding involving the interpretation or enforcement of this Agreement, or relating to the Pizzeria

25 CAPTIONS

The Paragraph headings throughout this Agreement are for convenience and reference only, and the words contained therein shall not be held to expand, modify, amplify, or aid in the interpretation or construction of this Agreement

26 CONSENT AND APPROVAL

Whenever either of the parties is required herein to obtain the consent or approval of the other party, such consent or approval shall not be unreasonably withheld, except that WPI may exercise its sole discretion in matters relating to the System, the Marks, and the Manuals

27 REPRESENTATIONS

NO REPRESENTATION, PROMISE, GUARANTY OR WARRANTY WAS MADE TO INDUCE THIS AGREEMENT THAT IS NOT EXPRESSED IN THIS AGREEMENT FRANCHISEE RECOGNIZES THAT NEITHER WPI NOR ANY OTHER PERSON CAN GUARANTEE FRANCHISEE'S SUCCESS IN THE FRANCHISED BUSINESS BY THE EXECUTION AND ACCEPTANCE OF THIS AGREEMENT, THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ THIS AGREEMENT AND UNDERSTAND EACH PROVISION THIS AGREEMENT, ALTHOUGH DRAWN BY WPI, SHALL BE CONSTRUED FAIRLY AND REASONABLY, AND NOT MORE STRICTLY AGAINST ONE PARTY THAN AGAINST THE OTHER

(a) **Business Risks** Franchisee acknowledges that the success of the business venture contemplated by this Agreement involves substantial business risks and will be largely dependent upon the ability of Franchisee as an independent business person **Franchisee acknowledges not having received any representation of the potential volume, profits, or success of the Pizzeria**

(b) **Review of Agreement** Franchisee acknowledges it has had ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement

(c) Receipt of Franchise Disclosure Document Franchisee acknowledges that it received a complete copy of this Agreement, the exhibits, and related agreements, if any, at least five business days prior to the date on which this Agreement was executed Franchisee further acknowledges that it has received the disclosure statement required by law and entitled "Westside Pizza Franchise Disclosure Document" at least 14 calendar days prior to the date on which this Agreement was executed

28 EFFECTIVE DATE

This Agreement shall become effective and binding on the date of execution by WPI as set forth below

WESTSIDE PIZZA INTERNATIONAL INC

By _____

Title _____

Date _____

FRANCHISEE

By _____

Title _____

Date _____

By _____

Title _____

Date _____

By _____

Title _____

Date _____

NOTE MUST BE SIGNED BY ALL OWNERS, AND SPOUSES OR LEGAL DOMESTIC PARTNERS OF OWNERS, OF AN ENTITY FRANCHISEE, WHO ALSO MUST SIGN SCHEDULE 2, THE INDIVIDUAL GUARANTY

SCHEDULE 1

TRADE AREA, LOCATION

Trade Area (Insert description below or attach a map)

Pizzeria Address (or if not known, insert later)

Initials

Franchisee _____

Franchisor _____

SCHEDULE 2

INDIVIDUAL GUARANTEE OF FRANCHISE AGREEMENT USE FOR ENTITY FRANCHISEES

MUST BE SIGNED INDIVIDUALLY BY ALL OWNERS, AND SPOUSES OR ANY LEGAL DOMESTIC PARTNERS OF OWNERS, OF AN ENTITY FRANCHISEE

This Guaranty is to the franchise agreement between WESTSIDE PIZZA INTERNATIONAL INC (the "WPI") and _____ (the "Franchisee") dated the __ day of _____, 20__, and to any other agreement between the WPI and Franchisee (collectively, the "Agreements")

RECITALS

A Guarantors know Franchisee, and that Franchisee voluntarily executed the Agreements for the purposes expressed, and are familiar with all provisions of the Agreements, and have received the WPI's franchise disclosure document with ample opportunity to review it before executing the Agreements

B Guarantors consulted legal counsel of their own choosing as to their responsibilities and liabilities under this Guaranty

AGREEMENT

In consideration of, and as an inducement to, the execution of the Agreements, each of the undersigned personally, irrevocably, and unconditionally, individually and for any marital community, agrees as follows

(1) To guarantee the performance of Franchisee under the Agreements, including that Franchisee will punctually pay and perform all obligations under this Agreement upon default of Franchisee. The undersigned further agree to pay any judgment or award against Franchisee obtained by the WPI. Guarantors are also bound by covenants of the Agreements that by their terms or by reasonable implication survive the termination, expiration, or transfer of the Agreements, including but not limited to non-competition, indemnity, and non-disclosure provisions

(2) That

(a) Liability under this Guaranty is joint and several,

(b) Each will render any payment or performance required under this Guaranty on demand, if Franchisee fails or refuses punctually to do so,

(c) Each will comply individually with all provisions of the Agreements and associated documents,

Schedule 2 - 1

(d) Liability is not contingent or conditioned on the WPI's pursuit of any remedies against Franchisee or any other persons,

(e) Liability is not affected by any extension of time, acceptance of part performance, release of claims, or other compromise which the WPI may grant, and,

(f) Each waives acceptance by the WPI, and waives notice of demand to Franchisee or other parties except as may be required in the Agreements, waives protest by the other party, and waives notice of default to it,

Dated on the _____ date of _____, _____

(Set forth the name, address and percentage ownership of each Owner of Franchisee, and their percentage ownership, if applicable)

NAME	ADDRESS	Percentage Ownership
_____ (Printed)	_____ _____ _____	_____
_____ (Signed)		
_____ (Printed)	_____ _____ _____	_____
_____ (Signed)		
_____ (Printed)	_____ _____ _____	_____
_____ (Signed)		
_____ (Printed)	_____ _____ _____	_____
_____ (Signed)		
_____ (Printed)	_____ _____ _____	_____
_____ (Signed)		

**ADDENDUM TO
WESTSIDE PIZZA INTERNATIONAL INC
FRANCHISE AGREEMENT ONLY FOR
FRANCHISEES WHO OBTAIN SBA FINANCING**

THIS ADDENDUM ("Addendum") is made on _____, 20____, by WESTSIDE PIZZA INTERNATIONAL INC ("Franchisor"), and _____, ("Franchisee")

Recitals Franchisor and Franchisee entered into a franchise agreement on _____, 20____ ("Franchise Agreement") The Franchisee agreed among other things to operate and maintain a franchise located at _____ Franchisee has applied for or obtained from a lender a loan ("Loan") in which the assistance of the US Small Business Administration ("SBA") is requested The SBA requires the execution of this Addendum as a condition for obtaining the SBA assisted financing This addendum amends and supplants the Franchise Agreement with special stipulations that supersede the corresponding provisions of the Franchise Agreement In the event of any conflict between this Addendum and the Franchise Agreement, this Addendum shall be controlling

Agreement THEREFORE the parties agree as follows

- Franchise Agreement is in full force and effect, and remains unchanged except as amended below
- Under the Franchise Agreement as modified by this Addendum, Franchisor does not control Franchisee, directly or through an agent Franchisee has the independent right to profit from its efforts and bear the risk of loss commensurate with ownership
- Section 11 of the Franchise Agreement provides that Franchisor (or any third party assignee of Franchisor) may elect pursuant to its right of first refusal to exercise said option when Franchisee decides to sell partial interest(s) in the business This section is hereby amended to reflect that neither Franchisor nor any third party assignee of Franchisor will exercise the option for any partial sale of Franchisee's business Neither Franchisor nor any third party assignee of Franchisor may become a partial owner of any SBA financed franchises
- Notwithstanding anything to the contrary in Section 14(c) of the Franchise Agreement, neither Franchisor nor its affiliates will have the option to purchase any real estate owned by Franchisee Franchisor, however, may lease the real estate for the remainder of Franchisee's term in the Franchise Agreement (excluding renewals) for fair market value
- Section 12 of the Franchise Agreement states that a transfer requires Franchisor's approval Section 12 is modified to state that when consent is required for transfer such consent will not be unreasonably withheld

- If Franchisor must operate the business under Section 13 of the Franchise Agreement, Franchisor will operate the business for no more than a ninety (90) day renewable term, renewable as necessary for up to one (1) year and the Franchisor will periodically discuss the status with Franchisee or its heirs
- If the Franchise Agreement is terminated or expires and the business contents (personal property) are to be sold under Section 14(c) of the Franchise Agreement and the parties are unable to agree as to a purchase price and terms, the fair market value of such property shall be determined by three appraisers chosen in the following manner Franchisee shall select one and Franchisor shall select one, and the two appraisers so chosen shall select a third appraiser The decision of the majority of the appraisers so chosen shall be conclusive The cost of the third appraiser shall be shared equally by the parties
- Notwithstanding anything to the contrary in the Lease Addendum—Conditional Assignment of Lease document, if Franchisee (or its affiliates) owns the real property upon which the business is located, Franchisor (its assignees or affiliates) only has a right to lease the premises for the remaining term of the Franchise Agreement (excluding renewals) at fair market value
- This Addendum automatically terminates on the earliest to occur of the following (i) the Franchise Agreement lawfully expires or terminates, (ii) the Loan is paid in full, or (iii) the SBA no longer has any interest in the Loan

The parties hereto have signed this Addendum as of the date first above written

FRANCHISOR

FRANCHISEE

**WESTSIDE PIZZA INTERNATIONAL
INC**

By _____
Print Name _____
Title _____

By _____
Print Name _____
Title _____

**EXHIBIT C
TO THE FDD**

EXHIBIT C-1

**WESTSIDE PIZZA INTERNATIONAL INC
FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF FRANCHISEES AS OF
December 31, 2016**

CALIFORNIA

Anderson

Owner Mighty Titus 411 Inc
5020 Rhonda Road, Suite A
Anderson, CA 96007
(530) 365-6777

Arcata

Owner Pacific Coast Pizza Inc
600 F Street
Arcata, CA 95521
(707) 822-9990

Beale Air Force Base

Owner Pacific Coast Pizza Inc
17700 Robert Nicoletti
Beale AFB, CA 95903
(530) 788-9990

Fortuna

Owner Pacific Coast Pizza Inc
432 South Fortuna Boulevard
Fortuna, CA 95540
(707) 725-9990

Redding

Owner Mighty Titus 411 Inc
536 N Market Street
Redding, CA 96003
(530) 243-3777

IDAHO

Star

Owner Westside Pizza Star Inc
11200 West Hercules Drive #100
Star, ID 83669
(208)286-9030

WASHINGTON

Bainbridge Island

Owner Westside Pizza L&D LLC
323 Highschool Road NE Suite #3
Bainbridge Island, WA 98110
(206) 780-0755

Bellingham

Owner AP McCurdy Inc
4260 Cordata Parkway, #107
Bellingham, WA 98226
(360) 756-5055

Bremerton

Owner Kirsch West Inc
1217 Sylvan Way
Bremerton, WA 98310
(360) 377-7770

Buckley

Owner Kyle Grote Inc
135 S Jefferson Street N
Buckley, WA 98321
(360) 829-0800

Chelan

Owner Dean-Will Enterprise Inc
137 E Woodin Ave
Chelan, WA 98816
(509) 682-4321

Chewelah

Owner Curtis Pedersen
204 N Park Street
Chewelah, WA 99109
(509) 935-7000

Colfax

Owner Best Pizza Colfax LLC
208 1/2 N Main
Colfax, WA 99111
(509) 397-0000

Colville

Owner Curtis Pedersen
555 South Main
Colville, WA 99114
(509) 684-8254

Ellensburg

Owner DG Enterprises INC
301 S Main St
Ellensburg, WA 98926
(509) 925-3900

Everson

Owner McCurdy Inc
102 W Main Street
Everson, WA 98247
(360) 922-7395

Kingston

Owner PBL Development LLC
25960 Ohio Ave NE, Suite #102
Kingston, WA 98346
(360) 297-6800

Lynden

Owner McCurdy Inc
107 3rd Street
Lynden WA 98264
(360) 354-1555

Montesano

Owner Deano's Enterprises Inc
113 S Main Street
Montesano, WA 98563
(360) 249-4700

Newport

Owner Westside Pizza Newport LLC
325 S Washington Avenue
Newport, WA 99156
(509) 447-2200

Othello

Owner Best Pizza Othello, LLC
1490 East Main Street
Othello, WA 99344
(509) 488-8555

Port Angeles

Owner Cash Flow Investments Inc
612 South Lincoln Street
Port Angeles, WA 98362
(360) 457-9900

Port Orchard

Owner Theory Gnome , co LLC
1700 SE Mile Hill Drive
Port Orchard, WA 98366
(360) 876 9296

Poulsbo

Owner Viking Pizza LLC
19168 Jensen Way NE
Poulsbo, WA 98370
(360) 697-3400

Quincy

Owner Kendall Enterprises Inc
704 F Street SW
Quincy WA 98848
(509) 787-8777

Sequim

Owner Cash Flow Investments Inc
540 West Washington Street
Sequim, WA 98382
(360) 683-3100

Yakima

Owner Surge Investments LLC
140 South 72nd Ave, Suite #130
Yakima, WA 98908
(509) 225-9820

EXHIBIT C-2

**WESTSIDE PIZZA INTERNATIONAL INC
FRANCHISE DISCLOSURE DOCUMENT**

**LISTS OF CERTAIN FORMER FRANCHISEES,
FRANCHISEES THAT HAVE SIGNED FRANCHISE AGREEMENTS
BUT ARE NOT YET OPEN, AND
LIST OF COMPANY OR AFFILIATE OWNED OUTLETS**

LIST OF CERTAIN FORMER FRANCHISEES

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

Franchisees who have had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who have not communicated with us within 10 weeks of the date of this disclosure document

Steven Helvik
(509) 592-6414
Transferred Colfax, WA franchise

**LIST OF FRANCHISEES THAT SIGNED FRANCHISE AGREEMENTS BUT
ARE NOT YET OPEN AS OF DECEMBER 31, 2016**

<u>Franchisee NOT YET OPERATIONAL</u>	<u>Franchise City</u>	<u>Phone Number</u>
AP McCurdy Inc	Bellingham WA	(360) 393 2292
Deathby Incorporated	Shelton, WA	(206) 769 1285

LIST OF COMPANY OR AFFILIATE OWNED OUTLETS AS OF DECEMBER 31, 2016

Boise, ID
8489 W Overland RD
Boise ID 83709
(208)322-1000

EXHIBIT C-3

**WESTSIDE PIZZA INTERNATIONAL INC
FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF TRADEMARK SPECIFIC
FRANCHISEE ORGANIZATIONS**

LIST OF TRADEMARK SPECIFIC FRANCHISEE ORGANIZATIONS

The following is a list of the name, address, telephone number, email address, and Web address of each trademark-specific franchisee organization associated with the Westside Pizza system

Westside Pizza Advisory Committee, which is sponsored by the franchisor

The five committee members are

NAME	ADDRESS	PHONE	EMAIL
Tanner Stephens	1276 Carlsburg Road Sequim, WA 98382	(206) 769-1285	tjs@westsidepizza.com
Jeff Roberts	PO Box 73 Lynden, WA 98264	(360) 820-2233	jeffr@rbm-inc.net
Jeremiah Grubs	3605 Seneca Court Redding CA 96001	(805) 264-1408	jeremiahgrubbs@gmail.com
Alex Zollinger	2617 W Valley View Lane Othello, WA 99344	(360) 813-5895	alexzollinger@westsidepizza.com
Daniel Lawson	Shadowbrook Court Loleta, CA 95551	(707) 832-9552	calgye21@yahoo.com
Maureen Daniels	13409 NE Cambridge Crest Bainbridge Island, WA 98110	(206) 409-4875	daniels_6861@msn.com
Sasha Johnson	325 N Mira St , Star, ID 83669	(509) 690-0540	sashajohnson87@gmail.com

There is no website for the committee

**EXHIBIT D
TO THE FDD**

EXHIBIT D
NAMES AND ADDRESSES OF STATE REGULATORY AUTHORITIES
AND AGENTS FOR SERVICE OF PROCESS IN STATES

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
CALIFORNIA	Commissioner of the Department of Business Oversight Los Angeles 320 West 4th Street Suite 750 Los Angeles CA 90013-2344 (213) 576-7505 or (866) 275-2677 Sacramento 1515 K Street, Suite 200 Sacramento CA 95814-4052 (916) 445-7205 or (866) 275-2677 San Diego 1350 Front Street, Suite 2034 San Diego, CA 92101-3697 (619) 525-4233 or (866) 275-2677 San Francisco One Sansome Street, Ste 600 San Francisco, CA 94104 (415) 972 8559 or (866) 275-2677	Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 or (866) 275-2677
CONNECTICUT	Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230
FLORIDA	[Not Applicable]	Senior Consumer Complaint Analyst Department of Agriculture and Consumer Services Division of Consumer Services 2005 Apalachee Pkwy Tallahassee, Florida 32399-6500 (850)-922-2966 or (850) 488-2221
HAWAII	Commissioner of Securities Hawaii Dept of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Business Registration Division Hawaii Dept of Commerce & Consumer Affairs 335 Merchant Street Room 203 Honolulu, HI 96813 (808) 586-2722

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465
INDIANA	Secretary of State Administrative Offices of the Secretary of State Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	Securities Commissioner Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
IOWA	[Not Applicable]	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, Iowa 50319-0066 (515) 281-4441
MARYLAND	Maryland Securities Commissioner Securities Division 200 St Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Office of Attorney General Securities Division 200 St Paul Place Baltimore, MD 21202 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W Ottawa 670 Law Building Lansing, MI 48913 (517) 373-7117	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W Ottawa 670 Law Building Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 500 St Paul MN 55101-2198 (651) 296-6328	Minnesota Department of Commerce 85 7th Place East, Suite 500 St Paul, MN 55101-2198 (651) 296-6328
NEBRASKA	[Not Applicable]	Staff Attorney Department of Banking and Finance Commerce Court 1526 K Street, Suite 300 Lincoln, NE 68508-2732 (402) 471-3445

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
NEW YORK	Attention New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492	Office of the New York State Attorney General Investor Protection Bureau of Franchise Section 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236 Phone (212) 416-6042 Fax
NORTH DAKOTA	North Dakota Securities Department Fifth Floor 600 East Boulevard Bismarck, ND 58505	Franchise Examiner North Dakota Securities Department 600 East Boulevard, 5th Floor Bismarck ND 58505 (701) 328-4712
OREGON	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director of Rhode Island Department of Business Regulation Division of Securities 1511 Pontiac Avenue John O Pastore Complex – Bldg 69-1 Cranston, RI 02920 (401) 462-9527	Associate Director and Superintendent of Securities Division of Securities 1511 Pontiac Avenue John O Pastore Complex–Bldg 69-1 Cranston, RI 02920 (401) 462-9527
SOUTH DAKOTA	Director of South Dakota Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	Franchise Administrator Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823
TEXAS	[Not Applicable]	Secretary of State Statutory Document Section P O Box 12887 Austin, TX 78711 (512) 475-1769

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
UTAH	[Not Applicable]	Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South P O Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Clerk of the State Corporation Commission 1300 E Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733	State Corporation Commission Division of Securities and Retail Franchising 1300 E Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051
WASHINGTON	Director of Department of Financial Institutions Securities Division 150 Israel RD SW Tumwater, WA 98501 (360) 902-8760	Administrator Dept of Financial Institutions Securities Division 150 Israel RD SW Tumwater, WA 98501 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities P O Box 1768 345 W Washington Avenue, 4th Floor Madison, WI 53703 (608) 261-9555	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W Washington Avenue, 4th Floor Madison, WI 53703 (608) 261-9555
FEDERAL TRADE COMMISSION		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6th Street, NW Washington, D C 20580 (202) 326-3128

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 franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process.

There may also be additional agents appointed in some of the states listed.

**EXHIBIT E
TO THE FDD**

STATE SPECIFIC ADDENDA

STATE LAW ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The following modifications are to the Westside Pizza International Inc franchise disclosure document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, 20__

The following is applicable to you only if you are covered by the franchise law of the referenced state

CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document

Neither we, nor any person or franchise broker disclosed in Item 2 of the 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 these persons from membership in this association or exchange

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

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

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

The Franchise Agreement requires application of the law of Washington. This provision may not be enforceable under California law

Section 31125 of the California Corporation Code requires us to give you a disclosure document, in the form and containing the information as the Commissioner may by rule or order require, before we ask you to consider a proposed material modification of your Franchise Agreement

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

The Franchise Agreement requires you to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void. Section 31512 voids

a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516) Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043)

The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

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

The highest interest rate allowed in California is 10% annually, to the extent required by California law.

If we exercise our option under section 14(c) of the Franchise Agreement to buy the assets of the Pizzeria, the purchase price for such assets will be the lower of (1) fair market value of the tangible assets or (2) the price paid for the tangible assets minus depreciation using GAAP-compliant accelerated depreciation ("Net Book Value"), unless Section 20022 of the Business and Professions Code requires us to pay Net Book Value. This modification supersedes any inconsistent provision in section 14(c) of the Franchise Agreement, even though the modification is not required by valid applicable state law.

WASHINGTON

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

Transfer fees are collectible to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer, to the extent required by Washington law.

ACKNOWLEDGMENT

It is agreed that any applicable part of the foregoing state law addendum supersedes any inconsistent portion of the Franchise Agreement dated the ____ day of _____, 20__, and of the franchise disclosure document, but only to the extent they are then valid requirements of an applicable and enforceable state law, and for only so long as such state law remains in effect.

DATED this ____ day of _____, 20__

FRANCHISOR

WESTSIDE PIZZA INTERNATIONAL INC

By _____

Title _____

FRANCHISEE

By _____

Title _____

By _____

Title _____

**(MUST BE SIGNED BY ALL OWNERS AND MANAGERS OF AN ENTITY
FRANCHISEE)**

**EXHIBIT F
TO THE FDD**

CONDITIONAL ASSIGNMENT OF TELEPHONE AND DIRECTORY LISTINGS

CONDITIONAL ASSIGNMENT OF TELEPHONE AND DIRECTORY LISTINGS

In consideration of Westside Pizza International Inc ("Assignee") concurrently granting a Westside Pizza franchise ("Franchised Business") to _____ ("Assignor"), and other valuable consideration, Assignor assigns to Assignee all telephone numbers, directory listings, fax numbers, Internet Web site addresses and domain names, and other listings, whether in electronic or other media, used or to be used by Assignor in the operation of the Franchised Business. Assignee assumes the performance of all of the terms, covenants, and conditions of the telephone or directory company with respect to these listings with the same force and effect as if they had been originally issued to Assignee. This Assignment is valid on the effective date and is irrevocable. Assignee may fill in, add or change the effective date and the listings at any time. The telephone or directory company is authorized to rely on this Assignment. The parties will hold harmless and indemnify the telephone or directory company from any claims based on reliance on this Assignment.

Effective Date _____

ASSIGNOR

ASSIGNEE

WESTSIDE PIZZA INTERNATIONAL INC

By _____
Its _____

By _____
Its _____

**EXHIBIT G
TO THE FDD**

MANUAL TABLE OF CONTENTS



Table of Contents

Section 1 Introduction	5
Section 1 01 What makes us who we are	5
Section 1 02 Mission Statement	5
Section 1 03 A Typical Day Owning A Westside Pizza	6
Section 2 Food Health Concerns	9
Section 2 01 General	9
Section 2 02 Food Rotation	10
Section 2 03 Temperature Taking	11
Section 2 04 Health Code Requirements	12
Section 2 05 Quality Control of Food	13
Section 3 Recipes	14
Section 3 01 Dough	14
Section 3 02 Sauce	16
Section 3 03 Pizza	17
Section 3 04 Stix	21
Section 3 05 Salad	23
Section 3 06 Wings	27
Section 3 07 Carmel Frosting	28
Section 3 08 Cinnamon Mix	29
Section 3 09 Pastas	30
Section 4 Food Preparation	33



Section 4 01	Dough	33
Section 4 02	Cheese	34
Section 4 03	Vegetables	35
Section 4 04	Packaging (end of oven operation)	38
Section 4 05	Boxes	41
Section 4 06	Stocking	42
Section 5	Phone Answering / Order Taking	43
Section 5 01	Phone Answering Script	43
Section 5 02	Customer Data Entry (with Point of Success)	44
Section 5 03	Order Taking (with Point Of Success)	48
Section 5 04	POS Order Taking (with Breakaway)	62
Section 5 05	Up Selling	75
Section 5 06	Order Confirmation	76
Section 5 07	After Phone (Point of Success)	76
Section 5 08	Register Operation (Point of Success)	77
Section 5 09	Online Ordering	80
Section 6	Dine-in procedures	81
Section 6 01	Taking dine-in orders	81
Section 6 02	At the prep table	81
Section 6 03	Serving	81
Section 6 04	Clean-up	82
Section 7	Opening and Closing Procedures	84
Section 7 01	Opening	84
Section 7 02	Closing	86
Section 7 03	Till Closing	89
Section 7 04	Closing out driver bags	90
Section 8	Software Systems	91
Section 8 01	Software list	91
Section 8 02	Reports (Lists & Descriptions)	92
Section 8 03	Employee Info Entry (Point of Success)	93
Section 8 04	POS Set-up (Breakaway POS)	94
Section 8 04	POS Reports and Management (Breakaway POS)	100
Section 9	Delivery Procedures	107
Section 9 01	Driver "Banks" (Point of Success)	107
Section 9 02	Mapping (Point of Success)	108
Section 9 03	Safety and Guidelines	109
Section 10	Ordering/Vendors	110



Section 10 01	Ordering food inventory	110
Section 10 02	Setting up delivery schedule	111
Section 10 03	Vendor Service Relations	112
Section 11	Marketing	113
Section 11 01	Introduction	113
Section 11 02	Need to do marketing	113
Section 11 03	Good Marketing (trial and error)	118
Section 12	Customer Service	120
Section 12 01	Customer service overview	120
Section 12 03	Mystery Shoppers	123
Section 12 04	Store Evaluations	123
Section 12 05	Customer Loyalty / Retention	123
Section 13	Record Keeping	126
Section 13 01	Nightly Deposit Records	126
Section 13 02	Reports	126
Section 13 03	Payroll	128
Section 13 04	State and Federal Tax Reporting	130
Section 14	Equipment Maintenance	131
Section 14 01	Ovens	133
Section 14 02	Mixers	133
Section 14 03	Cooling Units	133
Section 14 04	Computer Systems	134
Section 15	Equipment Break down Procedures	135
Section 15 01	Computer Systems	135
Section 15 02	Cooling Units	136
Section 15 03	Handling customers during breakdowns	136
Section 16	Employees	137
Section 16 01	Finding Employees	138
Section 16 02	Hiring	138
Section 16 03	Training Employees	144
Section 16 04	Managing Employees	147
Section 16 05	Disciplining Employees	149
Section 17	Compliance	153
Section 17 01	Menu, products and ingredients	153
Section 17 02	Pricing	155
Section 17 03	Store appearance	157
Section 18	Forms	160

**EXHIBIT H
TO THE FDD**

ADDENDUM TO FRANCHISEE'S LEASE

**LEASE ADDENDUM
CONDITIONAL ASSIGNMENT OF LEASE**

This Addendum is attached to and is made part of that certain Lease, by and between (LESSOR) and _____ (LESSEE or FRANCHISEE) dated _____ for the property located at _____ ("Premises")

A **CONDITIONAL ASSIGNMENT** LESSEE hereby conditionally assigns all of the LESSEE's right, title and interest in this Lease to Westside Pizza International Inc ("Franchisor") This assignment shall become effective only upon occurrence of both of the following conditions

1 Termination of the Franchise Agreement between Franchisor and LESSEE as Franchisee for the operation of the Westside Pizza outlet within the Premises, and

2 Exercise by Franchisor of its option to assume the obligations of and to replace LESSEE as the lessee under this Lease as provided in the Franchise Agreement between Franchisor and LESSEE within _____ (___) days after termination of the Franchise Agreement

LESSEE agrees that at such time as Franchisor exercises its option to become the LESSEE under this lease, LESSEE will immediately vacate the Premises without removing any fixtures, parts, or accessories except as authorized in the Franchise Agreement and LESSOR agrees to permit Franchisor to enter upon and take possession of the Premises LESSOR will take all legal action necessary to remove LESSEE if LESSEE refuses to vacate the Premises

LESSOR is hereby authorized and directed to rely solely upon written notice by Franchisor of the termination of the Franchise Agreement and exercise by Franchisor of its option to become the LESSEE under the Lease and is hereby relieved of any and all liability to LESSEE for any action it takes in so relying

LESSOR hereby consents to this Conditional Assignment of Lease and hereby agrees that if this assignment becomes effective, Franchisor shall thereafter be substituted for LESSEE as the Lessee in this Lease, LESSEE shall be relieved of all liability accruing under this Lease after the effective date of the assignment and Franchisor shall have the right to reassign this Lease to a new franchisee without the prior consent of LESSOR In the event of such reassignment, Franchisor shall be relieved of all liability accruing under this Lease after the date of said reassignment

B **LANDLORD NOTICES** LESSOR agrees to send to Franchisor copies of all notices that it sends to LESSEE Copies of these notices shall be sent to

Westside Pizza International Inc
8515 W Overland Road
Boise, ID 83709

or to such other address that Franchisor provides to LESSOR

C **DEFAULT BY LESSEE** In addition to the notices agreed to be given in the preceding paragraph, LESSOR agrees to give Franchisor thirty (30) days prior written notice of its intention to re enter and repossess the Premises and to cancel the Lease on account of LESSEE's default of any of its terms, conditions or provisions. During the thirty (30) day period Franchisor may cure such default or otherwise exercise its rights under this Conditional Assignment.

D **OPTION TO RENEW** In the event that LESSEE fails to exercise any option which LESSEE might have under the Lease to renew it prior to its expiration, LESSOR agrees to notify Franchisor in writing of LESSEE's failure to renew the Lease and Franchisor shall then have fifteen (15) days from the receipt of such notice to exercise any option to renew and replace LESSEE as the lessee under the Lease.

E **PERMITTED USES OF THE PREMISES** The Premises may be used only for the operation of the franchise business, as approved from time to time by Franchisor. The Lessor hereby consents to the use and display of signs and other promotional materials associated with the franchise business. Franchisor has the right to enter the Premises for purposes permitted by law or by contract with the Franchisee, including, but not limited to, conducting inspections, protecting Franchisor's tradename and trademarks, correcting deficiencies under the Lease, planning and inspecting periodic renovations, and assuring compliance with the Franchise Agreement.

F **FRANCHISOR'S CONSENT TO TRANSFER** Lessor hereby acknowledges that, pursuant to the Franchise Agreement, Franchisor has the right to obtain written notification and prior consent to any transfer of the Franchisee's interest in the Lease, business or any sublease, in whole or in part.

G **INSURANCE** All policies of insurance required to be maintained by the terms of the Lease shall name Franchisor as an additional named insured and loss payee, as appropriate. The insurance policies shall also provide that Franchisor shall receive thirty (30) days written notice at its address set forth above of any material amendments, termination, expiration or cancellation of any such insurance policies. Franchisor shall be provided with certificates of insurance which indicate Franchisor as a named insured and, upon reasonable request by Franchisor, it shall be provided with copies of all insurance policies and endorsements thereof.

H **MISCELLANEOUS** Nothing contained in this Lease Addendum and Conditional Assignment shall be construed so as to create a partnership or joint venture between the parties.

STATE OF _____)
) ss
COUNTY OF _____)

On this _____ day of _____, 20____, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of said corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written

(print name)
NOTARY PUBLIC in and for the State of
_____ residing at

My appointment expires _____

**EXHIBIT I
TO THE FDD**

ACKNOWLEDGMENT OF RECEIPT OF COMPLETED AGREEMENTS

**ACKNOWLEDGMENT OF RECEIPT
OF COMPLETED AGREEMENTS**

The undersigned, personally and as an officer of or manager in the proposed franchisee, if applicable, does hereby acknowledge receipt of the following agreements

- | | |
|-----------|--|
| Exhibit A | Franchise Agreement, including the following Schedules |
| | Schedule 1 – Opening or Transfer Date |
| | Schedule 2 – Individual Guaranty |
| | Addendum Only for Franchisees Who Obtain SBA Financing |
| Exhibit E | State Specific Addenda |
| Exhibit F | Conditional Assignment of Telephone and Directory Listings |
| Exhibit H | Addendum to Franchisee's Lease |
| Exhibit I | Acknowledgment of Receipt of Completed Agreements |
| Exhibit J | Receipt of Disclosure Document |

with all blanks completely filled in and any and all exhibits or addendums in the completed form in which they are intended to be executed by the undersigned (Note This receipt must be signed and dated at seven calendar days (or longer in some states) before the undersigned executes the Franchise Agreement and related agreements Do not sign and return documents until at least seven calendar days (or longer in some states) have elapsed from the date of this receipt)

I acknowledge that I should review all such documents personally or have my attorney or other advisor review such documents so that I am fully familiar with the franchise and documents prior to signing them or paying any money

I hereby agree that all information and materials given to me will be used only in conjunction with my consideration of the franchise All such information and materials shall not be disseminated other than to my advisors, and will be returned to Westside Pizza International Inc promptly if I decide not to purchase a Westside Pizza® franchise

DATE I RECEIVED THE COMPLETED AGREEMENTS _____, 20__

SIGNED _____	SIGNED _____
NAME (Please print)	NAME (Please print)
_____	_____
Address	Address

(Attach additional signatures if necessary If franchise is to be owned jointly or as community property by husband and wife both must review all documents and sign All owners of an entity franchisee must review all documents and sign individually and on behalf of the entity)

**EXHIBIT J
TO THE FDD**

RECEIPT OF DISCLOSURE DOCUMENT

RECEIPT

(Franchisee's Copy)

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

If Westside Pizza International, Inc. 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. Oregon requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Westside Pizza International, Inc. 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 the state administrator listed in Exhibit D.

The names, business addresses, and phone numbers of each franchise seller offering this franchise are as follows:

<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
Rodney Nelson	8515 W Overland Road, Boise, ID 83709	(360) 536-1339
Aaron Olson	8515 W Overland Road, Boise, ID 83709	(360) 536-1339

Issuance date: March 31, 2017

I received a disclosure document dated March 31, 2017 that included the following Exhibits:

Exhibit A	Franchise Agreement including Schedules
Exhibit B	Financial Statements for Westside Pizza International Inc.
Exhibit C-1	List of Franchisees as of December 31, 2016
Exhibit C-2	Lists of Certain Former Franchisees, Franchisees that Have Signed Franchise Agreements But Are Not Yet Open, and List of Company or Affiliate Owned Outlets
Exhibit C-3	List of Trademark Specific Franchisee Organizations
Exhibit D	Names and Addresses of State Regulatory Authorities and Agents for Service of Process in States
Exhibit E	State Specific Addenda
Exhibit F	Conditional Assignment of Telephone and Directory Listings
Exhibit G	Manual Table of Contents (See Also Item 11)
Exhibit H	Addendum to Franchisee's Lease
Exhibit I	Acknowledgment of Receipt of Completed Agreements
Exhibit J	Receipt of Disclosure Document

Date _____

(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Title (if Signing for Company)

Attach additional signatures or use additional receipts if necessary. If franchise is to be owned jointly or as community property by husband and wife, both must review all documents and sign. All owners of an entity franchisee must review all documents and sign individually and on behalf of any legal entity.

Please sign and date this receipt (with the date that you received the disclosure document) and if you received it electronically via email, also (1) Open the attached disclosure document, to verify that you can download it then immediately Reply to All, with a cc to the email address listed on the state cover page of this disclosure document, stating that you received and downloaded this disclosure document, AND (2) Also print, sign, and date a copy of the receipt (with the date that you received this disclosure), and return via mail or email to us at the address on the cover page of this disclosure document.

RECEIPT

(Franchisor's Copy)

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

If Westside Pizza International, Inc. 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. Oregon requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Westside Pizza International, Inc. 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 the state administrator listed in Exhibit D.

The names, business addresses, and phone numbers of each franchise seller offering this franchise are as follows:

<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
Rodney Nelson	8515 W Overland Road, Boise, ID 83709	(360) 536-1339
Aaron Olson	8515 W Overland Road, Boise, ID 83709	(360) 536-1339

Issuance date: March 31, 2017

I received a disclosure document dated March 31, 2017 that included the following Exhibits:

Exhibit A	Franchise Agreement, including Schedules
Exhibit B	Financial Statements for Westside Pizza International Inc.
Exhibit C-1	List of Franchisees as of December 31, 2016
Exhibit C-2	Lists of Certain Former Franchisees, Franchisees that Have Signed Franchise Agreements But Are Not Yet Open, and List of Company or Affiliate Owned Outlets
Exhibit C-3	List of Trademark Specific Franchisee Organizations
Exhibit D	Names and Addresses of State Regulatory Authorities and Agents for Service of Process in States
Exhibit E	State Specific Addenda
Exhibit F	Conditional Assignment of Telephone and Directory Listings
Exhibit G	Manual Table of Contents (See Also Item 11)
Exhibit H	Addendum to Franchisee's Lease
Exhibit I	Acknowledgment of Receipt of Completed Agreements
Exhibit J	Receipt of Disclosure Document

Date _____

(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Title (if Signing for Company)

Attach additional signatures or use additional receipts if necessary. If franchise is to be owned jointly or as community property by husband and wife, both must review all documents and sign. All owners of an entity franchisee must review all documents and sign individually and on behalf of any legal entity.

Please sign and date this receipt (with the date that you received the disclosure document), and if you received it electronically via email, also (1) Open the attached disclosure document to verify that you can download it, then immediately Reply to All, with a cc to the email address listed on the state cover page of this disclosure document, stating that you received and downloaded this disclosure document, AND (2) Also print, sign, and date a copy of the receipt (with the date that you received this disclosure), and return via mail or email to us at the address on the cover page of this disclosure document.