



FRANCHISE DISCLOSURE DOCUMENT

Godfather's Pizza, Inc.
A Delaware Corporation
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www.godfathers.com

Godfather's Pizza®

As a franchisee, you will operate a Godfather's Pizza location that offers pizza, sandwiches, salads, and other food and beverage products.

The total investment necessary to begin operation of a Godfather's Pizza franchised business is from \$607,300 to \$1,159,300 for a full service restaurant, \$153,200 to \$356,400 for a convenience store or other non-traditional location, \$428,300 to \$775,600 for a delivery/carryout location and \$158,200 to \$645,800 to purchase an existing company-operated location. This includes from \$3,200 to \$36,900 that must be paid to the franchisor for a full service restaurant, \$3,180 to \$14,850 that must be paid to the franchisor for a convenience store or other non-traditional location, \$3,200 to \$26,900 that must be paid to the franchisor for a delivery/carryout location and \$25,200 to \$330,900 that must be paid to the franchisor for the purchase of an existing company-operated location. These amounts include the site submission deposit of \$3,000 per location for full service, delivery/carryout and non-traditional locations, the Continuing Fee Deposit of \$5,000 for a traditional location, including a delivery/carryout location, and the Continuing Fee Deposit of \$1,000 for a non-traditional location discussed in Item 5 of this disclosure document, the initial marketing promotional kits which may be purchased from the franchisor or a third party vendor designated by the franchisor, and a \$3,000 development fee for one location opened under an Area Development Agreement.

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 government agency has verified the information contained in this document.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Services Department at 2808 North 108th Street, Omaha, Nebraska 68164, (402) 391-1452, franchising@godfathers.com.

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

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

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

ISSUANCE DATE: July 28, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits E-1 and E-3.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Godfather's Pizza business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Godfather's Pizza franchisee?	Item 20 or Exhibits E-1 and E-3 list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Nebraska. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Nebraska than in your own state.

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

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

The franchisor is Godfather's Pizza, Inc. ("GPI", "we", "us", or "our"). "You" means the person who buys the franchise. If the franchisee is a corporation, partnership, limited liability company, or other entity, the owners of the corporation, partnership, limited liability company, or other entity must execute the guaranty described in Item 15. "You" will include the persons described in Item 15.

GPI is a Delaware corporation that was incorporated on June 26, 1985. GPI does business as "Godfather's Pizza." GPI currently has no predecessors required to be included in this Item. It has three affiliates, Gartlan Real Estate Holdings, LLC ("GREH"), GPBCM, Inc. ("GPBCM"), and GPTB, Inc. ("GPTB"). GREH, which has the same principal business address as GPI, is a real estate holding company. GREH owns the building in which GPI's corporate headquarters is located. GPBCM and GPTB, which have the same principal business address as GPI, are used by GPI for the development of new concepts. GPTB has been used to franchise a concept serving pizza and other food products internationally.

GPBCM developed a program to license the sale of certain frozen pizza products under the trademark "Godfather's Pizza To Go" by convenience stores and other non-traditional locations. As of May 28, 2023 the Godfather's Pizza To Go program operated in 1,125 locations. GPBCM also has a program by which it sells Godfather's Pizza sauce to retail outlets and customers on the Amazon and Walmart websites.

GPI's principal business address is 2808 North 108th Street, Omaha, Nebraska 68164. The attached Exhibit "A" contains GPI's registered agent for service of process in each state.

GPI franchises the right to operate Godfather's Pizza restaurants in shopping center locations, free-standing buildings and other non-traditional locations. You will sign the Franchise Agreement attached to this disclosure document as Exhibit "B-1" regardless of whether you will operate a traditional or non-traditional location. "Traditional" locations include both full service restaurants with space for on-premises dining and delivery/carryout locations, which may include limited seating. "Non-traditional" locations include convenience stores and sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including military bases, shopping malls, airports, stadiums, major industrial or office complexes, hotels, school campuses, train stations, travel plazas, toll roads, casinos, hospitals, and sports or entertainment venues. The franchises offered by GPI for units in shopping center locations and free-standing buildings include franchises for restaurants with dining areas, and in some cases locations limited to delivery and carryout of Godfather's Pizza products. Franchisees who locate within convenience stores operate a Godfather's Pizza location within a new or existing convenience store operating under the name selected by the convenience store operator. College food service locations operate as part of a food court operated by a food service vendor. The market for the products you will sell is primarily the 19 to 45 year old age group. Your competitors will include restaurant chains that feature pizza as their primary menu item and grocery stores, convenience stores and other non-traditional locations that sell pizza.

GPI or its predecessors have operated Godfather's Pizza restaurants since 1973. GPI or its predecessors have offered franchises for Godfather's Pizza restaurants since 1974. Since July 2002 GPI has at different times offered franchises directly or through its affiliates for five other food service concepts owned and developed by GPI: Nana's Chicken; Big Vinny's, a sandwich concept; Godfather's Pizza, Chicken and Buffet, a pizza, chicken and buffet concept; Big Vinny's Take & Bake Pizza, a take and bake pizza concept; and QP, a frozen pizza product which was distributed to convenience stores and other non-traditional operations. As of the date of this disclosure document there are no franchises currently in operation for the concepts described in the previous sentence. There is one location at which a Godfather's Pizza franchisee is selling Nana's Chicken products under the terms of a test agreement. GPI is not currently offering franchises for these concepts. No predecessor or affiliate of GPI has offered franchises in any other line of business, except for the Big Vinny's Take & Bake Pizza concept of GPI's affiliates described in this Item 1.

You must comply with federal menu labeling regulations and state and local restaurant food safety laws. In addition, alcoholic beverage laws and other general laws will apply to your business. You should make further inquiries about those laws. Additionally, before purchasing a franchise, you may be required to undergo criminal and credit background investigations.

ITEM 2. BUSINESS EXPERIENCE:

President, Chief Executive Officer and Director: Ronald B. Gartlan

Mr. Gartlan became Chief Executive Officer in December 1996 and GPI's President in May 1995. He became a member of the Board of Directors of GPI in September 1988.

Director: Madalyn Gartlan

Mrs. Gartlan, who is Ronald B. Gartlan's spouse, became a member of the Board of Directors of GPI in July 2008. She has been a community volunteer in the Omaha, Nebraska area since 1986.

Senior Vice President and Secretary: Kathleen M. Johnson

Ms. Johnson became GPI's Senior Vice President in May 2006 and Secretary in October 2004.

Senior Vice President of Strategy: David A. Soukup

Mr. Soukup became GPI's Senior Vice President for Strategy in May 2023. He became Vice President of Procurement and R&D in March 2017.

Senior Vice President, Chief Financial Officer, and Treasurer: Linda L. Meyer

Ms. Meyer became Senior Vice President, Chief Financial Officer, and Treasurer in May 2023. She became Vice President, Chief Financial Officer, and Treasurer in August 2016.

Vice President of Systems, Process and Special Projects: Johnnie M. Travis

Mr. Travis became GPI's Vice President of Systems, Process and Special Projects in July 2020. He became Vice President of Media Productions in June 2010.

Senior Vice President of Marketing: David Gartlan

Mr. Gartlan, who is Ronald B. Gartlan's son, became GPI's Senior Vice President of Marketing in May 2023. He became GPI's Vice President of Development in August 2016.

Vice President of Franchise Services, Traditional: Bruce Just

Mr. Just became GPI's Vice President of Franchise Services, Traditional in July 2022 and Vice President of Operations in August 2019 and is responsible for operations for traditional franchised locations. He became GPI's Senior Director of Operations in February 2019. He became GPI's Senior Director of Franchise Services and Training in February 2018.

Vice President of Franchise Services, Non-Traditional: Becky Blaufuss

Ms. Blaufuss became GPI's Vice President of Franchise Services, Non-Traditional in May 2023. She became GPI's Senior Director of Franchise Services, Non-Traditional in June 2022 and is responsible for operations for non-traditional franchise locations. She became GPI's Director of Franchise Services, Non-Traditional in June 2020. She became GPI's Senior Franchise Business Consultant, Non-Traditional in February 2019. She became a GPI Franchise Business Consultant in January 2017.

Vice President of Operations and Training: Matt Combs

Mr. Combs became GPI's Vice President of Operations and Training in May 2023. He became the Senior Director of HR, Training, and Operations in June 2022. He became the Senior Director of HR and Training in August 2021. He rejoined GPI as its Director of HR and Training beginning in January 2020. Prior to that, Mr. Combs worked as the Director of Operations for Walmart in Bentonville, Arkansas from July 2019 until January 2020. He first joined GPI as its Manager of Training in June 2019. He was the Founder and Principal Consultant for MJC Leadership in Spring Hill, Tennessee, from 2013 until joining GPI.

Director of Human Resources and Legal: Kelsey Skey

Ms. Skey became GPI's Director of Human Resources and Legal in May 2023. She became the Executive Coordinator and Paralegal in July 2022. She joined GPI as its Paralegal in March 2021. She worked as a Case Manager for CPT Group, Inc., a class action administrator, in Irvine, California, from February 2015 until joining GPI.

Vice President of Procurement, Distribution, and R&D: Robin Jaros

Ms. Jaros became GPI's Vice President of Procurement, Distribution, and R&D in May 2023. She became the Senior Director of Procurement and Distribution in August 2021. She became

the Director of Procurement and Distribution in August 2020. She became the Procurement Manager in May 2018.

ITEM 3. LITIGATION:

No litigation is required to be disclosed in this Item, except for the following case.

William Fuelberth, Individually and on Behalf of All Others Similarly Situated vs. Godfather's Pizza, Inc. This case was filed against GPI in the U.S. District Court for the District of Nebraska, Case No. 8:22cv195, on June 2, 2022, by Plaintiff William Fuelberth and all other similarly situated delivery drivers employed by GPI since June 2, 2019. The lawsuit alleges claims pursuant to the federal Fair Labor Standards Act and the Nebraska Wage Payment and Collection Act. According to the Complaint, GPI allegedly failed to pay the Plaintiff and other similarly situated delivery drivers the statutory minimum wage by allegedly failing to reimburse drivers for business-related expenses incurred in the scope of employment through use of their automobiles and cell phones. The Complaint seeks unpaid wages, liquidated damages, and attorneys' fees. By Order dated April 20, 2023, the Court granted the Plaintiff's Motion for Conditional Certification and for Approval and Distribution of Notice to other similarly-situated potential plaintiffs, those being, delivery drivers employed by GPI since June 2, 2019. The opt-in period for individuals to join the conditional class is 90 days from the Plaintiff's sending of notice and consent forms. GPI denies these allegations, and intends to vigorously defend this lawsuit.

ITEM 4. BANKRUPTCY:

No bankruptcies are required to be disclosed in this disclosure document.

ITEM 5. INITIAL FEES:

GPI will grant some of the franchises in this state to developers who enter into an Area Development Agreement ("Area Agreement"). We have attached a form of the Area Agreement to this disclosure document as Exhibit "B-2". An Area Agreement provides the developer with the exclusive right to develop a specified number of franchised Godfather's Pizza traditional or non-traditional locations within a designated development area for a time period specified in the Area Agreement. GPI may in its discretion require a developer under an Area Agreement to open one full-service restaurant in an area before building additional delivery/carryout or non-traditional locations. Under the terms of the Area Agreement GPI may grant rights to others within the development area for the retail sale of products and/or the sale of licensed products, such as the licensed products described in Item 1 of this disclosure document, at locations other than Godfather's Pizza franchised traditional full service and delivery/carryout or non-traditional store locations. In an Area Agreement for traditional locations GPI reserves the right to grant franchises for non-traditional locations in the development area. In an Area Agreement for non-traditional locations GPI reserves the right to grant franchises for traditional locations in the development area.

GPI usually charges a non-refundable area development fee of \$3,000 per location for each Area Agreement for the development of traditional sit-down locations, delivery/carryout locations and non-traditional locations. In most cases the amount of the area development fee is applied to the

initial franchise fee payable by the developer for an agreed upon number of locations developed under the Area Agreement. The amount of this development fee may vary depending on the size and location of the area. The development fee is payable in a lump sum when you sign the Area Agreement.

When you complete a location under an Area Agreement or without an Area Agreement, you will sign a Franchise Agreement. We have attached a copy of the Franchise Agreement to this disclosure document as Exhibit “B-1”.

GPI normally charges an initial franchise fee for each new location licensed. You must pay this initial franchise fee within five (5) days after opening and the completion by GPI of its pre-opening services. The initial franchise fee for traditional sit-down locations will be up to \$25,000, and for delivery/carryout locations will be up to \$15,000. The initial franchise fee for convenience stores and other non-traditional locations will be up to \$7,500. Your initial franchise fee will depend upon the number and type of locations you plan to develop, the area you propose to develop, and your financial condition.

GPI may provide reductions of the initial franchise fee for traditional sit-down locations of up to \$25,000 per location, for delivery/carryout locations of up to \$15,000 per location and for non-traditional locations of up to \$7,500 per location. GPI provides these reductions as an incentive for the development of additional locations by new and existing franchisees who meet operational and financial standards established by GPI. Initial franchise fees in GPI’s last fiscal year, excluding marketing materials purchased from GPI, were \$10,000 for one delivery/carryout location, from \$0 to \$7,500 for non-traditional locations and from \$1,000 to \$5,000 for franchisees who purchased existing units from another franchisee. GPI did not sell any franchises for traditional sit-down restaurants in its most recent fiscal year. GPI also has a program for honorably discharged veterans of the United States military services under which applicants who satisfy GPI’s normal financial and operational qualifications may have their initial franchise fee reduced by \$10,000 from the maximum initial franchise fees for traditional or delivery/carryout locations described in this paragraph.

GPI may charge an initial franchise fee, also referred to as a transfer fee, when you purchase an existing company-operated location, depending upon the financial condition of the location. GPI did not receive any initial franchise fees for locations a franchisee purchased from GPI during GPI’s most recent fiscal year.

GPI will not refund any portion of the development fee paid under an Area Agreement or, after GPI completes its obligation to provide initial assistance, the initial franchise fee for a Franchise Agreement. You may be required to pay a deposit of \$3,000 when you submit a site submission form for GPI’s review, including for both traditional and non-traditional locations. If GPI rejects the proposed site, GPI will return the full amount of the deposit to you. If you open the new location within six (6) months after receiving the site approval, the entire amount of the deposit will be credited to the payment of the required initial franchise fee. If you fail to open the new location within six (6) months after receiving site approval, GPI may retain the entire amount of the deposit.

When you pay your initial franchise fee you must also pay a deposit of \$1,000 for a non-traditional location or \$5,000 for a traditional location, including delivery/carryout locations (the "Continuing Fee Deposit"). We will apply this deposit to the payment of any amount of past due continuing fees described in a default letter sent to you. If you have not received a default letter, for failure to pay continuing fees or for any other default under the Franchise Agreement, by the second anniversary of the effective date of your Franchise Agreement, we will apply this deposit to future continuing fees payable by you under your Franchise Agreement. If you have received a default letter within that time GPI will retain the remaining Continuing Fee Deposit on that date, and GPI may retain the remaining Continuing Fee Deposit in its sole discretion if you close or transfer your franchised location to an approved GPI franchisee within the first two years of the term of the Franchise Agreement. We may waive this deposit, particularly if you are a current Godfather's Pizza franchisee with a good record of paying continuing fees in a timely manner, or otherwise have an excellent credit background.

We will provide initial training and training materials for the trainees agreed upon by you and GPI. We reserve the right to charge you a \$750 training fee for each trainee for traditional locations (including delivery/carryout locations) and \$500 for each trainee for non-traditional locations. You must pay the training fees before your trainees begin training, and these training fees are uniform and non-refundable. Your trainees will remain your employees during the training program. You must pay for all of your trainees' worker compensation insurance, travel, meal and lodging expenses. See Item 11 for more information on training.

Except for the circumstance described in this Item 5, we do not refund any initial franchise fee.

ITEM 6. OTHER FEES:

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks¹</u>
Continuing Fees	Royalties of greater of 3.25% of net sales or \$175 for each week and service compensation of greater of 3.25% of net sales or \$175 for each week for a traditional location; royalties of greater of 3.25% of net sales or \$75 for each week and service compensation of greater of 3.25% of net sales or \$75 for each week for a non-traditional location	Wednesday after end of each week. ²	Net sales defined in footnote 3. Also see Footnote 4.

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks¹</u>
Continuing Fee Deposit Replenishment	Amount required to replenish initial deposit amount	Within ten days after receipt of notice from us	See Item 5 for explanation of how deposit is applied
Renewal Fee	\$1,000 for non-traditional locations; \$2,000 for traditional locations including delivery/carryout locations	Before first day of renewal of term	Cost to renew or extend Franchise Agreement for five years
Audit Fee	Cost of Audit	When audit is completed	Footnote 5
Cooperative Advertising	Pro-rata share of media cost	When required by media outlets	Footnote 6
Ad Fund Contribution	Not to exceed 2% of net sales unless increase approved by majority of company-operated and franchised locations	Wednesday after end of each week	Footnote 7
Indemnification	Cost to GPI of business claim against you	When cost incurred	Footnote 8
Marketing/Promotional Items	Cost of marketing materials not otherwise provided in opening kit	When cost incurred	Footnote 9
NSF Check/Electronic Funds Transfer Fee	\$25	Within ten (10) days after notice from GPI	Footnote 10
Training Fee	\$750 per person for traditional locations and \$500 per person for non-traditional locations	Before trainees begin training	Footnote 11
Transfer Fee	\$5,000 for traditional locations, including delivery/carryout locations, and non-traditional locations	Before transfer completed	Footnote 12

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks¹</u>
Interest on late payments	Highest applicable legal rate for open account business credit, not to exceed 1.5% per month. The highest interest rate allowed by law in California is 10% annually.	Accrues from due date of amounts payable to GPI	Payable on all continuing fees, advertising contributions and other amounts due from GPI
Reimburse GPI for certain state taxes	Amount of tax assessed against GPI and specified in notice from GPI	Within 30 days after you receive notice from GPI	Footnote 13

1. All fees are imposed by and payable to GPI. All fees are non-refundable, except in some cases GPI will apply the Continuing Fee Deposit to the payment of future continuing fees if you have not received a default letter regarding payment of continuing fees or other defaults before the second anniversary of the effective date of the Franchise Agreement. GPI may retain this deposit in its sole discretion if you close or transfer your location before the second anniversary date of the effective date of the Franchise Agreement. GPI may reduce continuing fees to provide an incentive for new and existing franchisees to develop additional locations. Therefore, as described below, these fees are not uniformly imposed on all franchisees. You must pay continuing fees to GPI by the use of electronic funds transfers if GPI requires you to do so.

2. New franchisees who agree to develop multiple locations or operate within a convenience store, college food service or other non-traditional locations may be permitted to pay continuing fees on a monthly basis, so long as they remain current in making these payments.

3. Net sales are all sales from the franchised location, excluding sales taxes and cash received as payment in credit transactions where we included the extension of credit itself in net sales.

4. If you default in paying continuing fees in a timely manner after the second anniversary of the effective date of the Franchise Agreement, GPI may require you to deposit with GPI an amount equal to the amount of continuing fees payable for the two month period before the default occurred. GPI may apply this deposit to the payment of continuing fees not paid in a timely manner, and may terminate the Franchise Agreement if you do not replenish this deposit on GPI's request or resume paying continuing fees in a timely manner. In addition, if you are paying continuing fees at a rate of less than 6.5% and you (a) commence operation of a business selling food products other than Godfather's Pizza products if you operate a traditional location, or (b) receive a second default letter for failure to pay fees in a timely manner, GPI may increase your continuing fees to 6.5% of net sales, as of the date of the opening of such other business or the date of the second default letter.

5. You must pay the cost of an audit conducted by or for GPI if the audit discloses an underpayment of 5% or more of franchise fees. GPI pays the audit cost if the underpayment is less than 5%.

6. GPI requires you to contribute to cooperative advertising if you buy or build a location in an area where GPI has company-operated locations or in any area in which current franchisees have formed a cooperative. GPI bases your pro-rata share of the cost of media purchases on the number of locations or net sales you have as a percentage of the company-operated and franchised locations or net sales in your Designated Market Area. Designated Market Area is a term used by media ratings services to measure the area that receives the television and radio signals of certain stations.

7. GPI may, in its sole discretion, establish regional or national advertising funds on 90 days' notice to you. You may be required to contribute 2% of your net sales to these funds. The 2% amount may be increased by a majority vote of all Godfather's Pizza franchised and company-operated locations.

8. You are required by Section 5 of the Franchise Agreement to indemnify GPI from all claims arising out of the operation of the location.

9. Franchisees who would like additional or different marketing or promotional items, other than those provided in the initial opening kit, will be charged labor and material costs for producing those items.

10. GPI will charge you a service fee of \$25 for every check payable to GPI for fees or other amounts payable to GPI that your bank refuses to honor. You also must pay a service fee to GPI of \$25 for any electronic funds transfer for which your bank refuses to transmit the full requested amount to GPI.

11. GPI reserves the right, in its sole discretion, to charge you a training fee of \$750 for each individual you send to training for a traditional location, and \$500 for each individual you send to training for a non-traditional location. You must pay the training fees before your trainees begin training, and these training fees are uniform and non-refundable.

12. The transfer fee is payable to GPI by the new or current franchisee before the completion of a transfer of a franchise approved by GPI under the terms provided for in the Franchise Agreement.

13. Reimburses GPI for gross receipts or state income taxes assessed against GPI by a state other than its home state or sales or use taxes in any state on initial franchise fees or continuing fees you pay to GPI.

ITEM 7. ESTIMATED INITIAL INVESTMENT:

**YOUR ESTIMATED INITIAL INVESTMENT TO BUILD A NEW
GODFATHER'S PIZZA FULL SERVICE RESTAURANT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Development Fee	\$3,000 per unit (1)	Lump Sum	Upon Signing Area Agreement	GPI

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee	\$0-\$25,000 (2)	Lump Sum	After opening of franchised location	GPI
Site Submission Deposit	\$3,000 (3)	Lump Sum	When you submit a site to GPI for approval	GPI
Continuing Fee Deposit	\$0-\$5,000 (4)	Lump Sum	After opening of franchised location	GPI
Advertising	\$2,000-\$10,000 (5)	Terms set by Vendors	As incurred	Vendors
Equipment	\$150,000-\$285,000	Terms set by Vendors	When ordered	Vendors
Opening Inventory	\$9,000-\$13,000	Terms set by Vendors	As ordered	Vendors
Lease of Real Estate (3 months)	\$12,000-\$50,000 (6)	Monthly	Monthly	Landlord
Leasehold Improvements	\$300,000-\$500,000	Terms set by Vendors	As incurred	Contractors
Insurance	\$7,800-\$24,000	Terms set by Vendors	As purchased	Vendors
Misc. Opening Costs	\$12,500 (7)	Lump Sum	As purchased	Vendors
Signs	\$7,500-\$15,000	Lump Sum	As purchased	Vendors
Initial Training	\$4,500-\$7,800 (8)	Terms Set by Vendors	As purchased	Vendors
Additional Funds (3 months)	\$90,000-\$200,000 (9)	As incurred	As incurred	Employees, Suppliers, Utilities
Total	\$607,300-\$1,159,300 (10)			

1) When you develop new locations under an Area Agreement, you must pay GPI a development fee of \$3,000 for each location to be developed. This development fee is also described in Item 5 of this disclosure document. For purposes of the total investment number at the end of this table, GPI assumes you will develop three locations.

2) GPI collects the initial franchisee fee after GPI performs its pre-opening services and the location opens. GPI may reduce the initial franchise fee to encourage you to develop multiple locations. See Item 5 of this disclosure document.

3) If GPI rejects the proposed site, GPI will return the full amount of this deposit to you. If you open the new location within six (6) months after receiving site approval, the entire amount of the deposit will be credited to the payment of the required initial franchise fee. If you fail to

open the new location within six (6) months after receiving site approval, GPI may retain the entire amount of the deposit. See Item 5.

4) The amount of this deposit is \$5,000 for a traditional location, and may be waived in certain circumstances. See Item 5.

5) This includes the amount you must pay to GPI or a third-party vendor designated by GPI for a promotional kit. Most recent promotional kits have cost from about \$200 to \$900 per location. See Item 11. Advertising expenditures will vary, depending mainly upon the type of media used, advertising frequency, and size of the city in which the unit is located.

6) Rent will vary depending on the size and location of the unit. The range of rental amounts described is for three months.

7) Includes security deposits, utility costs, and incorporation fees.

8) You will incur approximately \$100 to \$200 per day in expenses for food and lodging for each person who attends the initial training session described in Item 11 of this disclosure document. You will also be responsible for travel expenses that will vary depending on type of transportation and length of travel. As described in Items 5 and 6 of this disclosure document, GPI reserves the right, in its sole discretion, to charge you a training fee of \$750 for each individual you send to training for a traditional location. This table assumes you will have two people for whom a training fee will be charged.

9) This figure estimates your initial start-up expenses for a three-month period. These expenses include payroll and food costs. These figures are estimates and GPI cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors that include: how much you follow GPI's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for Godfather's Pizza products; the prevailing wage rate; competition; and the sales level you reach during this initial period.

10) GPI relied on its 50 years of experience in the pizza restaurant business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

**YOUR ESTIMATED INITIAL INVESTMENT TO BUILD A NEW GODFATHER'S
PIZZA UNIT IN A CONVENIENCE STORE OR
OTHER NON-TRADITIONAL LOCATION**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Development Fee	\$3,000 per unit (1)	Lump Sum	Upon Signing Area Agreement	GPI
Initial Franchise Fee	\$0-\$7,500 (2)	Lump Sum	After opening of franchised location	GPI

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Site Submission Deposit	\$3,000 (3)	Lump Sum	When you submit a site to GPI for approval	GPI
Continuing Fee Deposit	\$0-\$1,000 (4)	Lump Sum	After opening of franchised location	GPI
Advertising	\$2,000-\$10,000 (5)	Terms Set by Vendors	As incurred	Vendors
Equipment	\$50,000-\$130,000 (6)	Terms Set by Vendors	When ordered	Vendors
Opening Inventory	\$5,000-\$9,000	Terms Set by Vendors	As ordered	Vendors
Lease of Real Estate (3 months)	\$3,000-\$4,500 (7)	Monthly	Monthly	Landlord
Leasehold Improvements	\$24,000-\$32,000 (8)	Terms Set by Vendors	As incurred	Contractors
Insurance	\$6,300-\$17,100	Terms Set by Vendors	As purchased	Vendors
Misc. Opening Costs	\$12,500 (9)	Lump Sum	As purchased	Vendors
Signs	\$5,000-\$15,000 (10)	Lump Sum	As purchased	Vendors
Initial Training	\$3,400-\$5,800 (11)	Terms Set by Vendors	As purchased	Vendors
Additional Funds (3) Months	\$30,000-\$100,000 (12)	As Incurred	As incurred	Employees, Suppliers, Utilities
Total	\$153,200-\$356,400 (13)			

1) When you develop new locations under an Area Agreement, you must pay GPI a development fee of \$3,000 for each location to be developed. This development fee is also described in Item 5 of this disclosure document. For purposes of the total investment number at the end of this table, GPI assumes you will develop three locations.

2) GPI collects the initial franchisee fee after GPI performs its pre-opening services and the location opens. GPI may reduce the initial franchise fee to encourage you to develop multiple locations. See Item 5 of this disclosure document.

- 3) If GPI rejects the proposed site, GPI will return the full amount of this deposit to you. If you open the new location within six (6) months after receiving site approval, the entire amount of the deposit will be credited to the payment of the required initial franchise fee. If you fail to open the new location within six (6) months after receiving site approval, GPI may retain the entire amount of the deposit. See Item 5.
- 4) The amount of this deposit is \$1,000 for a non-traditional location, and may be waived in certain circumstances. See Item 5.
- 5) This includes the amount you must pay to GPI or a third-party vendor designated by GPI for a promotional kit. Most recent promotional kits have cost from about \$180 to \$350 per location. See Item 11. Advertising expenditures will vary, depending mainly upon the type of media used, advertising frequency, and size of the city in which the unit is located.
- 6) The amounts described in this table assume that you will purchase new equipment.
- 7) Rent will vary depending on the size and location of the unit. The range of rental amounts described is for three months.
- 8) Includes cost of leasehold improvements only for the Godfather's Pizza portion of the convenience store or other non-traditional location.
- 9) Includes security deposits, utility costs and incorporation fees.
- 10) Includes cost of signs for Godfather's Pizza operation only.
- 11) You will incur approximately \$100 to \$200 per day in expenses for food and lodging for each person who attends the initial training session described in Item 11 of this disclosure document. You will also be responsible for travel expenses that will vary depending on type of transportation and length of travel. As described in Items 5 and 6 of this disclosure document, GPI reserves the right, in its sole discretion, to charge you a training fee of \$500 for each individual you send to training for a non-traditional location. This table assumes you will have two people for whom a training fee will be charged.
- 12) This figure estimates your initial start-up expenses for a three-month period. These expenses include payroll and food costs. These figures are estimates and GPI cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors that include: how much you follow GPI's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for Godfather's Pizza products; the prevailing wage rate; competition; and the sales level you reach during this initial period.
- 13) GPI relied on its 50 years of experience in the pizza restaurant business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

**YOUR ESTIMATED INITIAL INVESTMENT TO BUILD A NEW
GODFATHER'S PIZZA DELIVERY/CARRYOUT RESTAURANT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Development Fee	\$3,000 per unit (1)	Lump Sum	Upon Signing Area Agreement	GPI
Initial Franchise Fee	\$0-\$15,000 (2)	Lump Sum	After opening of franchised location	GPI
Site Submission Deposit	\$3,000 (3)	Lump Sum	When you submit a site to GPI for approval	GPI
Continuing Fee Deposit	\$0-\$5,000 (4)	Lump Sum	After opening of franchised location	GPI
Advertising	\$2,000-\$10,000 (5)	Terms set by Vendors	As incurred	Vendors
Equipment	\$100,000-\$245,000	Terms set by Vendors	When ordered	Vendors
Opening Inventory	\$7,000-\$12,000	Terms set by Vendors	As ordered	Vendors
Lease of Real Estate (3 months)	\$5,000-\$20,000 (6)	Monthly	Monthly	Landlord
Leasehold Improvements	\$180,000-\$300,000	Terms Set by Vendors	As incurred	Contractors
Insurance	\$7,800-\$21,300	Terms Set by Vendors	As purchased	Vendors
Misc. Opening Costs	\$12,500 (7)	Lump Sum	As purchased	Vendors
Signs	\$7,500-\$15,000	Lump Sum	As purchased	Vendors
Initial Training	\$4,500-\$7,800 (8)	Terms Set by Vendors	As purchased	Vendors
Additional Funds (3 months)	\$90,000-\$100,000 (9)	As incurred	As incurred	Employees, Suppliers, Utilities
Total	\$428,300-\$775,600 (10)			

1) When you develop new locations under an Area Agreement, you must pay GPI a development fee of \$3,000 for each location to be developed. This development fee is also

described in Item 5 of this disclosure document. For purposes of the total investment number at the end of this table, GPI assumes you will develop three locations.

2) GPI collects the initial franchisee fee after GPI performs its pre-opening services and the location opens. GPI may reduce the initial franchise fee to encourage you to develop multiple locations. See Item 5 of this disclosure document.

3) If GPI rejects the proposed site, GPI will return the full amount of this deposit to you. If you open the new location within six (6) months after receiving site approval, the entire amount of the deposit will be credited to the payment of the required initial franchise fee. If you fail to open the new location within six (6) months after receiving site approval, GPI may retain the entire amount of the deposit. See Item 5.

4) The amount of this deposit is \$5,000 for a delivery/carryout location, and may be waived in certain circumstances. See Item 5.

5) This includes the amount you must pay to GPI or a third-party vendor designated by GPI for a promotional kit. Most recent promotional kits have cost from about \$200 to \$900 per location. See Item 11. Advertising expenditures will vary, depending mainly upon the type of media used, advertising frequency, and size of the city in which the unit is located.

6) Rent will vary depending on the size and location of the unit. The range of rental amounts described is for three months.

7) Includes security deposits, utility costs, and incorporation fees.

8) You will incur approximately \$100 to \$200 per day in expenses for food and lodging for each person who attends the initial training session described in Item 11 of this disclosure document. You will also be responsible for travel expenses that will vary depending on type of transportation and length of travel. As described in Items 5 and 6 of this disclosure document, GPI reserves the right, in its sole discretion, to charge you a training fee of \$750 for each individual you send to training for a traditional location, including a delivery/carryout location. This table assumes you will have two people for whom a training fee will be charged.

9) This figure estimates your initial start-up expenses for a three-month period. These expenses include payroll and food costs. These figures are estimates and GPI cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors that include: how much you follow GPI's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for Godfather's Pizza products; the prevailing wage rate; competition; and the sales level you reach during this initial period.

10) GPI relied on its 50 years of experience in the pizza restaurant business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

**YOUR ESTIMATED INITIAL INVESTMENT TO PURCHASE AN EXISTING
COMPANY-OPERATED GODFATHER'S PIZZA RESTAURANT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee	\$0-\$25,000 (1)	Lump Sum	After opening of franchised location	GPI
Continuing Fee Deposit	\$0-\$5,000 (2)	Lump Sum	After opening of franchised location	GPI
Advertising	\$2,000-\$10,000 (3)	Terms Set by Vendors	As incurred	Vendors
Equipment	\$25,000-\$300,000 (4)	Terms Set by GPI	Monthly	GPI
Opening Inventory	\$9,000-\$13,000	Terms Set by Vendors	As ordered	Vendors
Lease of Real Estate (3 months)	\$7,400-\$36,000 (5)	Monthly	Monthly	Landlord
Leasehold Improvements	Included with Equipment (6)	Terms Set by GPI	Monthly	GPI
Insurance	\$7,800-\$24,000	Terms Set by Vendors	As purchased	Vendors
Misc. Opening Costs	\$12,500 (7)	Lump Sum	As purchased	Vendors
Signs	\$0-\$12,500 (8)	Lump Sum	As purchased	Vendors
Initial Training	\$4,500-7,800 (9)	Terms Set by Vendors	As purchased	Vendors
Additional Funds (3 Months)	\$90,000-200,000 (10)	As incurred	As incurred	Employees, Suppliers, Utilities
Total	\$158,200-\$645,800 (11)			

1) GPI normally charges an initial franchise fee, within the range described above, when you buy an existing company-operated location from GPI. If GPI charges an initial franchise fee, it will be collected after GPI performs its pre-opening services and the location opens. GPI may reduce the initial franchise fee to encourage you to develop multiple locations. See Item 5 of this disclosure document.

- 2) The amount of this deposit is \$5,000 for a traditional location, including a delivery/carryout location, and may be waived in certain circumstances. See Item 5.
- 3) This includes the amount you must pay to GPI or a third-party vendor designated by GPI for a promotional kit. Most recent promotional kits have cost from about \$200 to \$900 per location. See Item 11. Advertising expenditures will vary, depending mainly upon the type of media used, advertising frequency, and size of the city in which the unit is located.
- 4) This figure is based on GPI's estimate of the cost of leasehold improvements and equipment if you purchase a company-operated location.
- 5) Rent will vary depending on the size and location of the unit. The range of rental amounts described is for three months.
- 6) As described in Item 10 of this disclosure document, GPI does not provide financing.
- 7) Includes security deposits, utility costs, and incorporation fees.
- 8) The cost of the sign is normally included in the cost of equipment and leasehold improvements described above. This price range is provided if the sign needs to be replaced.
- 9) You will incur approximately \$100 to \$200 per day in expenses for food and lodging for each person who attends the initial training session described in Item 11 of this disclosure document. You will also be responsible for travel expenses that will vary depending on type of transportation and length of travel. As described in Items 5 and 6 of this disclosure document, GPI reserves the right, in its sole discretion, to charge you a training fee of \$750 for each individual you send to training. This table assumes you will have two people for whom a training fee will be charged.
- 10) This figure estimates your initial start-up expenses for a three-month period. These expenses include payroll and food costs. These figures are estimates and GPI cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors that include: how much you follow GPI's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for Godfather's Pizza products; the prevailing wage rate; competition; and the sales level you reach during this initial period.
- 11) GPI relied on its 50 years of experience in the pizza restaurant business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES:

To maintain the consistency of the products and services sold by Godfather's Pizza franchisees, GPI requires you to purchase certain food products, supplies, and paper products used in preparing pizza and other products from distributors approved by GPI. This does not include fresh produce, which you may purchase from local food vendors. These distributors must purchase these products only from suppliers approved by GPI. You must purchase certain major

items of equipment, like ovens, dough mixers, and dough sheeters, from manufacturers designated by GPI or the distributors of these manufacturers. No officer of GPI owns an interest in any approved supplier or distributor to the Godfather's Pizza system.

GPI's Quality Assurance and Materials Management Departments developed the specifications for approved suppliers and distributors. These specifications primarily relate to the ability of an approved supplier or distributor to comply with GPI's quality assurance guidelines. GPI may modify these specifications by notifying the suppliers and distributors in writing. GPI will issue these specifications to approved and prospective suppliers and distributors, and will provide them to franchisees upon request.

A supplier or distributor may apply to GPI to become an approved supplier or distributor. An existing or prospective franchisee may also propose that a new supplier or distributor be approved. GPI emphasizes the ability of a proposed supplier or distributor to adhere to GPI's quality assurance and confidentiality standards. GPI also emphasizes the willingness of a distributor to distribute the full line of products required by a franchisee. GPI may approve a limited number of suppliers and distributors in a market area to help monitor quality assurance standards, and will approve an exclusive supplier for certain products. GPI will provide current franchisees, at the franchisee's request, with a copy of its criteria used to evaluate proposed new suppliers and distributors. GPI does not charge proposed new suppliers or distributors for evaluation to be a GPI supplier or distributor.

If you want to purchase an item from a distributor that GPI has not approved, GPI may have you submit a sample of the item to GPI. GPI will inspect the proposed distributor's plant and evaluate the ability of the distributor to offer a full line of products. GPI will notify you in writing of the approval or disapproval of a distributor you proposed. GPI does not have a specified time frame within which GPI agrees to notify franchisees of decisions concerning approval of proposed new suppliers or distributors. GPI will notify you as soon as possible after GPI makes a decision.

GPI may revoke the approval of a distributor or supplier that breaches its Distributor Agreement or Supplier Agreement with GPI. GPI will advise all franchisees dealing with a distributor in writing if GPI revokes the approval of a distributor. GPI will advise all distributors in writing if GPI revokes the approval of a supplier.

GPI or its affiliates do not serve as suppliers for any categories of goods or services, except for certain marketing materials, including banners and promotional kits. GPI normally sells these items to franchisees at an amount approximately equal to GPI's cost to produce these items. In GPI's most recent fiscal year, ended May 28, 2023, GPI's total revenues were \$19,564,000 and GPI's total revenues from the purchases of the marketing materials were \$76,000. GPI estimates that the required purchases and leases from approved suppliers and distributors will constitute 80% of your purchases and leases in establishing your franchised business, and 80% of your purchases and leases in operating your franchised business. Certain approved suppliers of required purchases pay GPI rebates up to 7% of purchases for certain core ingredients and up to 25% of purchases for certain ancillary items and services. GPI uses this amount to help fund the cost of advertising and marketing materials developed for use by the system, provide support for the development of advertising and marketing materials, and to pay a portion of the cost of system wide or regional meetings.

GPI negotiates purchase arrangements with suppliers (including price terms) for certain items for the benefit of franchisees, but you will determine most of your prices by negotiations between you and approved suppliers and distributors. GPI does not operate any purchasing or distribution cooperatives. To GPI's knowledge there are no product purchase or distribution cooperatives in the Godfather's Pizza system.

GPI will not provide material benefits (like granting additional franchises to you) based on your use of designated suppliers or distributors.

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.

FRANCHISEE'S OBLIGATIONS

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM # IN DISCLOSURE DOCUMENT	SECTION IN AREA AGREEMENT
a. Site selection and acquisition/lease	Section 1C	Item 11	Section 1&2
b. Pre-opening purchases/leases	Section 2	Item 7	Section 1&2
c. Site development and other pre-opening requirements	Section 2	Item 11	Section 1&2
d. Initial and ongoing training	Section 3A	Item 11	No obligation imposed
e. Opening	Section 2	Item 11	Section 1&2
f. Fees	Section 6	Items 5&6	Section 3
g. Compliance with standards and policies/operating manuals	Sections 1C, 2, 3C	Item 11	No obligation imposed
h. Trademarks and proprietary information	Section 4	Item 13	Section 4
i. Restrictions on products/services offered	Sections 3B and 3C	Item 16	No obligation imposed
j. Warranty and customer service requirements	No obligation imposed	No obligation imposed	No obligation imposed

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM # IN DISCLOSURE DOCUMENT	SECTION IN AREA AGREEMENT
k. Territorial development and sales quotas	Sections 1C and 1D	Item 5	Section 1&2 and Exhibit A
l. Ongoing product/service purchases	Sections 2, 3B and 3C	Item 8	No obligation imposed
m. Maintenance, appearance, and remodeling requirements	Section 9A	Item 7	No obligation imposed
n. Insurance	Section 9G	Item 7	Section 9B
o. Advertising	Section 10	Item 7	Section 4
p. Indemnification	Section 5	Item 13	Section 9A
q. Owner's participation/management/staffing	Sections 1C and 9F	Item 15	No obligation imposed
r. Records and reports	Section 11	Item 6	Section 7
s. Inspections and audits	Section 12	Item 6	No obligation imposed
t. Transfer	Section 13	Item 17	Section 5
u. Renewal	Section 14	Item 17	Section 6
v. Post-termination obligations	Section 16	Item 17	Section 6
w. Non-competition covenants	Sections 8 and 16E	Item 17	Section 6
x. Dispute resolution	No obligation imposed	No obligation imposed	Section 1
y. Personal Guaranty	Section 17K	Items 1, 17	Section 10E

ITEM 10. FINANCING:

GPI does not offer direct or indirect financing. GPI does not guarantee your note, lease or obligations.

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

Except as listed below, GPI is not required to provide you with any assistance.

Before you open your business, GPI will:

1. Provide you with written specifications for all equipment, fixtures, and supplies necessary for the operation of a Godfather's Pizza restaurant. GPI does not sell these items to you except marketing materials, but provides you with the names of approved suppliers. (Franchise Agreement, Sections 2, 3B and 3C). See Item 8 of this disclosure document.
2. Though not required by the Franchise Agreement, GPI may assist you in selecting and obtaining a site and provide you information that GPI has about floor plans, building codes, utilities and other services. In evaluating a site, GPI considers population of the area, traffic count, accessibility, availability of utilities, zoning, costs, competition, availability of labor, economic conditions of the area, family income average, and proximity to major shopping and other commercial areas. Regardless of whether GPI assists you in selecting a site, GPI must approve your site before GPI will issue a Franchise Agreement to you. (Area Agreement, Section 2B; Franchise Agreement, Section 2). There is no time limit for GPI to approve your site. GPI will not permit you to operate a Godfather's Pizza location at a site GPI has not approved. As described in more detail in Item 5 of this disclosure document, you must pay GPI a deposit of \$3,000 when you submit a site for approval. This deposit will either be refunded to you, applied to your initial franchise fee for the location or retained by GPI, depending on whether the site is approved and when you open the location.
3. Though not required by the Franchise Agreement, GPI may provide you with information GPI has regarding financing.
4. Assist you in implementing the procedures for operating a Godfather's Pizza location. (Franchise Agreement, Section 3B).
5. Not more than 60 days before you open your Godfather's Pizza location, GPI will provide one of the following full service restaurant (FSR) or quick service restaurant (QSR) training programs, depending on the type of location you will operate. These FSR and QSR training programs are scheduled at times that take into consideration the opening dates of new locations. Before beginning one of these FSR and QSR training programs, trainees must complete approximately four hours of online training for the QSR program and approximately six hours of online training for the FSR program. The FSR and QSR training programs are held in Omaha, Nebraska, the location of GPI's corporate headquarters, but may also be conducted remotely in GPI's discretion. GPI may designate a company-operated or franchised location in another city as a training site.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
5 Day Quick Service Restaurant Operations, Owner/Operator Functions	Approximately 21 hours	Approximately 21 hours	Omaha, Nebraska
15 Day Full-Service Restaurant Operations, Owner/Operator Functions	Approximately 45 hours	Approximately 99 hours	Omaha, Nebraska

The online component of the FSR and QSR training programs cover subjects that include trainee orientation/ introduction, product preparation, standard operating procedures, customer service, management training, equipment maintenance and safety. These subjects are then covered in more detail in the classroom and on-site training.

GPI's trainers for full service and quick service restaurant operations have from 5 to 25 years of operations experience, including from 1 to 4 years with Godfather's Pizza and from 1 to 17 years of training experience, including from 1 to 4 years with Godfather's Pizza.

GPI may, in its sole discretion, charge you a training fee of \$750 for each individual you send to training for a traditional location, including a delivery/carryout location, and \$500 for each individual you send to training for a non-traditional location. In addition, you must pay the travel and living expenses for you and your employees.

We require all new hires of your franchise to complete their assigned learning path in The Informant, which is GPI's online training program, within 30 days of their hire date. The Franchise Agreement (Section 3A) requires you or an owner of a franchise that is an entity, and allows GPI to require your location managers or multi-unit supervisors, to complete the FSR or QSR training program to GPI's satisfaction. Upon the successful completion of training GPI provides a certification of completion to each trainee. Additional training may be provided to a trainee if necessary to enable the trainee to successfully complete this training. GPI does not permit a location to open until all persons required to be trained have completed the training program.

During the operation of the franchised business, GPI will:

1. Provide guidance to you in the form of written materials, telephone conversations, emails and other forms of electronic communications, meetings at GPI's offices or consultations at the location to provide advice to you and your key employees. (Franchise Agreement, Section 3B).
2. Provide you with a written report showing any areas in which your location fails to comply with GPI's specifications. You must promptly take action to correct these failures. GPI will, at your expense and upon your request, provide advice at your location (in addition to the

visits described in the previous paragraph). GPI will provide this service by telephone without additional charge to you. (Franchise Agreement, Sections 3B and 12A).

3. Loan you digital copies of GPI's Operations Manual that contain specifications, standards, obligations, and operating procedures. This manual is confidential and remains GPI's property. GPI will modify this manual, but the modifications will not alter your status and rights under the Franchise Agreement. (Franchise Agreement, Section 3C). The tables of contents for these manuals are attached as Exhibit "D" to the disclosure document. The Full Service Restaurant Operations Manual has 479 pages including the front cover; the Quick Service Restaurant Operations Manual has 369 pages including the front cover.

4. GPI requires all franchisees to properly enroll all new hires into the learning management system and oversee completion of their assigned training program within 30 days of employment. GPI may require your newly hired managers and multi-unit supervisors of franchisees to be trained at training locations to be determined by GPI. GPI may charge a training fee for training provided to newly hired managers and multi-unit supervisors of \$750 for each person you send to training for a traditional location, including a delivery/carryout location, and \$500 for each person you send to training for a non-traditional location. In addition, you must pay the travel and living expenses for your newly hired managers and multi-unit supervisors to attend such training.

GPI may also provide periodic refresher training courses for you, your managers and multi-unit supervisors at training locations determined by GPI. Section 3A of the Franchise Agreement allows GPI to require you, previously trained managers, multi-unit supervisors and your employees to complete such periodic refresher training courses. GPI may charge a fee for these refresher courses at per diem rates established from time-to-time by GPI. GPI may also require that certain of your accounting and marketing personnel attend teleconferences or other forms of training regarding GPI's current procedures for the payment of franchise fees and the implementation of marketing and training programs. GPI will have the right from time-to-time during the term of the Franchise Agreement to determine the amount of any training fees to be charged for the refresher courses and other training described in this paragraph.

GPI normally holds up to two regional roundtable meetings per year for traditional franchise owner/operators and up to two regional roundtable meetings per year for non-traditional franchise owner/operators which all franchisees are invited to attend, either in person or by video conference. At these roundtable meetings GPI personnel and franchisees discuss operations, marketing, and other franchise related topics. There is no charge to franchisees to attend these meetings, but you may have to pay travel and living expenses for you and the persons who attend with you.

GPI or third party vendors designated by GPI provide advertising materials and services to you. (Franchise Agreement, Section 10A). These materials and services include copies of television and radio commercials, cover designs for print advertising materials and promotional kits that include banners, posters and related material for use within your location. You must pay duplication and development costs for CDs, DVDs or digital links of television commercials and CDs or digital links of radio commercials. You must pay an amount about equal to our cost for the promotional kits. Most recent promotional kits have cost from about \$180 to \$350 per

location for non-traditional locations and \$200 to \$900 per location for full service and delivery/carryout locations. GPI's in-house marketing and production personnel produce the television and radio commercials and promotional kits, with assistance from regional marketing and promotional agencies.

You may develop advertising material for your own use, at your own cost. GPI has the right to approve these advertising materials before you use them. GPI's franchisees place advertising locally. Local advertising agencies hired by individual franchisees or advertising cooperatives often place this advertising. GPI does not have an advertising council composed of franchisees that advises GPI on advertising policies.

We have not established a formal Advertising Fund (the "Fund") for advertising, marketing, and public relations programs and materials we deem appropriate, but we reserve the right to do so. (Franchise Agreement, Section 10B). If we establish the Fund, you must contribute to the Fund the amounts that we periodically require. (See Item 6). Godfather's Pizza locations that we operate will contribute to the Fund on the same basis as franchisees. We have the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with Godfather's Pizza locations and with whom we have agreed that we will so deposit these allowances.

If we establish the Fund, we will direct all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce website, mobile app and/or related strategies; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, and other media advertising; using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Fund may advertise locally, regionally, and/or nationally in printed materials, on radio or television, and/or on the internet, whatever we think best. The Fund periodically will give you samples of advertising, marketing, and promotional formats and materials at no cost. We will sell you multiple copies of these materials at costs approximating our direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Fund separately from our other funds and not use the Fund for our general operating expenses. However, we may use the Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Fund, the Fund's other administrative costs, travel expenses of personnel while they are on Fund business, meeting costs, overhead relating to Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Fund and its programs, including conducting market research; public relations; preparing advertising, promotion, and marketing materials; and collecting and accounting for Fund contributions.

The Fund will not be our asset. The Fund also will not be a trust. We will hold all Fund contributions for the benefit of the contributors and use contributions only for their permitted purposes (described above). We will have no fiduciary obligation to you for administering the

Fund. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will not use Fund contributions for advertising that principally is a solicitation for the sale of franchises. We will prepare an annual, unaudited statement of Fund collections and expenses and give it to you on written request. We may incorporate the Fund or operate it through a separate entity when we think best. The successor entity will have all of the rights and duties described here.

If established, the Fund will be intended to maximize recognition of the Marks and patronage of Godfather's Pizza locations. Although we will try to use the Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Godfather's Pizza locations, we need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by Godfather's Pizza locations operating in that geographic area or that any Godfather's Pizza locations benefits directly or in proportion to its Fund contributions from the development of advertising and marketing materials or the placement of advertising. We may use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Fund.

We may at any time defer or reduce a franchisee's Fund contributions and, upon 30 days prior written notice to you, reduce or suspend Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If we terminate the Fund, we will use the remaining amounts in the Fund to defray costs associated with the advertising programs and overhead costs, as described above.

The Franchise Agreement requires you to spend five percent (5%) of your sales for full service or delivery/carryout locations and three percent (3%) for convenience store or other non-traditional locations on advertising Godfather's Pizza products and your business. (Franchise Agreement, Section 10A). If you buy an existing company-operated location, or develop new locations in markets where GPI has company-operated locations, you normally must participate in cooperative advertising with the company-operated and franchised locations in that market area. In some cases this cooperative advertising may require you to spend more than five percent (5%) of your sales for full service or delivery/carryout locations and three percent (3%) of your sales for convenience store or other non-traditional locations on advertising and promotion, depending on the nature and extent of the cooperative advertising and the sales volume of your restaurant. (Franchise Agreement, Section 10A).

GPI will define the area and membership in a cooperative, based on the area reached by television and radio stations in the market. You will pay a pro rata share of the cost of advertising and promotion in the market. Your share depends on the number of locations or net sales you have in the market as a percentage of the total locations or net sales in the market. Your pro rata share will be determined in the same way as that of all other franchisees located in the advertising cooperative. GPI will contribute to the cooperative at the same rate as franchisees contribute. GPI may reduce your contribution to the cooperative, or that of GPI or other franchisees, if you, GPI or another franchisee have locations in parts of the market where all

households do not receive the media outlets that run the advertising. GPI is responsible for administration of the cooperative. The cooperative will not always have written documents that govern its operation. GPI will describe your requirement to participate in the cooperative in an exhibit to the Franchise Agreement. The cooperatives do not have to prepare annual or periodic financial statements. GPI has the power to decide if GPI will form, change, dissolve or merge cooperatives. GPI will establish cooperatives only in markets where GPI operates locations. Other than the advertising cooperatives described in this paragraph and the preceding paragraph, you are not required to participate in any other advertising fund unless we establish the Fund described in this Item 11.

Franchisees typically open their restaurants within four to six months after they sign an Area Agreement or after they decide to open an individual restaurant. The factors that affect this time are the ability to obtain a lease, financing or building permits, zoning and local ordinances, weather conditions, shortages, and delayed installation of equipment, fixtures and signs.

GPI requires that full service and delivery/carryout locations have a point-of-sale system approved by GPI. We estimate the cost of a new point-of-sale system to be \$23,000 to \$28,000. GPI requires convenience store or other non-traditional locations to have a point-of-sale system that will identify all Godfather's Pizza products and pricing sold and can provide net sales reports in a form and content specified by GPI. GPI does not require you to use a specified computer system, but you must use a computer and may need a tablet in the operation of your business which: (1) has the amount of memory specified from time-to-time by GPI; (2) has internet access with such capabilities as GPI may require; (3) has the ability to operate all software programs that GPI requires; (4) will enable you to offer on-line ordering or similar forms of customer ordering as required by GPI; and (5) has such other capabilities and features as GPI may require to generate information regarding sales, franchise fees, employee training, marketing information, customer counts and related customer information. We estimate that you can purchase a computer for use in the operation of your business for approximately \$1,500. We estimate you can purchase an android tablet for use in the operation of your business for approximately \$250. GPI requires franchisees to use and maintain digital menu boards or similar boards approved at the discretion of the Company. We estimate that the cost of a new menu board system to be \$1,500 to \$13,000. GPI requires convenience store and other non-traditional locations to have a product labeling system approved by GPI to be used only for Godfather's Pizza products. GPI recommends using its specified vendor, but does not require use of that vendor. GPI reserves the right to specify the vendor in the future. We estimate the cost of a new product labeling system to be \$2,800 plus shipping and tax.

Neither GPI, nor any affiliate or third party has any obligation to provide ongoing maintenance, repairs, upgrades or updates for your computer system. GPI may require you to upgrade or update your computer system during the term of the Franchise Agreement, and there are no limitations in the Franchise Agreement or other agreement on the frequency or cost of your obligation to upgrade or update. GPI has independent access to the information that will be generated or stored in some electronic cash register or computer systems. This information includes sales, transactions, pricing, and labor related information. There are no contractual limitations on GPI's right to access the information. You must also comply with all requirements specified by GPI for the use of Technology Sites. As defined in the Franchise Agreement, the term "Technology Sites" includes a website, online ordering site or mobile app, social

networking site or other means of promoting your business on the internet, the worldwide web or other means of technology, whether now available or developed in the future. All new franchised locations will be required to have online ordering prior to opening with a vendor approved by GPI.

It is GPI's policy and practice to monitor any websites and social media sites developed or used by franchisees to ensure that links used by franchisees from their websites do not negatively reflect on the trademarks of GPI. Any offers, coupons or other discounts you offer by means of the internet must be approved in advance by GPI and limited to specific locations you operate. It is also GPI's policy to require you to submit to GPI for approval any email marketing plans you intend to use.

ITEM 12. TERRITORY:

You will operate your Godfather's Pizza unit at a specific location that we first must approve. You may operate the location only at the approved premises and may not relocate the premises without our prior approval.

Except as described in the last paragraph of this Item 12, you will not receive an exclusive territory for any single traditional or non-traditional location that you develop and operate. You may face competition from other Godfather's Pizza locations that we franchise or own and that operate at traditional or non-traditional units and locations that are licensed to sell Godfather's Pizza To Go products or Godfather's Pizza retail products located near your Godfather's Pizza location. Also, you may face competition from other outlets operating under different brands that we franchise or own, or from other channels of distribution or competitive brands we control. As more fully described in Item 5 of this disclosure document, if you sign an Area Agreement you receive the exclusive right to develop a specified number of franchised locations within a designated development area during the term specified in the Area Agreement. GPI may grant rights to others within the development area, at locations other than Godfather's Pizza franchised traditional full service or delivery/carryout or non-traditional store locations, for the retail sale of products, such as the retail products described in Item 1 of this disclosure document, and/or the sale of licensed products, including but not limited to the Godfather's Pizza To Go program described in Item 1. In an Area Agreement for traditional locations GPI reserves the right to grant franchises for non-traditional locations in the development area. In an Area Agreement for non-traditional locations GPI reserves the right to grant franchises for traditional locations in the development area. In an Area Agreement for the development of both traditional and non-traditional locations in the development area, GPI's rights to grant additional franchises in the development area will be described in an amendment to the Area Agreement.

We retain all rights with respect to the Godfather's Pizza trademarks described in this disclosure document (the "Marks"), the sale of similar or dissimilar products and services, and any other activities we deem appropriate, including, but not limited to:

1. the right to provide, offer and sell, and to grant others the right to provide, offer and sell, goods and services that are identical or similar to and/or competitive with those provided at Godfather's Pizza locations, whether identified by the Marks or other trademarks or service marks, through dissimilar channels of distribution (including grocery stores, the internet or

similar electronic media) from any location and on any terms and conditions we deem appropriate;

2. the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, from any location, including dissimilar channels of distribution (including grocery stores, the internet or similar electronic media), under the Marks and on any terms and conditions we deem appropriate;

3. the right to operate, and to grant others the right to operate, Godfather's Pizza locations located anywhere outside your location, including at non-traditional locations, under terms and conditions we deem appropriate and regardless of proximity to your location;

4. the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Godfather's Pizza locations, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; and

5. the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction) by a business providing products and services similar to those provided at Godfather's Pizza locations, or by another business, even if such business operates, franchises and/or licenses competitive businesses in your territory.

We are not required to pay you if we exercise any of the rights specified above regardless of proximity to your location.

We do not restrict you from soliciting or accepting orders from outside your location, except that you may not solicit delivery orders from destinations located more than an eight (8) minute drive time from your location. To the extent that you are unable to restrict the delivery area serviced by third-party delivery services, this prohibition does not apply. Certain catering or vending events more than an eight (8) minute drive from your location may be allowed with prior written approval from GPI.

At your request GPI will consider granting you a right of first refusal to develop additional Godfather's Pizza locations in areas near your location. GPI will base its decision on GPI's perception of your financial and operational ability to operate additional locations.

While GPI normally will not provide you with an exclusive territory, we may in very limited situations provide you with an exclusive territory. These limited situations in which GPI may provide an exclusive territory will normally involve a prospective franchisee who wants to open in a highly visible location or area where GPI desires to have a presence, but the franchisee is unwilling to do so without the grant of an exclusive territory. If we do so, we will describe your territory in your Franchise Agreement before you sign it. We will determine the size and boundaries of your territory in our discretion, based on factors such as population density, character of neighborhood, location and number of competing businesses and other factors. Your territory may be defined by: (1) one or more five-digit ZIP Codes, (2) county or city boundaries, (3) fixed geographical boundaries such as rivers, streets or highways, or (4) an area

identified by a map. When determining the territory, we generally use demographic statistics provided by the U.S. Census Bureau.

ITEM 13. TRADEMARKS:

GPI grants you the right to operate a retail location selling pizza and related products under the name Godfather's Pizza. You may also use GPI's other current or future trademarks to operate your location. By trademark GPI means trade names, trademarks, service marks and logos used to identify your location and the products sold from your location. GPI registered the trademark of a hand holding a pizza shown below on the United States Patent and Trademark Office ("USPTO") principal register on March 13, 1979, at registration number 1,114,984 and on August 2, 2005 at registration number 2,980,618.



GPI also has registered the trademark "Godfather's Pizza" on the USPTO principal register on September 19, 2000 at registration number 2,386,870 and on the principal register on October 31, 2000 at registration number 2,398,968. GPI has filed all required affidavits for the trademarks described above, and has renewed each of the trademarks for which renewal was required within the time provided for such renewals.

You must follow GPI's rules when you use these Marks. You cannot use a name or mark with modifying words, designs or symbols except for those which GPI licenses to you. You cannot use GPI's registered trademarks in the sale of an unauthorized product or service or in a manner not authorized in writing by GPI. You cannot use GPI's registered trademarks in the name of your business entity or in any online domain name.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving GPI's use or ownership rights in any trademarks, or any currently effective agreements that significantly limit GPI's rights to use or license any of its trademarks, nor does GPI know of any infringing uses that could materially affect your use of GPI's trademarks.

Section 4D of the Franchise Agreement permits GPI, in its sole discretion, to modify or discontinue the use of any trademark, and to use one or more additional or substitute trademarks. You must comply, at your sole cost, with GPI's directions to modify or otherwise discontinue use of a trademark within a reasonable time after notification by GPI. GPI will not reimburse you for your direct expenses of changing the signs at your location, for any loss of revenue due to any modified or discontinued trademark, or for your expenses of promoting a modified or substitute trademark or service mark.

We will reimburse you for all damages and expenses that you incur in any trademark infringement or unfair competition proceeding disputing your authorized use of any trademark under the Franchise Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any trademark.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION:

You do not have the right to use an item covered by a patent or copyright, but you can use the proprietary information in GPI's Operations Manuals. GPI owns no rights to any patents and has no pending patent applications that are material to the franchise. Item 11 describes the Operations Manuals. GPI has not filed an application for copyright registration for the Operations Manuals, but GPI owns all rights to the copyright for these manuals, and this information is proprietary. Item 11 describes limitations on the use of all of these manuals by you and your employees. You may use these manuals in the operation of your Godfather's Pizza location on the condition that you not use the information contained in such manuals for any other business, that you not disclose this information to any third party and that you return these manuals to GPI upon the termination or expiration of the Franchise Agreement.

There currently are no effective adverse determinations of the USPTO, the Copyright Office (Library of Congress), or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if in the system's best interests. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright. You do not have any rights under the Franchise Agreement if we require you to modify or discontinue using the subject matter covered by a copyright.

Our Operations Manuals and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes site selection criteria; recipes for certain food products; training and operations materials; methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge and experience used in developing and operating Godfather's Pizza locations; marketing and advertising programs for Godfather's Pizza locations; any computer software or similar technology that is proprietary to us or the system; knowledge of specifications for and suppliers of products and supplies; knowledge of the operating results and financial performance of Godfather's Pizza locations other than your location; and graphic designs and related intellectual property.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent improper disclosure to others and use non-disclosure and non-competition agreements with those having access.

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

GPI normally requires that the owner of the franchised business have a minimum of one (1) year managerial experience within the restaurant or food service industries. GPI encourages you to be actively involved in the day-to-day operation of the business. GPI does not require that you

personally supervise the franchised business. However, you must have your business directly supervised “on-premises” by a manager. GPI may require this manager to complete GPI’s training program described in Item 11. The manager need not have an ownership interest in a corporate, limited liability company or partnership franchisee.

All owners of an interest in a Franchise Agreement or Area Agreement, including the owners of interests in a corporation, limited liability company, partnership or other entity that is the franchisee, must sign a personal guaranty. An owners’ spouse is not required to sign a personal guaranty unless he or she also is an owner of an interest in the Franchise Agreement or Area Agreement. Exhibit “A” of the Franchise Agreement and Exhibit “C” of the Area Agreement contain the forms of these guaranties. The signers of this guaranty agree to pay all amounts owed by the franchisee to GPI, carry out the franchisee’s other obligations to GPI, and observe the confidentiality requirements referred to in the guaranty. GPI may waive the guaranty requirement, in its sole discretion, for very large and well capitalized franchisees.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL:

GPI requires you to sell Godfather's Pizza products from your location only. You must prepare these products according to GPI's specifications. You must buy the ingredients you use in preparing Godfather's Pizza products from distributors approved by GPI. (See Item 8).

GPI does not require that you sell every Godfather's Pizza product, but GPI may require you to sell certain products in the future. There are no limits on GPI's right to make these changes. GPI may permit you to sell Godfather's Pizza products at wholesale to convenience stores or other retailers. GPI will put the conditions for these sales in an exhibit to the Franchise Agreement. GPI reserves the right to withhold its consent to sell products at the wholesale level.

GPI will permit you to deliver pizza and soft drinks from your location, if you comply with the other provisions of the Franchise Agreement. GPI does not permit you to solicit delivery orders from customers who do not live within an eight (8) minute drive from your location. To the extent that you are unable to restrict the delivery area services by third-party delivery services, this prohibition does not apply. Certain catering or vending events more than an eight (8) minute drive from your location may be allowed with prior written approval from GPI. You may offer buffet services in your location only under the terms and conditions described in the Operations Manual and in other written communications from GPI.

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.

FRANCHISE AGREEMENT

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a.	Length of the franchise term	Section 1C	Term is 5 years from the date set forth in Franchise Agreement.

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
b.	Renewal	Section 14A	If you are in good standing, you have the right to renew the Franchise for additional terms of 5 years each.
c.	Requirements for you to renew	Sections 14A, 14B and 14C	Give GPI written notice not less than 180 days or more than 240 days before current term ends and sign new Franchise Agreement, a release (if law allows) and other documents GPI uses to grant franchises; pay renewal fee of \$2,000 for full service and delivery/carryout locations or \$1,000 for non-traditional locations for first renewal term or renewal fees specified in the most recent form of Franchise Agreement you have signed for additional renewal terms; maintain premises of location and refurbish the location as required by GPI; relocate the location if you cannot retain the location or GPI believes it should be relocated. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you will be asked to sign a new Franchise Agreement that may contain terms and conditions materially different from those in your previous Franchise Agreement, such as different fee requirements and territorial rights.
d.	Termination by you	Section 15A	You can terminate if GPI has uncured default.
e.	Termination by GPI without cause	None	N/A
f.	Termination by GPI with cause	Section 15B	GPI can terminate only if you default.
g.	“Cause” defined-curable defaults	Section 15B	You have 3 days to cure violations of health, sanitation or safety laws or violations of any specification or standard relating to cleanliness or sanitation; 5 days to cure defaults related to use of the Marks, failure to provide insurance certificates in a timely manner or failure to follow GPI's standards and specifications for quality of food and beverage products. You have 10 days to cure failure to pay initial franchise fee within 5 days after opening or to report sales and pay amounts owed to GPI

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
			when due. You have 30 days to cure other curable defaults. If you commit a second curable default of any kind, GPI may require you to sign its then current form of Franchise Agreement as a condition for curing that default.
h.	“Cause” defined-non curable defaults	Section 15B	Abandonment of location, termination of lease, material misrepresentation in franchise application, conviction of certain crimes, unauthorized transfers of franchise or ownership of franchisee, failure to pay all required taxes in a timely manner, unauthorized use or disclosure of confidential information, failure to resume timely payment of continuing fees after franchisee has paid a continuing fee deposit following a fee payment default after the second year of the Franchise Agreement term, failure 3 or more times to submit reports and pay amounts to GPI when due or other failure to comply with Franchise Agreement, even if cured, and violation of anti-terrorism laws described in Franchise Agreement.
i.	Your obligations on termination/non-renewal	Section 16	Obligations include stop operating as Godfather’s Pizza location, assign lease for the location (other than a non-traditional location) to GPI, completely de-identify, submit all reports, pay all amounts owed to GPI, change phone number, take down websites and social networking sites or permit GPI to assume operation of such sites, contact all third-party delivery services to arrange for elimination from any websites, social networking sites, or mobile applications, and notify GPI of compliance with these obligations.
j.	Assignment of contract by GPI	Section 13A	GPI can assign to anyone who assumes GPI’s obligations under the Franchise Agreement.
k.	“Transfer” by you-definition	Section 13B	Includes transfer of contract or assets or ownership change.
l.	GPI’s approval of transfer by you	Section 13C	GPI must approve all transfers but may not unreasonably withhold approval if conditions

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
			<p>in Franchise Agreement met. The proposed transferee must sign a new Franchise Agreement if required by GPI. GPI will not recognize a transfer that occurs without GPI's written approval. If a transfer occurs without such approval, GPI in its sole discretion may: (1) refuse to recognize the transfer, in which case all sales of Godfather's Pizza products at the locations subject to the transfer must cease and all use of GPI's Marks, trade name, intellectual property, and confidential and proprietary information must cease; (2) allow the proposed transferee to apply to GPI for approval, but suspend the sale of Godfather's Pizza products until all conditions for approval are satisfied and the transfer is approved; or (3) permit the sale of Godfather's Pizza products to continue at the location while the proposed transferee applies to GPI for approval and undergoes the application process. If the sale of Godfather's Pizza products is prohibited or suspended at a location, GPI will notify the food distributor for the location to cease or suspend the sale of GPI's proprietary products to that location. If GPI allows the proposed transferee to apply for approval and approval is denied, all sales of Godfather's Pizza products (if allowed during the application process) and all use of the GPI's Marks, trade name, intellectual property, and confidential and proprietary information must cease, effective on the proposed transferee's receipt of such denial.</p>
m.	Conditions for GPI approval of transfer	Section 13C	<p>(a) Transferee has sufficient experience, aptitude and financial resources; (b) Transferee may be required to submit to criminal and credit background investigations; (c) Transferee must sign then current form of Franchise Agreement as required by GPI; (d) you must pay or transferee must provide adequate assurance that all amounts owed by you to GPI will be paid; (e) you must submit all required reports; (f) transferee must</p>

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
			complete training; (g) you must return manuals to GPI; (h) lessor of location must consent; (i) you must subordinate right to receive payment for amounts you finance for transferee to GPI's right to receive payments from transferee under Franchise Agreement; (j) you or transferee must pay a \$5,000 transfer fee for a traditional location, including a delivery/carryout location, and a non-traditional location; (k) you must execute release to GPI where permitted by law; (l) GPI must approve material terms of transfer; (m) you must agree to 2 year non-compete.
n.	GPI's right of first refusal to acquire your business	Section 13E	GPI can match any offer for your business.
o.	GPI's option to purchase your business	Section 16D	If you default, GPI can acquire the right to lease your location (other than a non-traditional location) to operate or franchise a Godfather's Pizza location.
p.	Your death or disability	Section 13B	The transfer of an interest in the franchisee, the Franchise Agreement, the franchise or the location following death or disability is treated as a transfer subject to the terms of Section 13 of the Franchise Agreement.
q.	Non-competition covenants during the term of the franchise	Section 8	No business anywhere by franchisee, its owners or members of franchisee's management team, or their immediate families, offering pizza or other products similar to those offered by Godfather's Pizza locations.
r.	Non-competition covenants after the franchise is terminated or expires	Section 16E	No competing business for two years by franchisee, its owners or members of franchisee's management team, or their immediate families, within 10 miles of a franchised or company-operated Godfather's Pizza location or your former Godfather's Pizza location.
s.	Modification of the agreement	Section 17I	Written modifications allowed by agreement of you and GPI.

	PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
t.	Integration/merger clause	Section 17J	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable.
u.	Dispute resolution by arbitration or mediation	None	N/A
v.	Choice of forum	Section 17H	The state and federal courts of Douglas County, Nebraska are the exclusive venues for most actions brought regarding Actions arising out of or related to the Franchise Agreement, unless the franchise law of your state provides otherwise. Also, may be brought only in state or federal courts in Omaha, Nebraska. You agree to submit to the jurisdiction of these courts, which are the exclusive forums for litigation, except that GPI may bring actions (1) for money owed; (2) for injunctive or other extraordinary relief; or (3) for relief involving real property in any state or federal court that has jurisdiction.
w.	Choice of law	Section 17G	Federal law or law of state of your location applies to certain matters; in all other matters Nebraska law applies.

AREA AGREEMENT

	PROVISION	SECTION IN AREA AGREEMENT	SUMMARY
a.	Length of the term	Section 6A	Terminates at the end of the development schedule in the Area Agreement, unless GPI agrees in its sole discretion to extend or modify the development schedule.
b.	Renewal or extension of the term	Section 6C	As agreed by you and GPI.
c.	Requirements for you to renew or extend	Section 6C	Agree in writing with GPI.
d.	Termination by you	Section 6B	You can terminate if GPI defaults and does not cure default within 30 days.
e.	Termination by GPI without cause	None	N/A

	PROVISION	SECTION IN AREA AGREEMENT	SUMMARY
f.	Termination by GPI with cause	Section 6B	GPI can terminate only if you default.
g.	“Cause” defined-curable defaults	Section 6B	You have 30 days to cure defaults, except those described in the Area Agreement as incurable.
h.	“Cause” defined-non-curable defaults	Section 6B	All defaults can be cured except failure to complete development or defaults under the Franchise Agreement which cannot be cured and are defaults under the Area Agreement.
i.	Your obligations on termination/non-renewal	Section 6D	You can operate restaurants in development area, but GPI can permit other development.
j.	Assignment of contract by GPI	Section 5A	GPI can assign to anyone who assumes GPI’s obligations under Agreement.
k.	“Transfer” by you-definition	Sections 1B and 5B	Includes transfer of assets or contract or ownership change.
l.	GPI’s approval of transfer by you	Section 5B	GPI has right to approve all transfers but may not unreasonably withhold approval.
m.	Conditions for GPI approval of transfer	None, but see policy described in Note 1 below.	N/A
n.	GPI’s right of first refusal to acquire your business	Section 5B(3)	GPI can match any offer for your business.
o.	GPI’s option to purchase your business	None	N/A
p.	Your death or disability	None	N/A
q.	Non-competition covenants during the term of the franchise	None	N/A
r.	Non-competition covenants after the franchise is terminated or expires	None	N/A
s.	Modification of the agreement	Sections 6B, 8B	GPI can modify development area or schedule if you default; you and GPI can agree to other modifications any time.

	PROVISION	SECTION IN AREA AGREEMENT	SUMMARY
t.	Integration/merger clause	Section 10B	Only the terms of Area Agreement are binding (subject to state law). Any other promises may not be enforceable.
u.	Dispute resolution by arbitration or mediation	None	N/A
v.	Choice of forum	Section 1H	The state and federal courts of Douglas County Nebraska are the exclusive venues for actions brought regarding the Area Agreement, unless the franchise law of your state provides otherwise.
w.	Choice of law	Section 1H	Federal law or law of state of development area applies to certain matters; Nebraska law applies to all other matters.

Note 1- GPI normally requires new franchisees to have a net worth of at least \$350,000, a liquid net worth of at least \$200,000 and one year of restaurant operating experience. GPI will consider waiving the restaurant experience requirement for persons with substantial net worth. GPI will consider waiving the net worth requirement if the proposed franchisee has substantial restaurant operating experience, particularly in the Godfather's Pizza system. Area developers will be required to agree to develop at least three locations and will have higher net worth requirements, depending primarily on the number of locations they agree to develop. Area developers may not transfer any of their franchise locations without the written approval of GPI.

Termination on Bankruptcy

A provision in your Franchise Agreement that terminates the franchise on your bankruptcy may not be enforceable under Title 11, United States Code Section 101 et seq.

Reinstatements and Extensions

If any termination or expiration of the term of the Franchise Agreement would violate any applicable law, we may reinstate or extend the term for the purpose of complying with the law.

ITEM 18. PUBLIC FIGURES:

GPI does not use any public figure to promote its franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS:

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a

reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet 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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make 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 our Franchise Services Department, the Federal Trade Commission and any appropriate regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION:

TABLE NO. 1

**SYSTEMWIDE OUTLET SUMMARY FOR
YEARS 2021 TO 2023**

The information in Tables 1-4 below is for GPI's fiscal years, which end on the last Sunday in May.

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	576	583	7
	2022	583	595	12
	2023	595	599	4
Company- Owned	2021	10	10	0
	2022	10	9	-1
	2023	9	9	0
Total Outlets	2021	586	593	7
	2022	593	604	11
	2023	604	608	4

TABLE NO. 2

**TRANSFERS OF OUTLETS FROM FRANCHISEES TO
NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2021 TO 2023**

State	Year	Number of Transfers
Alabama	2021	3
	2022	0
	2023	0
Iowa	2021	1
	2022	0
	2023	2
Kentucky	2021	0
	2022	0
	2023	1
Minnesota	2021	0
	2022	1
	2023	0
Missouri	2021	1
	2022	1
	2023	0
Nebraska	2021	1
	2022	1
	2023	3
North Carolina	2021	0
	2022	3
	2023	0

State	Year	Number of Transfers
Ohio	2021	0
	2022	1
	2023	0
South Dakota	2021	1
	2022	0
	2023	0
Tennessee	2021	2
	2022	0
	2023	0
Texas	2021	0
	2022	2
	2023	0
Total	2021	9
	2022	9
	2023	6

TABLE NO. 3

STATUS OF FRANCHISED OUTLETS FOR YEARS 2021 TO 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
Alabama	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
Alaska	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Arkansas	2021	6	1	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	1	0	0	0	0	8
Arizona	2021	3	1	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
California	2021	6	0	1	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	2	0	0	0	0	7
Colorado	2021	11	3	0	0	0	0	14
	2022	14	0	0	0	0	0	14
	2023	14	1	-1	0	0	0	14
Connecticut	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Florida	2021	2	1	1	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
Georgia	2021	7	2	0	0	0	0	9
	2022	9	0	3	0	0	0	6
	2023	6	1	0	0	0	0	7
Illinois	2021	40	6	0	0	0	0	46
	2022	46	3	1	0	0	0	48
	2023	48	2	0	0	0	0	50
Indiana	2021	30	3	1	0	0	0	32
	2022	32	3	0	0	0	0	35
	2023	35	2	-2	0	0	0	35
Iowa	2021	88	7	2	0	0	0	93
	2022	93	2	3	0	0	0	92
	2023	92	3	-3	0	0	0	92
Kansas	2021	19	0	4	0	0	0	15
	2022	15	1	0	0	0	0	16
	2023	16	3	-1	0	0	0	18
Kentucky	2021	58	0	11	0	0	0	47
	2022	47	2	3	0	0	0	46
	2023	46	0	-1	0	0	0	45
Louisiana	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
Michigan	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Minnesota	2021	21	1	0	0	0	0	22
	2022	22	2	0	0	0	0	24
	2023	24	3	-4	0	0	0	23
Mississippi	2021	5	0	1	0	0	0	4
	2022	4	2	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Missouri	2021	36	0	10	0	0	0	26
	2022	26	3	2	0	0	0	27
	2023	27	3	0	0	0	0	30
Montana	2021	3	0	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Nebraska	2021	46	2	3	0	0	0	45
	2022	45	0	2	0	0	0	43
	2023	43	2	-2	0	0	0	43
Nevada	2021	2	1	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
New Mexico	2021	4	0	0	0	0	0	4
	2022	4	1	0	0	0	0	5
	2023	5	0	0	0	0	0	5
North Carolina	2021	4	3	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	1	0	0	0	0	8
North Dakota	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	0	-2	0	0	0	5
Ohio	2021	11	1	1	0	0	0	11
	2022	11	0	0	0	0	0	11
	2023	11	0	-2	0	0	0	9
Oklahoma	2021	45	3	0	0	0	0	48
	2022	48	3	0	0	0	0	51
	2023	51	1	-1	0	0	0	51
Oregon	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Pennsylvania	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
South Carolina	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
South Dakota	2021	18	1	0	0	0	0	19
	2022	19	1	0	0	0	0	20
	2023	20	1	0	0	0	0	21
Tennessee	2021	28	2	1	0	0	0	29
	2022	29	2	4	0	0	0	27
	2023	27	0	-7	0	0	0	20
Texas	2021	26	3	0	0	0	0	29
	2022	29	3	1	0	0	0	31
	2023	31	1	0	0	0	0	32
Utah	2021	1	0	0	0	0	0	1
	2022	1	1	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Virginia	2021	3	1	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Washington	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
West Virginia	2021	16	1	0	0	0	0	17
	2022	17	1	1	0	0	0	17
	2023	17	0	0	0	0	0	17
Wisconsin	2021	2	0	1	0	0	0	1
	2022	1	0	1	0	0	0	0
	2023	0	0	0	0	0	0	0
Wyoming	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	-1	0	0	0	2
Totals	2021	576	44	37	0	0	0	583
	2022	583	34	22	0	0	0	595
	2023	595	31	-27	0	0	0	599

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2021 TO 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Iowa	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
Kansas	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Minnesota	2021	1	0	0	0	0	1
	2022	1	0	0	1	0	0
	2023	0	0	0	0	0	0
Nebraska	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
	2023	4	0	0	0	0	4
South Dakota	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Totals	2021	10	0	0	0	0	10
	2022	10	0	0	1	0	9
	2023	9	0	0	0	0	9

TABLE NO. 5
PROJECTED OPENINGS AS OF MAY 28, 2023

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Arizona	0	2	0
California	0	1	0
Connecticut	0	1	0
Georgia	0	2	0
Illinois	0	4	0
Indiana	0	2	0
Iowa	0	3	3

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Kansas	0	3	0
Kentucky	0	4	0
Louisiana	0	2	0
Minnesota	0	2	0
Mississippi	0	1	0
Missouri	0	4	0
Nebraska	0	1	0
Nevada	0	1	0
New Mexico	0	3	0
New York	0	1	0
North Carolina	0	1	0
Ohio	0	1	3
South Dakota	0	2	0
Texas	0	6	0
Utah	0	0	0
Washington	0	1	0
West Virginia	0	1	0
Wisconsin	0	1	0
Wyoming	0	1	0
TOTAL	0	51	3

Exhibit “E-1” lists the names of all of our operating franchisees and the addresses of their locations and their telephone numbers as of May 28, 2023. Exhibit “E-2” lists the franchisees who have signed Franchise Agreements for locations which were not yet operational as of July 28, 2023. Exhibit “E-3” lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In one instance in the past three fiscal years, a former franchisee signed provisions restricting his ability to speak openly about his experiences with the Godfather's Pizza system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are no independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS:

Exhibit "C" contains the following audited financial statements of GPI:

1. Consolidated Balance Sheets as of May 28, 2023 and May 29, 2022. Statements of Income, Shareholders' Equity, and Cash Flows for the fiscal year ended May 28, 2023 and the fiscal year ended May 29, 2022.

2. Consolidated Balance Sheets as of May 29, 2022 and May 30, 2021. Statements of Income, Shareholders' Equity, and Cash Flows for the fiscal year ended May 29, 2022 and the fiscal year ended May 30, 2021.

ITEM 22. CONTRACTS:

The following documents are exhibits to this disclosure document:

1. A Franchise Agreement, which is referred to in this disclosure document. Exhibit "B-1".

2. An Area Development Agreement, which is the Area Agreement referred to in this disclosure document, used when the prospective franchisee is entering into an agreement to develop an area rather than a single franchised location. Exhibit "B-2".

ITEM 23. RECEIPTS:

Exhibit "F" contains detachable documents acknowledging your receipt of this disclosure document.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
STATE OF CALIFORNIA

- (1) THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.
- (2) Neither the franchisor, any person or franchise broker 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 such persons from membership in such association or exchange.
- (3) California Business and Professions Code Sections 20000 through 20043 provides rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
- (4) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 et seq.).
- (5) 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.
- (6) The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- (7) Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.
- (8) The Franchise Agreement requires application of the laws of the State of Nebraska. This provision may not be enforceable under California law.
- (9) Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
- (10) You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the

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

- (11) Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the contents of the website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

EXHIBIT "A"

DIRECTORY OF AGENCIES

Listed here are names, addresses, and telephone numbers of state and federal agency personnel having responsibility for franchising disclosure/registration laws and selected business opportunity laws.

California

Department of Financial Protection and Innovation

Los Angeles

320 West 4th Street, Suite 750

Los Angeles, California 90013-2344

(866) 275-2677

Los Angeles

300 South Spring Street, Suite 15513

Los Angeles, California 90013-1259

(866) 275-2677

Sacramento

2101 Arena Boulevard

Sacramento, California 95834

(866) 275-2677

San Diego

1455 Frazee Road, Suite 315

San Diego, California 92108

(866) 275-2677

San Francisco

One Sansome Street, Suite 600

San Francisco, California 94104-4428

(866) 275-2677

Commissioner of Financial Protection and Innovation

Clothilde V. Hewlett

<http://www.dfpi.ca.gov>

Connecticut

Cynthia Antanaitis

Assistant Director

Securities and Business Investment Division

Connecticut Department of Banking

260 Constitution Plaza

Hartford, Connecticut 06103-1800

(800)-831-7225

www.ct.gov/dob

Florida

Tom Kenny
Regulatory Consultant
Department of Agriculture and Consumer Services
Division of Consumer Services
P.O. Box 6700
Tallahassee, Florida 32399-6700
(800) 435-7352
Fax: (850) 410-3804
<https://fdacs.gov/Divisions-Offices/Consumer-Services>

Hawaii

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

Commissioner of Securities
Ty Y. Nohara
<http://hawaii.gov/dcca/sec>

Illinois

Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62701
(217) 782-4465

Registration and Materials Inquiries:
500 South Second Street
Springfield, Illinois 62701
(217) 782-4465
<http://www.illinoisattorneygeneral.gov/Consumer-Protection/For-Businesses/Franchise/>

Indiana

Connor Skelly
Registrations Attorney
Franchise Section
Indiana Securities Division
Secretary of State
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681
<https://securities.sos.in.gov>

Iowa

Dennis Britson
Director of Regulated Industries Unit
Iowa Securities Bureau
1963 Bell Avenue, Suite 100
Des Moines, Iowa 50315
(515) 281-5705
Fax: (515) 281-3059
<http://www.iid.iowa.gov>

Maryland

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360
<http://www.oag.state.md.us/Securities>

Michigan

Consumer Protection Division
Franchise Section
525 West Ottawa Street
Williams Building, 1st Floor
Lansing, Michigan 48933
(517) 335-7567
<http://www.michigan.gov/ag/about>

Minnesota

Department of Commerce
Securities Section
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1638
<http://mn.gov/commerce/licensees>

Nebraska

Debbie Yost
Department of Banking and Finance
1526 K Street
Suite 300
Lincoln, Nebraska 68508
(402) 471-3445
<http://www.ndbf.ne.gov>

New York

Administrator:
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st FL.
New York, NY 10005
(212) 416-8222
<https://ag.ny.gov/about/about-office/economic-justice-division#investor-protection>

North Dakota

Diane Lillis
Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue, Fifth Floor
Department 414
Bismarck, North Dakota 58505-0510
(800) 297-5124
<http://www.nd.gov/securities/franchise-registration>

Oregon

Floyd Lanter
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140
Fax: (503) 947-7862
<http://dfcs.oregon.gov>

Rhode Island

David Briden
Chief Securities Examiner
Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Building 68-2
Cranston, Rhode Island 02920-4407
(401) 462-9527
<https://dbr.ri.gov/divisions/securities/franchising.php>

South Dakota

Franchise Administrator
Division of Insurance
Securities Regulation
124 S. Euclid Avenue, Second Floor
Pierre, South Dakota 57501-3185
(605) 773-3563
(605) 773-5953
<http://www.sdjobs.org/securities>

Texas

Dorothy Wilson
Statutory Document Section
Secretary of State
1019 Brazos
Austin, Texas 78701
(512) 475-0775
<http://www.sos.state.tx.us/statdoc/index.shtml>

Utah

Francine A. Giani
Director
Division of Consumer Protection
Utah Department of Commerce
160 East 300 South
SM Box 146704
Salt Lake City, Utah 84114-6704
(801) 530-6601
Fax: (801) 530-6001
<http://consumerprotection.utah.gov>

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, Ninth Floor
1300 E. Main Street
Richmond, Virginia 23219
(804) 371-9051
<http://www.scc.virginia.gov>

Washington

Bill Beatty
Administrator
Department of Financial Institutions
Securities Division
150 Israel Rd, SWPO Box 9033
Tumwater, WA 98507-9033
(360) 902-8760
<http://www.dfi.wa.gov/sd/franchise.htm>

Wisconsin

Mary Wells
Operations Program Associate
Department of Financial Institutions
Division of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-1064
<http://www.wdfi.org/fi/securities/franchise/default.htm>

EXHIBIT "A"
REGISTERED AGENTS OF GPI

<u>ALASKA</u> Corporation Service Company 8585 Old Dairy Road, Suite 208 Juneau, AK 99801	<u>ALABAMA</u> Corporation Service Company, Inc. 641 South Lawrence Street Montgomery, AL 36104
<u>ARKANSAS</u> Corporation Service Company 300 Spring Building, Suite 900 300 S. Spring Street Little Rock, AR 72201	<u>ARIZONA</u> Corporation Service Company 8825 N 23rd Avenue, Suite 100 Phoenix, AZ 85021
<u>CALIFORNIA</u> Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, CA 90013-2344 CSC-Lawyers Incorporating Service 2710 Gateway Oaks Drive Suite 150N Sacramento, CA 95833-3505	<u>COLORADO</u> Corporation Service Company 1900 W. Littleton Boulevard Littleton, CO 80120
<u>CONNECTICUT</u> Corporation Service Company Goodwin Square 225 Asylum Street 20 th Floor Hartford, CT 06103	<u>DISTRICT OF COLUMBIA</u> Corporation Service Company 1090 Vermont Ave., N.W. Washington, DC 20005
<u>DELAWARE</u> Corporation Service Company 251 Little Falls Drive Wilmington, DE 19808	<u>FLORIDA</u> Corporation Service Company 1201 Hays Street Tallahassee, FL 32301
<u>GEORGIA</u> Corporation Service Company 2 Sun Court, Suite 400 Peachtree Corners, GA 30092	<u>HAWAII</u> Corporation Service Company 1003 Bishop Street Suite 1600 Pauahi Tower Honolulu, HI 96813
<u>IDAHO</u> Corporation Service Company 1305 12 th Avenue Road Nampa, ID 83686	<u>ILLINOIS</u> Illinois Attorney General's Office 500 South Second Street Springfield, IL 62706
<u>INDIANA</u> Corporation Service Company 135 North Pennsylvania Street Suite 1610 Indianapolis, IN 46204	Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 <u>IOWA</u> Corporation Service Company 505 5th Avenue, Suite 729 Des Moines, IA 50309

<p><u>KANSAS</u> Corporation Service Company 2900 SW Wanamaker Drive Suite 204 Topeka, KS 66614</p>	<p><u>KENTUCKY</u> Corporation Service Company 421 West Main Street Frankfort, KY 40601</p>
<p><u>LOUISIANA</u> Corporation Service Company 501 Louisiana Avenue Baton Rouge, LA 70802</p>	<p><u>MAINE</u> Severin M. Beliveau, Clerk c/o Corporation Service Company 45 Memorial Circle Augusta, ME 04330</p>
<p><u>MARYLAND</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020</p>	<p><u>MASSACHUSETTS</u> Corporation Service Company 84 State Street Boston, MA 02109</p>
<p><u>MICHIGAN</u> Consumer Protection Division Franchise Section 525 West Ottawa Street Williams Building, 1st Floor Lansing, MI 48933</p> <p>CSC-Lawyers Incorporating Service (Company) 3410 Belle Chase Way, STE 600 Lansing, MI 48911</p>	<p><u>MINNESOTA</u> Minnesota Commissioner of Corporations 380 Jackson Street Suite 418 St. Paul, MN 55101</p> <p>Corporation Service Company 2345 Rice Street, Suite 230 Roseville, MN 55113</p>
<p><u>MISSISSIPPI</u> Corporation Service Company 109 Executive Drive, Suite 3 Madison, MS 39110</p>	<p><u>MISSOURI</u> CSC-Lawyers Incorporating Service Co. 221 Bolivar Street Jefferson City, MO 65101</p>
<p><u>MONTANA</u> Corporation Service Company 26 West Sixth Avenue P.O. Box 1691 Helena, MT 59624-1691</p>	<p><u>NEBRASKA</u> CSC-Lawyers Incorporating Service Co. 233 South 13th Street, Suite 1900 Lincoln, NE 68508</p>
<p><u>NEVADA</u> Corporation Service Company 112 North Curry Street Carson City, NV 89703</p>	<p><u>NEW HAMPSHIRE</u> Corporation Service Company 10 Ferry Street Suite 313 Concord, NH 03301</p>
<p><u>NEW JERSEY</u> Corporation Service Company Princeton South Corporate Ctr., Suite 160 100 Charles Ewing Blvd. Ewing, NJ 08628</p>	<p><u>NEW MEXICO</u> Corporation Service Company 110 E. Broadway Street Hobbs, NM 88240</p>

<p><u>NEW YORK</u> Secretary of State 99 Washington Avenue Albany, NY 12231 (518) 473-2492</p> <p>Corporation Service Company 80 State Street Albany, NY 12207-2543</p>	<p><u>NORTH CAROLINA</u> Corporation Service Company 2626 Glenwood Avenue, Suite 550 Raleigh, NC 27608</p>
<p><u>NORTH DAKOTA</u> North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor Bismarck, ND 58505-0510</p> <p>Corporation Service Company 600 S. 2nd Street, Suite 155 Bismarck, ND 58504</p>	<p><u>OHIO</u> Corporation Service Company 3366 Riverside Drive, Suite 103 Upper Arlington, OH 43221</p>
<p><u>OREGON</u> Corporation Service Company 1127 Broadway Street NE Suite 310 Salem, OR 97301</p>	<p><u>PENNSYLVANIA</u> Corporation Service Company 2595 Interstate Drive Suite 103 Harrisburg, PA 17110</p>
<p><u>RHODE ISLAND</u> Director, Department of Business Regulation 1511 Pontiac Avenue John O. Pastore Complex-Building 68-2 Cranston, RI 02920</p> <p>Corporation Service Company 222 Jefferson Boulevard, Suite 200 Warwick, RI 02888</p>	<p><u>SOUTH CAROLINA</u> Corporation Service Company 508 Meeting Street West Columbia, SC 29169</p>
<p><u>TENNESSEE</u> Corporation Service Company 2908 Poston Avenue Nashville, TN 37203</p>	<p><u>SOUTH DAKOTA</u> Corporation Service Company 503 South Pierre Street Pierre, SD 57501</p> <p>Director of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501</p>
<p><u>TEXAS</u> Corporation Service Company 2908 Poston Avenue Nashville, TN 37203</p>	<p><u>TEXAS</u> Corporation Service Company d/b/a CSC- Lawyers Incorporating Service Co. 211 E. 7th Street, Suite 620 Austin, TX 78701-3218</p>
<p><u>UTAH</u> Corporation Service Company 15 West South Temple, Suite 600 Salt Lake City, UT 84101</p>	<p><u>VERMONT</u> Corporation Service Company 100 North Main Street, Suite 2 Barre, VT 05641</p>

<p><u>VIRGINIA</u> Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219</p> <p>Corporation Service Company 100 Shockoe Slip, 2nd Floor Richmond, VA 23219</p>	<p><u>WASHINGTON</u> Director of Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater WA 98501</p>
<p><u>WEST VIRGINIA</u> Corporation Service Company 209 West Washington Street Charleston, WV 25302</p>	<p><u>WISCONSIN</u> Department of Financial Institutions Division of Securities 201 W. Washington Avenue Suite 300 PO Box 1768 Madison, WI 53701-1768</p> <p>Corporation Service Company 33 East Main Street, Suite 610 Madison, WI 53703</p>
<p><u>WYOMING</u> Corporation Service Company 1821 Logan Avenue Cheyenne, WY 82001</p>	

EXHIBIT "B-1"

**GODFATHER'S PIZZA, INC.
FRANCHISE AGREEMENT**

FRANCHISEE:

DATE OF AGREEMENT:

FRANCHISED LOCATION:

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EXHIBIT "A"

OWNER' S GUARANTY AND ASSUMPTION OF FRANCHISEE' S OBLIGATIONS

GODFATHER'S PIZZA, INC.

FRANCHISE AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20__, by and between Godfather's Pizza, Inc., a Delaware corporation, with its principal office at 2808 North 108th Street, Omaha, Nebraska 68164 (the "Company") and _____ whose principal address is _____ ("Franchisee").

1. PREAMBLES AND GRANT OF FRANCHISE

A. PREAMBLES

The Company has designed and developed products and methods of service for the sale of pizza and related products at locations identified by the trademark "Godfather's Pizza". Godfather's Pizza locations utilize distinctive and unique recipes, ingredients and methods of preparing food in distinctive and common formats, designs, equipment, signs, layout, décor, systems, methods, specifications, standards, and procedures, all of which may be improved, further developed or otherwise modified from time-to-time. The Company possesses proprietary rights in certain valuable trademarks and service marks (the "Marks") including the Mark "Godfather's Pizza". The Company grants to qualified persons franchises to own and operate Godfather's Pizza locations offering only the food and beverage products authorized and approved by the Company and utilizing the Company's recipes, distinctive and common formats, designs, equipment, signs, layout, décor, systems, methods, specifications, standards, procedures, and Marks. These franchise locations include locations that may provide sit-down, carryout, and/or delivery service (collectively referred to as "Traditional Locations") and non-traditional locations including, without limitation, convenience stores, military bases, shopping malls, airports, stadiums, major industrial or office complexes, hotels, school campuses, train stations, travel plazas, toll roads, casinos, hospitals, and sports and entertainment venues (collectively referred to in this Agreement as "Non-Traditional Locations").

B. ACKNOWLEDGMENTS

Franchisee acknowledges that Franchisee has read this Agreement and the Company's Franchise Disclosure Document ("FDD"), and Franchisee understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain the Company's high standards of quality and service and the uniformity of those standards at all Godfather's Pizza locations and thereby to protect and preserve the goodwill of the Marks. Franchisee recognizes that like any other business, the nature of the business conducted by Godfather's Pizza locations may evolve and change over time, that an investment in a Godfather's Pizza location involves business risks, and that the success of the venture is largely dependent upon the business abilities and efforts of Franchisee. Franchisee represents and warrants to the Company that: (i) neither Franchisee nor any affiliate or related person or entity is a party to any current franchise agreement, distribution agreement or other agreement or arrangement of any kind that prohibits Franchisee or any owner of Franchisee from selling Godfather's Pizza products

under this Agreement; and (ii) neither Franchisee nor any affiliate or related person or entity is currently subject to any covenant not to compete or similar agreement that directly or indirectly prohibits Franchisee or any owner of Franchisee from selling Godfather's Pizza products under this Agreement. Franchisee further represents and warrants to the Company that Franchisee has made no misrepresentations in obtaining the franchise.

C. GRANT OF FRANCHISE

Franchisee has applied for a franchise to own and operate a Godfather's Pizza location at and only at _____ (the "Location"). Except as otherwise specified in this Agreement, the term "Location" when used in connection with a Non-Traditional Location will mean only the portion of the Non-Traditional Location used for the preparation and sale of Godfather's Pizza products. Such application has been approved by the Company in reliance upon all of the representations made in that application and a letter of understanding signed by Franchisee as part of the franchise application process (the "Letter of Understanding"). Subject to the provisions of this Agreement, the Company hereby grants to Franchisee a franchise (the "Franchise") to operate a Godfather's Pizza location, and to use the Marks in the operation thereof at and only at the Location specified above for a term of five (5) years commencing on the date of this Agreement. Franchisee will be permitted to open the Location upon satisfaction of the following conditions: (i) the Company's construction personnel have determined and notified Franchisee that Franchisee has constructed the Location in substantial compliance with the plans and specifications submitted by Franchisee to the Company; (ii) Franchisee has provided to the Company all insurance certificates Franchisee is required to provide under the terms of this Agreement; (iii) Franchisee has submitted to Company one or more signed copies of this Agreement; and (iv) Franchisee acknowledges that it is required to pay the initial franchise fee under this Agreement within five days after opening the Location, and agrees to make such payment within that time. Termination or expiration of this Agreement shall constitute a termination or expiration of the Franchise. The Franchise is for the specified Location only, and does not in any way grant or imply any area, market or territorial rights proprietary to Franchisee.

Franchisee agrees to: (i) operate its business at the specified Location or an alternative location approved by the Company for the entire term of this Agreement; (ii) at all times faithfully, honestly and diligently perform Franchisee's obligations under this Agreement; (iii) continuously exert Franchisee's best efforts to promote and enhance the business of the Location; and (iv) not engage in any other business or activity that may conflict with Franchisee's obligations under this Agreement.

Franchisee acknowledges and understands that delivery services, including third-party delivery services, can be offered only if the Company issues its written authorization. Such authorization will be issued, in the Company's sole discretion, under the terms and conditions set forth in the then current Delivery Implementation Manual or similar publication describing the requirements for offering delivery service, all of which requirements Franchisee shall comply with as a condition to its continued right to provide delivery service. Franchisee may offer buffet services only under the terms and conditions described in the Company's then current operations manual ("Operations Manual") as that term is defined in this Agreement, or other written communications from the Company.

D. RIGHTS RESERVED BY THE COMPANY

Except as otherwise provided in this Agreement, the Company (on behalf of itself and its affiliates) retains, in its sole discretion and without granting any rights to Franchisee:

(1) the right to provide, offer and sell and to grant others the right to offer and sell goods and services that are identical or similar to and/or competitive with those offered or sold at Godfather's Pizza locations, whether identified by the Marks or other trademarks or service marks, through dissimilar channels of distribution (including, without limitation, grocery stores, the sale of licensed products from convenience stores and other locations identified by the Company, and sales on the internet or similar electronic media, collectively referred to as "Dissimilar Channels of Distribution") from any location and on any terms and conditions the Company deems appropriate;

(2) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, from any location, including Dissimilar Channels of Distribution, under the Marks and on any terms and conditions the Company deems appropriate;

(3) the right to operate, and to grant others the right to operate, Godfather's Pizza locations anywhere outside the Location, including at Non-Traditional Locations, under any terms and conditions the Company deems appropriate and regardless of proximity to the Location;

(4) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those sold at Godfather's Pizza locations, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; and

(5) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those sold at Godfather's Pizza locations, or by another business, even if such business operates, franchises and/or licenses competitive businesses.

2. FIXTURES, EQUIPMENT AND SIGNS

Franchisee agrees to construct its Location, after approval of the Location by the Company under its then current approval process, in full compliance with all plans and specifications approved in writing by the Company and the terms of the Letter of Understanding.

Franchisee agrees to use in the operation of the Location only those brands, types or models of fixtures, equipment and signs that the Company has approved for Godfather's Pizza locations as meeting its specifications and standards for quality, design, décor, appearance, function and performance. Franchisee further agrees to place or display at the Location only such signs, logos and display materials that are from time-to-time approved in writing by the Company.

The Company will provide Franchisee with a list of the then approved brands, types or models of fixtures, equipment and signs and one or more approved suppliers for such brands, types or models. If Franchisee proposes to purchase, lease or otherwise use any fixture, equipment or sign which is not then approved by the Company, Franchisee shall first notify the Company in writing and shall submit to the Company upon its request sufficient specifications, photographs, drawings and/or other information or samples for a determination by the Company of whether such fixture, equipment and/or sign complies with its specifications and standards. The Company will refuse to approve any such item(s) that does not meet the Company's standards or specifications. The Company may limit the number of suppliers and may designate exclusive suppliers of fixtures, equipment and signs to facilitate determining compliance with the Company's standards.

3. TRAINING AND GUIDANCE

A. TRAINING

As a condition precedent to the opening of the Location, Franchisee or an owner of Franchisee and, if requested by the Company, the Location manager and multiple unit supervisors of Franchisee, must successfully complete the Company's training program at training sites specified by the Company. Subsequent to the opening of the Location, the Company may require any new Location manager or multiple-unit supervisor of Franchisee to successfully complete the Company's training program at training sites specified by the Company. Franchisee shall be responsible for all travel and living expenses, compensation of and workers' compensation insurance for persons enrolled in the training program and any other personal expenses, and for the training fees (which the Company may charge in its sole discretion) of Seven Hundred Fifty Dollars (\$750.00), or Five Hundred Dollars (\$500.00) for trainees for Non-Traditional Locations, for each trainee. The Company may provide some or all of this training remotely in its sole discretion.

The Company may also require Franchisee and/or previously trained and experienced managers and multiple-unit supervisors to attend periodic refresher courses at training sites designated by the Company, including remote training. The Company reserves the right to charge a fee to Franchisee for refresher training courses or other specialized training at per diem rates established from time-to-time by the Company. In addition, the Company may require that certain accounting and marketing personnel of Franchisee attend periodic training sessions, which may be in the form of teleconferences, regarding the Company's then current procedures for the reporting and payment of continuing fees and the implementation of marketing programs; and the Company reserves the right to charge for such training sessions.

B. GUIDANCE

The Company may furnish to Franchisee guidance in connection with: (1) implementing procedures for opening and operating a Godfather's Pizza location; (2) methods, décor, standards and operating procedures utilized by Godfather's Pizza locations; (3) preparation of food and beverage products; (4) purchasing approved fixtures, equipment, signs, supplies and food and beverage products; (5) advertising and promotional programs; (6) employee training; and (7) administrative, accounting and general operating and management procedures.

Such guidance shall, in the discretion of the Company, be furnished in the form of the Company's Operations Manual, bulletins, other written materials (including materials provided exclusively online), and/or telephone conversations, emails, other means of electronic communications, or consultations at the offices of the Company or at the Location.

C. OPERATIONS MANUAL

The Company will provide to Franchisee during the term of the Franchise and any renewal thereof one copy of the Operations Manual, which shall at all times remain the property of the Company. Franchisee shall execute an acknowledgment of receipt of a copy of the Operations Manual. The Company may, in its sole discretion, provide all or any part of the Operations Manual in an online or other electronic format. The Operations Manual shall contain specifications, standards, obligations and operating procedures prescribed from time-to-time by the Company for Godfather's Pizza locations. Franchisee agrees to fully comply with such specifications, standards, obligations, and operating procedures set forth in the Operations Manual, or otherwise conveyed to Franchisee in writing. The Operations Manual may be modified from time-to-time to reflect changes in the image, specifications, standards, procedures and approved products and supplies for the operation of a Godfather's Pizza location. Franchisee shall keep Franchisee's copy of the Operations Manual current and in the event of a dispute relative to the contents of the Operations Manual, the master copy maintained by the Company shall be controlling. As part of keeping these manuals current, Franchisee agrees to delete all electronic copies and destroy all paper copies of all portions of these manuals that the Company requires Franchisee to delete. Franchisee may not at any time copy, in paper, electronic or any other format, any part of the Operations Manual.

4. MARKS

A. OWNERSHIP AND GOODWILL OF THE MARKS

Franchisee acknowledges that Franchisee's right to use the Marks is derived solely from this Agreement and is limited to the conduct of business by Franchisee at the Location in compliance with this Agreement and all applicable standards, specifications and operating procedures prescribed by the Company from time-to-time during the term of the Franchise. Any unauthorized use of the Marks by Franchisee shall constitute a material breach hereof and an infringement of the rights of the Company in and to the Marks. Franchisee acknowledges and agrees that all usage of the Marks by Franchisee and any goodwill established thereby shall inure to the exclusive benefit of the Company and that this Agreement does not confer any goodwill or other interests in the Marks upon Franchisee (other than the right to operate a Godfather's Pizza location in compliance with this Agreement). All provisions of this Agreement applicable to the Marks shall apply to any additional trade and service marks and commercial symbols hereafter authorized for use by and licensed to Franchisee by the Company.

B. LIMITATIONS ON FRANCHISEE'S USE OF THE MARKS

Franchisee agrees to use the Marks as the sole identification of the Location (or the Godfather's Pizza portion of a Non-Traditional Location), and Franchisee shall prominently identify itself as the independent owner and operator of the Location as a franchisee of the Company and shall otherwise indicate Franchisee's independent ownership as prescribed by the

Company from time-to-time. Franchisee shall not use any Mark as part of any company or trade name or online domain name, or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to Franchisee under this Agreement), or in any modified form, nor may Franchisee use any Mark in connection with the performance or sale of any unauthorized services or products or in any other manner not expressly authorized in writing by the Company. Franchisee agrees to prominently display the Marks at the Location and on packaging materials, forms, labels and advertising materials designated by the Company. All Marks shall be displayed in the manner prescribed by the Company. Franchisee agrees to give such notices of trade and service mark registrations as the Company specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law.

C. NOTIFICATION OF INFRINGEMENTS AND CLAIMS

Franchisee shall immediately notify the Company in writing of any apparent infringement of or challenge to Franchisee's use of any Mark, or claim by any person of any rights in any Mark or similar trade name, trademark or service mark. Franchisee shall not communicate with any person other than Franchisee's counsel, the Company or its counsel in connection with any such infringement, challenge or claim. The Company shall have sole discretion to take such action as it deems appropriate, and the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. Franchisee agrees to execute any and all documents, render such assistance and do such things as may, in the opinion of the Company's counsel, be necessary or advisable to protect the interests of the Company in any litigation or U.S. Patent and Trademark Office or other proceeding or to otherwise protect the interests of the Company in the Marks.

D. DISCONTINUANCE OF USE OF THE MARKS

If the Company decides in its sole discretion that the Company and/or Franchisee should modify or discontinue use of any Mark, and/or use one or more additional or substitute trade or service marks, Franchisee agrees to comply, at Franchisee's sole cost, with the Company's directions to modify or otherwise discontinue the use of such mark within a reasonable time after notice by the Company.

E. INDEMNIFICATION OF FRANCHISEE

The Company agrees to indemnify Franchisee against, and to reimburse Franchisee for, all damages for which Franchisee is held liable in any proceeding arising out of Franchisee's authorized use of any Mark in compliance with this Agreement, and for all costs reasonably incurred by Franchisee in the defense of any such claim (except for fees, expenses and other costs of Franchisee's personal legal counsel if Franchisee elects to be represented by counsel chosen by Franchisee), but Franchisee must timely notify the Company of such claim or proceeding and otherwise comply with this Agreement.

5. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

The parties agree that Franchisee is an independent contractor, that this Agreement does not create a fiduciary relationship between them and that nothing in this Agreement is intended to

make either party a general or special agent, joint venturer, partner or employee of the other for any purpose. Franchisee shall conspicuously identify itself in all dealings with customers, suppliers, public officials and others as the owner of the Location under a franchise agreement with the Company, and shall place notices of independent ownership on such forms, invoices, checks, stationery, advertising, social media, other online sites and other materials as the Company may require from time-to-time.

The Company has not authorized or empowered Franchisee to use the Marks except as permitted by this Agreement, and Franchisee shall not employ any of the Marks in signing any contract, check, purchase agreement, negotiable instrument or legal obligation, application for any license or permit, or in a manner that may result in liability of the Company for any indebtedness or obligation of Franchisee. Except as expressly authorized by this Agreement, neither the Company nor Franchisee shall make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the other or represent that their relationship is other than franchisor and franchisee and neither the Company nor Franchisee shall be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized by this Agreement. The Company shall have no liability for any sales, use, occupation, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee, the Location, Franchisee's property, or the Company, in connection with the sales made or business conducted by Franchisee or payments to the Company under this Agreement.

Franchisee agrees to indemnify, defend and hold the Company, its affiliates and subsidiaries, and their respective shareholders, directors, officers, members, managers, employees, contractors, agents, successors and assignees harmless against any liability for any claims arising out of the operation of the Location or a breach by Franchisee of the terms of this Agreement. For purposes of this indemnification, claims shall include all obligations, actual and consequential damages, punitive damages to the extent permitted by applicable law, taxes and costs reasonably incurred in the defense of any claim, including without limitation reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. The Company will notify Franchisee of any claims of which the Company becomes aware, and Franchisee will be given the opportunity to assume the defense of the matter. If Franchisee fails to assume the defense, the Company may defend the action in the manner it deems appropriate, and Franchisee shall pay the Company all costs, including attorney fees, incurred by the Company in effecting such defense in addition to any sum the Company may pay by reason of settlement or judgment against the Company. This indemnity shall continue in full force and effect after the expiration or termination of this Agreement. The Company's right to indemnity under this Agreement shall arise and be valid notwithstanding that joint or concurrent liability may be imposed on the Company by statute, regulation, ordinance or other laws.

6. FEES

A. INITIAL FRANCHISE FEE

Franchisee agrees to pay to the Company an initial franchise fee for a full service Traditional Location in the amount of _____ Thousand Dollars (\$ _____). The balance of the initial franchise fee, after reduction for any deposit paid by Franchisee with any site

submission form submitted by Franchisee and the application of a portion of the development fee paid by Franchisee under an Area Development Agreement if applicable, shall be due within five (5) days after Franchisee opens for business at the Location and, upon the completion of Company's pre-opening services shall be fully earned by the Company and is non-refundable.

Franchisee agrees to pay to the Company an initial franchise fee for a Traditional Location that is a delivery/carryout only Location in the amount of _____ Thousand Dollars (\$ _____). The balance of the initial franchise fee, after reduction for any deposit paid by Franchisee with any site submission form submitted by Franchisee and the application of a portion of the development fee paid by Franchisee under an Area Development Agreement if applicable, shall be due within five (5) days after Franchisee opens for business at the Location and, upon the completion of Company's pre-opening services shall be fully earned by the Company and is non-refundable.

Franchisee agrees to pay to the Company an initial franchise fee for a Non-Traditional Location in the amount of _____ Thousand Dollars (\$ _____). The balance of the initial franchise fee, after reduction for any deposit paid by Franchisee with any site submission form submitted by Franchisee and the application of a portion of the development fee paid by Franchisee under an Area Development Agreement if applicable, shall be due within five (5) days after Franchisee opens for business at the Location and, upon the completion of Company's pre-opening services shall be fully earned by the Company and is non-refundable.

B. CONTINUING FEES

(1) Franchisee agrees to pay to the Company, at such address and to such parties as Company may designate in writing from time-to-time, by Wednesday of each week for the preceding week (Monday through Sunday) royalties to secure its franchise equal to the greater of three and one-quarter percent (3.25%) of the net sales (as defined in this Section 6) of a Traditional or Non-Traditional Location, or \$175 for a Traditional Location or \$75 for a Non-Traditional Location, plus service compensation to compensate the Company for its continuing service in connection with advice to Franchisee in the operation of the Location, equal to the greater of three and one-quarter percent (3.25%) of the net sales (as defined in this Section 6) of a Traditional or Non-Traditional Location, or \$175 for a Traditional Location or \$75 for a Non-Traditional Location. Royalties and service compensation are collectively referred to as "continuing fees" in this Agreement.

(2) Should Franchisee temporarily close the Location due to a fire, weather related damage, or damage from other causes the Company determines that Franchisee could not reasonably control for a period of time approved by the Company in writing, Franchisee may be required to pay the minimum continuing fees (described in Section 6.B(1)) during this time, to be determined by the Company in its sole discretion.

(3) At the time Franchisee pays the initial franchise fee described in Section 6.A above, Franchisee will pay to the Company a deposit of One Thousand Dollars (\$1,000.00) for a Non-Traditional Location or Five Thousand Dollars (\$5,000.00) for a Traditional Location (including a delivery/carryout only location) (the "Continuing Fee Deposit"). The Company will retain the Continuing Fee Deposit and may apply it to the

payment of any amount of continuing fees described in a default letter sent to Franchisee by the Company for failure to pay continuing fees in a timely manner (the "Default Letter"). The Company will notify Franchisee any time it applies any portion of the Continuing Fee Deposit to past due continuing fees, and Franchisee will replace the amount so applied within ten (10) days after receipt of such notice. If Franchisee has not received a Default Letter in connection with any default by Franchisee under the Franchise Agreement by the second anniversary of the effective date of this Agreement, the Company will apply the Continuing Fee Deposit to future continuing fees payable by Franchisee under this Agreement. If Franchisee has received a Default Letter in connection with any default by Franchisee under this Agreement by the second anniversary of the effective date of this Agreement, Company will retain the remainder of the Continuing Fee Deposit on the second anniversary date. Company also may retain the Continuing Fee Deposit in its sole discretion as of the date of closing if Franchisee closes the Location before the second anniversary date. The Company may retain the Continuing Fee Deposit in its sole discretion if Franchisee transfers the Location before the second anniversary date to an approved franchisee, as determined by Company based on the facts and circumstances of the transfer. The Company will not be required to hold the Continuing Fee Deposit in a separate bank account or to pay interest to Franchisee on the Continuing Fee Deposit. The Company may, in its sole discretion waive this deposit, particularly for a current Godfather's Pizza franchisee with a good record of paying continuing fees in a timely manner, or for a new franchisee with an excellent credit background.

(4) If Franchisee defaults in timely payment of any amount payable to the Company under this Agreement at any time after the second anniversary of the effective date of this Agreement and thereafter timely cures this default and avoids termination of the term of this Agreement, the Company may at its sole discretion require Franchisee to deposit with the Company an amount equal to all continuing fees paid or payable (whichever is greater) by Franchisee for the two (2) month period immediately before such default. The Company will apply such funds to the timely payment of all continuing fees payable by Franchisee under this Agreement and will upon exhaustion of such funds terminate the term of this Agreement upon written notice to Franchisee but without an opportunity to cure the default, unless Franchisee has resumed timely payment of all charges under the Agreement.

C. TRAINING

The Company may, in its sole discretion, charge to Franchisee a training fee of Seven Hundred Fifty Dollars (\$750.00), or Five Hundred Dollars (\$500.00) for trainees for Non-Traditional Locations, for each person trained for Franchisee by the Company either before the commencement or during the term of this Agreement. As more fully described in Section 3.A, the Company may also, in its sole discretion, charge Franchisee at per diem rates established from time-to-time by the Company for refresher training courses or other specialized training courses. Additionally, the Company may, in its sole discretion, charge Franchisee a fee, to be established from time-to-time by the Company, for periodic training of Franchisee's accounting and marketing personnel. All training fees must be paid before training commences, and once paid are non-refundable.

D. DEFINITION OF "NET SALES"

The term "net sales" as used in this Agreement includes all sums charged by Franchisee for goods, merchandise or services, including alcoholic beverages and revenues from the sale of lottery tickets and revenues from keno and video gambling machines or similar devices (except at Non-Traditional Locations), received at or from the Location or from any remote location, including schools or special event venues at which the Company has authorized Franchisee to sell Godfather's Pizza products, including all premium items unless exempted by the Company in writing, and all charges to customers for the delivery of pizza and other approved products. Except for goods, merchandise or services to be delivered as described in Section 1.C, the sale of Godfather's Pizza products away from the Location is not authorized; however, should any such sales be approved in the future, they will be included within the definition of net sales. The term "net sales" for Non-Traditional Locations will mean only the sales of products using the Godfather's Pizza Marks, including all beverage sales made from the Godfather's Pizza area of the Non-Traditional Location. Net sales exclude any federal, state, county or city sales tax, excise tax or similar taxes collected by Franchisee from customers based upon sales, and cash received as payment in credit transactions where the extension of credit itself has already been included in the figure upon which the continuing fee is computed.

E. INTEREST ON LATE PAYMENTS

All continuing fees, advertising contributions, amounts due for purchases by Franchisee from the Company and its affiliates and other amounts which Franchisee owes to the Company shall bear interest after their due date at the highest applicable legal rate for open account business credit, not to exceed one and one-half percent (1.5%) per month. It is the intention of the parties to conform strictly to applicable usury laws, and it is agreed that if any excess amount is inadvertently collected it shall be applied to reduce the amount owed by Franchisee to the Company under this Agreement. Franchisee acknowledges that this Paragraph E shall not constitute the Company's agreement to accept such payments after they are due or a commitment by the Company to extend credit to Franchisee or otherwise finance Franchisee's operation of the Location. Franchisee acknowledges that failure to pay all amounts when due shall constitute grounds for termination of this Agreement, notwithstanding the provisions of this Paragraph E.

F. APPLICATION OF PAYMENTS

Notwithstanding any designation by Franchisee, the Company shall have sole discretion to apply any payments by Franchisee to any past due indebtedness of Franchisee for continuing fees, advertising contributions, purchases from the Company or its affiliates, interest or any other indebtedness. The acceptance by the Company of a payment from Franchisee for less than the full amount owed shall not be deemed a waiver by the Company or prevent it from pursuing any of its remedies against Franchisee for failure to pay such amounts in a timely manner.

G. OTHER PAYMENT PROVISIONS

Franchisee will utilize the methods and standards for the reporting of net sales and the payment of continuing fees and other amounts payable by Franchisee to the Company as the Company may specify from time-to-time during the term of the Agreement, which may include

requirements to submit product sales information, customer information, and weekly marketing spend information. Franchisee will pay all fees and any other amounts payable to the Company by the use of electronic funds transfers, if required to do so by the Company. Franchisee will pay the Company a fee of Twenty-five Dollars (\$25.00) if Franchisee's bank fails to honor a check made payable to the Company or if Franchisee's bank fails to transfer the full requested amount of any electronic funds transfers payable to the Company.

If any amount payable by Franchisee to the Company for the initial franchise fee, royalties or service compensation or advertising fund contributions is subject to any gross receipts tax or other form of state income tax, in any state other than the state in which the Company's principal office is located, or sales or use tax in any state, Franchisee must pay to or reimburse the Company for the amount of such tax payable by the Company, so that the amount actually received by the Company after the payment or withholding of such tax will equal the full amount stated to be payable under this Agreement. Such payment or reimbursement will be due and payable within thirty (30) days after Franchisee receives a written notice from the Company describing the amount of the payment or reimbursement.

H. CONTINUING FEE INCREASE

If at any time Franchisee (other than Franchisee of a Non-Traditional Location) is paying continuing fees at a rate less than six and one-half percent (6.5%) of net sales and Franchisee, an affiliate of Franchisee or another entity owned by an individual franchisee commences the operation of any business selling food products other than Godfather's Pizza products, the Company may require that the rate of continuing fees payable by Franchisee will increase to six and one-half percent (6.5%) of net sales. This increase will be effective on the date Franchisee opens a business selling these other food products.

If at any time Franchisee is paying continuing fees at a rate less than six and one-half percent (6.5%) of net sales, Franchisee receives a Default Letter from the Company for failure to pay in a timely manner continuing fees and other amounts owed to the Company under this Agreement, the Company may require that the rate of continuing fees payable by Franchisee will increase to six and one-half percent (6.5%) of net sales. This increase will be effective on the date Franchisee receives a Default Letter for non-payment. If at any time during the term of this Agreement, or any renewal thereof, the Company issues a second notice of default to Franchisee, whether for the same default as was described in a prior notice of default or for another reason, the Company may also require as a condition of curing a second notice of default that Franchisee sign the Company's then current form of franchise agreement, which may contain terms significantly different than this Agreement.

7. CONFIDENTIAL INFORMATION/UNFAIR COMPETITION

The Company possesses certain confidential information, consisting of the following categories of proprietary information, methods, techniques, procedures, and knowledge developed by or for the Company (the "Confidential Information"):

- (1) recipes, menu analysis, customer data and methods of preparation and the serving of food and beverage products sold at Godfather's Pizza locations;

(2) knowledge of test programs, concepts or results relating to: (i) planning, development and testing of new menu items; (ii) sources of food and beverage products; (iii) marketing programs; (iv) design and image of locations; and (v) the selection and training of location managers and other personnel; and

(3) methods, techniques, formats, standards, specifications, procedures, information, systems, operating results and knowledge of and experience in the development, operation and franchising of Godfather's Pizza locations.

The Company will disclose the Confidential Information to Franchisee in the initial training program and subsequent training, the Operations Manual and in guidance furnished to Franchisee during the term of the Franchise.

Any menu item, system, equipment, marketing plan or program or operating procedure conceived, modified or developed by Franchisee in connection with the operation of the Location and approved by the Company for use at the Location shall become the property of the Company without the payment of any compensation to Franchisee, and Franchisee shall retain no proprietary rights to that property and will sign all documents provided by the Company to show that all proprietary rights to the property are owned by the Company.

Franchisee acknowledges and agrees that Franchisee will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Location during the term of this Agreement, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. Franchisee acknowledges and agrees that the Confidential Information is proprietary, may involve trade secrets of the Company and is disclosed to Franchisee solely on the condition that Franchisee agree, and Franchisee does hereby agree, that Franchisee: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; (4) will delete all electronic copies and destroy all paper copies of any Confidential Information the Company declares to be obsolete or otherwise no longer permitted for use by Franchisee and provide a statement that Franchisee has deleted and destroyed such copies; (5) will not disclose the Confidential Information during its involvement with other pizza restaurant companies as part of governmental relations, civic or other activities involving interaction with such other pizza restaurant companies; and (6) will adopt and implement all reasonable procedures prescribed from time-to-time by the Company to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosure thereof to employees of Franchisee and the use of nondisclosure and noncompetition clauses in employment agreements with employees who have access to the Confidential Information. The restrictions on Franchisee's disclosure and use of the Confidential Information shall not apply to the following: (i) information, processes or techniques which are or become generally known in the pizza restaurant business, other than through disclosure (whether deliberate or inadvertent) by Franchisee; and (ii) disclosure of the Confidential Information in judicial or administrative proceedings to the extent that Franchisee is legally compelled to disclose such information, but Franchisee shall have used its best efforts, and shall have afforded the Company the opportunity, to obtain an appropriate protective order or other assurance satisfactory to the Company of confidential treatment for the information required to be so disclosed.

8. EXCLUSIVE RELATIONSHIP

Franchisee acknowledges and agrees that the Company would be unable to protect the Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among the Company and its Franchisees if owners of Godfather's Pizza locations, the officers and other members of the management team of Franchisee and members of their immediate families were permitted to hold interests in any competitive businesses (with the exception of other Godfather's Pizza locations operated under franchise agreements with the Company), as described below. The Company has entered into this Agreement with Franchisee on the express condition that Franchisee (and its owners, officers, members of the management team of Franchisee and members of their respective immediate families) will deal exclusively with the Company (and its approved suppliers). Franchisee therefore agrees that, during the term of this Agreement, neither Franchisee, any shareholder, member, or partner of Franchisee (if Franchisee is a corporation, limited liability company, or partnership), officer, management team member, nor any member of the immediate family of any person described in this sentence: (1) shall have any direct or indirect interest as a disclosed or beneficial owner in any business offering pizza or other products similar to the products then being offered by Godfather's Pizza locations; (2) shall perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for any business offering pizza or other products similar to the products then being offered by Godfather's Pizza locations; or (3) shall have any direct or indirect interest in any entity which has granted or is granting franchises or licenses to others to operate any location or business offering pizza or other products similar to the products then being offered by Godfather's Pizza locations. The restrictions of this Section 8 shall not be applicable to the ownership by Franchisee or a shareholder, member or partner of Franchisee of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represents one percent (1%) or less of the number of shares of that class of securities issued and outstanding.

9. LOCATION IMAGE AND OPERATING STANDARDS

A. CONDITION AND APPEARANCE OF FRANCHISEE'S LOCATION

Franchisee agrees:

(1) that a Traditional Location will not be used for any purpose other than the operation of a Godfather's Pizza location in compliance with this Agreement;

(2) to maintain the condition and appearance of the Location (including all of a Non-Traditional Location) in accordance with the standards of the Company and consistent with the image of a Godfather's Pizza location as a clean, sanitary, attractive and efficiently operated business offering high quality food and beverage products and courteous and helpful service;

(3) to effect such maintenance of the Location (including all of a Non-Traditional Location) as is required by the Company from time-to-time to maintain such condition, appearance and efficient operation, including, without limitation: (i) continuous and thorough cleaning and sanitation of the interior and exterior of the Location; (ii)

interior and exterior repair of the Location; (iii) replacement of worn-out or obsolete fixtures, equipment and signs with approved improvements, fixtures, equipment and signs; and (iv) periodic painting and decorating of the interior and exterior of the Location;

(4) to upgrade and/or remodel the Location (to reflect changes introduced in new Godfather's Pizza locations and/or required of new Godfather's Pizza franchisees) pursuant to the Company's current approved décor specifications and other plans and specifications provided by the Company at such time during the term of this Agreement, or any renewal term, as the Company may require; but the Company shall not require a complete remodeling of the Location more than once during the initial term of this Agreement and once during each renewal term of this Agreement, and that a complete remodeling of the Location shall not be required during the last two (2) years of the initial term of this Agreement or last two (2) years of any renewal term unless the Franchise has been renewed pursuant to the provisions of Section 14 of this Agreement; and

(5) to place or display at the Location only such signs, logos and display and advertising materials that are from time-to-time approved in writing by the Company.

In the event Franchisee does not maintain the condition and appearance of the Location as required in this Section 9.A, the Company may either consider such failure an event of default under this Agreement or may, upon not less than ten (10) days written notice to Franchisee: (i) arrange for the necessary cleaning or sanitation, repair, remodeling, upgrading, painting or decorating; or (ii) replace the necessary fixtures, equipment or signs. Franchisee shall pay the entire cost thereof on the due date for the next continuing fee payment.

B. APPROVED PRODUCTS, SUPPLIERS AND DISTRIBUTORS

The reputation and goodwill of Godfather's Pizza locations can be maintained only by the sale of distinctive, high quality food and beverage products. Franchisee agrees that the Location will conform to the Company's specifications and quality standards, and will use and offer for sale only those products approved from time-to-time by the Company.

The Company may approve a single distributor or supplier, including the Company, for any product or service, or type or brand of product or service, may approve a distributor or supplier only as to a certain product or service, or type or brand of product or service and may approve exclusive distributors or suppliers of certain products or services. The Company will provide Franchisee with a list of the then approved products, services, suppliers and distributors and will issue revisions to the list from time-to-time. In approving suppliers and distributors for the Location, the Company may take into consideration such factors as pricing and reliability of the supplier or distributor. The Company may also require a supplier or distributor to agree, in writing, not to disclose any Confidential Information of the Company which it may have access to or otherwise acquire as a supplier or distributor. The Company may concentrate purchases with one or more suppliers to obtain the lowest prices and/or the best advertising support and/or services for any group of Godfather's Pizza locations franchised or operated by the Company. Approval of a supplier or distributor may be conditioned on requirements relating to the frequency of delivery, standards of service, including prompt attention to complaints, and concentration of purchases, as

set forth above, and may be temporary, pending a further evaluation of such supplier or distributor by the Company.

C. LOCATION MENU

Franchisee agrees to serve all food and beverage items which the Company may deem appropriate to take advantage of the potential market and achieve standardization among Godfather's Pizza locations, and that Franchisee will not, without the prior written approval of the Company, offer any food or beverage products or services that are not authorized by the Company.

D. SPECIFICATIONS, STANDARDS AND PROCEDURES

Franchisee acknowledges that each and every detail of the appearance, layout, decor, food and beverage products, packaging materials, services and operation of the Location is important to the Company and other Godfather's Pizza locations. Franchisee agrees to comply with all specifications, standards and operating procedures contained in the Operations Manual, or otherwise communicated to Franchisee in writing, including those relating to: (1) type, quality, taste, portions, weight, ingredients, uniformity and manner of preparation and sale of food and beverage products sold by the Location; (2) sales and marketing procedures and customer service, including the utilization of online ordering and new forms of technology in providing customer service; (3) advertising and promotional programs; (4) layout, décor, and color scheme of the Location; (5) appearance and dress of employees; (6) safety, maintenance, appearance, cleanliness, sanitation and standards of service and operation of the Location; (7) submission of requests for approval of types and brands of products, supplies and suppliers; (8) hours and days during which the Location will be open for business; (9) use and illumination of signs, posters, displays, standard formats and similar items; (10) identification of Franchisee as the owners of the Location; (11) reporting of sales and making payments of continuing fees; and (12) data privacy and data security. Specifications, standards and operating procedures prescribed from time-to-time by the Company in the Operations Manual, or otherwise communicated to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth in this Agreement. To the extent that this document contains the term "this Agreement", all such references shall be construed to include all such specifications, standards and operating procedures.

E. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES

Franchisee shall secure and maintain in force in its name all required licenses, permits and certificates relating to the operation of the Location. Franchisee shall operate the Location in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all government regulations relating to handling of food products, data privacy and security, occupational hazards and health, workers' compensation insurance, unemployment insurance, health insurance for employees and withholding and payment of federal and state income taxes, social security taxes and sales taxes. All advertising and promotion by Franchisee shall be completely factual and tasteful in the judgment of the Company and shall conform to the highest standards of ethical advertising. Franchisee shall in all dealings with its customers, suppliers, distributors, employees, the Company and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee agrees to refrain from any business or advertising practice which may be injurious to the business of the Company and the goodwill

associated with the Marks and other Godfather's Pizza locations. Franchisee shall notify the Company in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, injunction, or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of Franchisee or the Location or of any notice of violation of any law, ordinance or regulation relating to the cleanliness or sanitation of the Location.

F. MANAGEMENT OF THE LOCATION AND HIRING, TRAINING AND APPEARANCE OF EMPLOYEES

The Location shall be under the direct supervision at all times of Franchisee (or a shareholder, member or general partner of Franchisee if Franchisee is a corporation, limited liability company or a partnership) or a manager who has successfully completed the Company's initial training program or other approved training. Franchisee shall hire and be the sole employer of all employees of the Location, be exclusively responsible for the terms of their employment, discipline and compensation and for the proper training of such employees in the operation of the Location. Franchisee shall require all Location employees to maintain a neat and clean appearance and to conform to the standards of dress and/or uniforms specified by the Company from time-to-time.

G. INSURANCE

During the term of the Franchise, Franchisee shall maintain in force, under policies of insurance issued by carriers rated "A minus X" or better by A.M. Best & Company, Inc.: (1) commercial general liability and product liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Location or otherwise in conjunction with the conduct of business by Franchisee pursuant to this Agreement, including any insurance required by the Company or applicable law in connection with the delivery of products to customers or regarding data privacy or data security; (2) broad form fire and extended coverage insurance at replacement value for the Location and its contents; and (3) hired/non-owned vehicle coverage, if Franchisee provides delivery services after receiving the Company's approval under this Agreement. Such insurance coverage shall be maintained in such amounts as the Company from time-to-time specifies. The Company may periodically increase the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Such insurance policies shall insure Franchisee and the Company and shall provide for thirty (30) days prior written notice to the Company of any material modification, cancellation or expiration of a policy. Each policy of insurance described above will name Company and its subsidiaries, affiliates, and parent companies as additional insureds and shall insure the contractual liability of Franchisee under Section 5 of this Agreement.

If Franchisee fails or refuses to maintain required insurance coverage, or to furnish satisfactory evidence thereof, such failure or refusal will be an event of default under this Agreement. The Company, at its option and in addition to or in place of its other rights and remedies under this Agreement, may obtain such insurance coverage on behalf of Franchisee and Franchisee shall fully cooperate with the Company in its effort to obtain such insurance policies,

promptly execute all forms or instruments required to obtain any such insurance, allow any inspections of the Location which are required to obtain such insurance and pay to the Company, on demand, any costs and premiums incurred by the Company.

Franchisee's obligations to maintain insurance coverage shall not be affected in any manner by reason of any separate insurance maintained by the Company, nor shall the maintenance of such insurance relieve Franchisee of any obligations under Section 5 of this Agreement.

H. TECHNOLOGY MATTERS

Franchisee acknowledges that the use of computers and related technology is important in the successful operation of the Location, and is likely to change rapidly during the term of the Agreement. Franchisee will comply with the following requirements in the use of computers and related technology in the operation of the Location, all of which may be changed from time-to-time by the Company either by a change in the Operations Manual or by such other forms of written communications as may be utilized by the Company during the term of this Agreement:

(1) Franchisee will use a computer in the operation of the Location that has (a) the amount of memory as may be specified from time-to-time by the Company; (b) internet services with such capabilities as the Company may require; (c) the ability to operate all software programs as may be required by the Company; and (d) such other capabilities and features as may be specified by the Company;

(2) Franchisee will maintain an email address which Franchisee checks on a regular basis. Franchisee will inform the Company of any changes in this email address at least three (3) days before the effective date of this change;

(3) Franchisee will install and use from the Location any point of sale cash register system and related equipment and such upgrades and modifications as the Company may require from time-to-time during the term of the Agreement (the "POS System");

(4) Franchisee will submit a report of net sales prepared by such POS System in a form and content specified by the Company along with all payments of continuing fees;

(5) Franchisee will follow all guidelines provided by the Company in connection with the acceptance of debit cards, credit cards, contactless mobile payment systems, mobile payment systems tied to mobile applications and other methods of payment from customers, including compliance with such security and data privacy guidelines for information regarding debit cards, credit cards or other methods of payment from customers as the Company mandates from time-to-time during the term of the Agreement or as required by applicable laws;

(6) Franchisee will comply with all of the requirements specified by the Company for the use of Technology Sites, as that term is defined in Section 10.A of this Agreement;

(7) Franchisee will offer online ordering or similar forms of customer ordering using mobile applications and other technological devices only under the terms and conditions provided by the Company to Franchisee;

(8) Franchisee will use and maintain at its Location digital menu boards or similar boards approved at the discretion of the Company, under the terms and conditions provided by the Company to Franchisee;

(9) If the Location is a convenience store or other Non-Traditional Location, Franchisee will use a product labeling system approved at the discretion of the Company, under the terms and conditions provided by the Company to Franchisee; and

(10) Franchisee will comply with all policies and standards specified by the Company related to data privacy and data security.

10. ADVERTISING AND MARKETING

A. BY FRANCHISEE

Franchisee will expend an amount equal to five percent (5%) of weekly net sales, or three percent (3%) of weekly net sales for Non-Traditional Locations, to advertise and promote the Location and the name "Godfather's Pizza" through the use of television, radio, newspaper, digital and social media, point-of-purchase marketing, signage or other form of mass media advertising and local advertising selected by Franchisee and approved by the Company.

If the majority of franchised and company-operated Godfather's Pizza locations located in the Designated Market Area ("DMA") of the Location approve the formation of an advertising cooperative or similar entity, the Location will participate in such advertising cooperative or similar entity. Non-Traditional Locations will also be expected to participate in such cooperative, but the required contribution may be at a lesser rate than Traditional Locations in the same cooperative. In determining whether an advertising cooperative or similar entity will be formed in a DMA each franchised and company-operated location in the DMA will have one vote.

The Company may upon ninety (90) days written notice to Franchisee require that part of the required advertising expenditure described above (up to two percent (2%) of weekly net sales) be paid to the Company. This sum will be used by the Company in the manner described in Section 10.B of this Agreement. Franchisee will from time-to-time upon the request of the Company submit such documentation as may be deemed necessary by the Company in its sole discretion to verify that Franchisee is making the advertising and promotion expenditures required by this Agreement. Any amount paid by Franchisee to an advertising cooperative or to the Company pursuant to this Section 10.A will reduce Franchisee's required advertising expenditure described above.

The Company may, at its sole discretion, provide advertising materials and services to Franchisee, including television and radio commercials, cover designs for digital print advertising materials and promotional kits. The Company may provide these advertising materials and services either directly or through the use of such third-party vendors of advertising products and services as the Company may select from time-to-time during the term of this Agreement in its

sole discretion. Franchisee must pay duplicating and development costs for copies of television commercials and radio commercials, must pay an amount approximating the Company's cost for promotional kits and must pay all fees charged by third-party vendors selected by the Company. If Franchisee desires to obtain cover designs for digital print advertising materials or other materials that differ from the current offers provided by the Company, and the Company determines in its sole discretion it will provide such non-standard cover designs, Franchisee will pay to the Company the Company's then current charges for the preparation of non-standard marketing materials.

Prior to their use Franchisee shall submit samples of all local advertising and marketing materials not prepared or previously approved by the Company by email or other method approved by the Company directed to the Company's Marketing Department at least fifteen (15) days in advance of publication or usage. If Franchisee does not receive written disapproval within fifteen (15) days from the date of receipt by the Company of such materials, the Company shall be deemed to have given the required approval. Franchisee shall not use any advertising or marketing materials that the Company has disapproved.

If Franchisee intends to use a website, social networking site, online ordering site, mobile application, or other means of promotion of its business on the internet, the world wide web or other means of technology, whether now available or developed in the future (collectively referred to as a "Technology Site"), Franchisee will obtain the Company's written approval before commencing to use this Technology Site. Franchisee will provide to the Company the proposed address or other identifying information for such Technology Site. Franchisee agrees to immediately make any changes required by the Company to its Technology Site to provide that the use of the Marks on such Technology Site, information provided about the Godfather's Pizza system and its locations and the advertising and marketing programs of Franchisee are consistent with the Company's then current standards. Franchisee agrees that any coupons or other promotional material made available on any Technology Site shall have clearly defined expiration dates and will clearly specify that such coupons or promotional offers are limited to the Location and any other Godfather's Pizza locations of Franchisee specifically identified in such coupons or promotional offers. Franchisee will be required to follow the Company's then current privacy, social media and website policies for the use of Technology Sites to safeguard information provided by customers through the use of such Technology Sites. Franchisee shall not implement any loyalty programs or similar promotional programs without the Company's prior written consent, which the Company may grant or withhold in its sole discretion. Such loyalty programs or similar promotional programs shall comply with all requirements for such programs as are specified by Company, as such requirements are revised from time-to-time by the Company.

B. BY THE COMPANY

The Company may, in its sole discretion, establish national or regional advertising and marketing programs upon ninety (90) days written notice to Franchisee. In the event any such advertising program is established, the Company shall maintain and administer an advertising fund (the "Fund"), which may include one or more regional advertising funds. The Company may offer to Franchisee the opportunity to participate in certain national or regional promotional programs in the Company's sole discretion. Franchisee agrees to participate in such programs; but this participation shall not require Franchisee to spend more on advertising than the amounts otherwise

described in this Agreement. Franchisee shall contribute to the Fund the amount designated by the Company, not to exceed two percent (2%) of weekly net sales of the Location (as defined in Section 6.D of this Agreement), payable weekly together with the continuing fees due under this Agreement. All Godfather's Pizza locations owned by the Company shall contribute to the Fund on the same basis as Franchisee; but contributions shall be made only with respect to company-operated stores located in regions in which the Fund is operative. The Company shall have the right at any time, upon ninety (90) days written notice to Franchisee, to increase, decrease or eliminate the amount of such advertising contribution payable by Franchisee, subject to the above limitation. In the event the Company suspends operation of the Fund or any regional or local component of the Fund, the Company shall have the right to resume such operation upon ninety (90) days written notice to Franchisee. The Company shall have the right, upon a majority vote of all Godfather's Pizza locations that are part of any local, regional or national advertising program (one vote may be exercised on behalf of each Godfather's Pizza location whether owned by a franchisee or by the Company), to increase the required contribution to the Fund to an amount in excess of two percent (2%) of the weekly net sales of each Godfather's Pizza location. Such vote shall be binding upon all franchisees that are part of any local, regional or national advertising program.

The Company will direct all such advertising programs financed by the Fund, with sole discretion over the creative concepts, materials and endorsements in these programs, and the geographic, market and media placement and allocation of these programs. Franchisee agrees that the Fund may be used to pay the costs of administering advertising programs, including, without limitation, purchasing television, radio, magazine, billboard, newspaper, online and other media advertising; employing advertising agencies to assist the Company; and providing advertising and marketing materials to Godfather's Pizza locations. If the Company permanently discontinues the operation of the Fund, the Company shall use the remaining amounts in the Fund to defray costs associated with the advertising programs described in this paragraph and the overhead amounts described below.

The Fund will not be an asset of the Company. The Fund also will not be a trust. The Company will hold all Fund contributions for the benefit of the contributors and use contributions only for their permitted purposes (described above). The Company will have no fiduciary obligation to you for administering the Fund. The Company will not use Fund contributions for advertising that principally is a solicitation for the sale of franchises. The Company will prepare an annual, unaudited statement of Fund collections and expenses and give it to you on written request. The Company may incorporate the Fund or operate it through a separate entity. The successor entity will have all of the rights and duties described in this Agreement.

The Fund shall be accounted for separately from all other funds of the Company and shall not be used to defray any of the Company's general operating expenses, except for such reasonable salaries, administrative costs and overhead as the Company may incur in activities reasonably related to the administration of the Fund and its advertising programs, including, without limitation, conducting market research, preparing advertising and promotional materials, clearance costs, legal expenses and collecting and accounting for contributions to the Fund. The Company may spend in any fiscal year an amount greater or less than the aggregate contributions of Godfather's Pizza locations contributing to the Fund in that year. The Company may make loans to the Fund (and the Fund may borrow from the Company or other lenders) bearing reasonable

interest to cover any deficits of the Fund. The Company may also cause the Fund to invest any surplus for future use by the Fund. Franchisee authorizes the Company in its sole discretion to collect and contribute to the Fund any advertising monies or credits due from any supplier to Franchisee. All interest earned or advertising monies contributed to the Fund will be used to pay advertising costs of the Fund.

Franchisee understands and acknowledges that the Fund is intended to maximize general public recognition of the Marks and patronage of Godfather's Pizza locations for the benefit of all Godfather's Pizza locations. The Company undertakes no obligation to ensure that expenditures by the Fund are proportionate or equivalent to contributions to the Fund by any Godfather's Pizza location or that any Godfather's Pizza location will benefit directly or in proportion to its contributions to the Fund from the conduct of marketing programs or the placement of advertising. Except as expressly provided in this Paragraph B, the Company assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Fund.

11. ACCOUNTING, REPORTS AND FINANCIAL STATEMENTS

Franchisee shall establish and maintain at Franchisee's expense an accounting and recordkeeping system conforming to the requirements prescribed by the Company from time-to-time. Franchisee shall furnish to the Company on such forms or methods as are prescribed by the Company from time-to-time: (1) on Wednesday of each week, a report of gross and net sales for the preceding week (Monday through Sunday); (2) within twenty-five (25) days after the end of each calendar quarter an unaudited quarterly and year-to-date profit and loss statement and quarterly balance sheet in the format prescribed by the Company; (3) within ninety (90) days after the end of each fiscal year of the Location, an unaudited annual statement of profit and loss of the Location for the fiscal year and a balance sheet for the Location as of the end of the fiscal year; and (4) within ten (10) days after the Company's request, such other forms, records, books and other information as the Company may require. Each such report and financial statement shall be signed and verified by Franchisee in the manner prescribed by the Company. The Company shall have the right to disclose data derived from such sales reports where the Company determines, in its reasonable business judgment, that such disclosure is necessary or advisable. The Company reserves the right to require Franchisee to have audited or reviewed financial statements prepared on an annual basis. The Company may also require that Franchisee provide information to the Company regarding local market conditions and product pricing by competitors.

12. INSPECTIONS AND AUDITS

A. THE COMPANY'S RIGHT TO INSPECT THE LOCATION

To determine whether Franchisee is complying with this Agreement and with all specifications, quality standards and operating procedures relating to the operation of the Location, the Company or its designated agents shall have the right during normal business hours and without prior notice to Franchisee to: (1) inspect the Location; (2) observe and interview Franchisee and any managers and employees of the Location; and (3) interview customers of the Location. Franchisee shall present to its customers such evaluation forms as are periodically prescribed by the Company and shall participate and/or request its customers to participate in any marketing

surveys performed by or on behalf of the Company. The Company will provide Franchisee with a written report of inspections of the Location.

B. THE COMPANY'S RIGHT TO AUDIT

The Company shall have the right at any time during business hours, and without prior notice to Franchisee, to inspect and audit, or cause to be inspected and audited, the business, marketing and accounting records, cash register tapes, computer records, invoices, payroll records, sales and income tax records and returns and other records of the Godfather's Pizza business at the Location and of any entity which holds the Franchise. Franchisee shall fully cooperate with representatives of the Company and independent accountants hired by the Company to conduct any such inspection or audit. Within ten (10) days after receipt of a written request from the Company, Franchisee will provide to the Company copies of its most recent federal and/or state income tax return, the federal and/or state income tax returns of any person who signs a personal guaranty of this Agreement, and sales tax returns for the Location for the period specified in such written notice, not to exceed twenty-four (24) months. In the event any such inspection or audit shall disclose an understatement of the net sales of the Franchise, Franchisee shall pay to the Company, within ten (10) days after receipt of the inspection or audit report, the continuing fees and advertising contributions due on the amount of such understatement, plus interest (at the rate and on the terms provided in Section 6.E of this Agreement) from the date originally due until the date of payment. In the event such inspection or audit is made necessary by the failure of Franchisee to furnish reports, supporting records or other required information, or to furnish such reports, records or information on a timely basis, or if an understatement of net sales for the period of any audit (which shall not be for less than four (4) weeks) is greater than five percent (5%) Franchisee shall reimburse the Company for the cost of such audit or inspection, including, without limitation, the charges of any independent accountants and attorneys and the travel expenses, room and board and compensation of employees of the Company. Franchisee's understatement of net sales by greater than five percent (5%) and payment of continuing fees on such understated sales will be considered a default for purposes of Section 15.B(1)(g) of this Agreement. The foregoing remedies shall be in addition to all other remedies and rights of the Company under this Agreement or under applicable law.

13. ASSIGNMENT AND TRANSFERS

A. BY THE COMPANY

This Agreement and the Franchise are fully assignable by the Company and shall inure to the benefit of any assignee or other legal successor to the interest of the Company in this Agreement.

B. FRANCHISEE MAY NOT TRANSFER WITHOUT APPROVAL OF THE COMPANY

Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee or its owners and that the Company has granted the Franchise in reliance upon the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of Franchisee or its owners. Therefore, neither the Franchise (or any

interest in the Franchise), the Location, or in the case of a Non-Traditional Location that portion of the Location used for the preparation and sale of Godfather's Pizza products, nor any part or all of the ownership of Franchisee may be transferred without the prior written approval of the Company and any such assignment or transfer without such approval shall constitute a breach hereof and convey no rights to or interests in the Franchise.

As used in this Agreement the term "transfer" shall mean the voluntary, involuntary, direct or indirect assignment, sale or other transfer by Franchisee or its owners of any interest in: (1) this Agreement; (2) the Franchise; (3) the ownership of Franchisee; or (4) the Location. An assignment, sale or other transfer shall include: (a) conveying ownership of capital stock, membership interests, partnership interests or other ownership interests; (b) merger or consolidation or issuance of additional securities representing an ownership interest in Franchisee; (c) any sale of capital stock of Franchisee, any security convertible to capital stock, or units of ownership of a non-corporate Franchisee; (d) transfer of an interest in Franchisee, this Agreement, the Franchise or the Location, in a divorce, insolvency, dissolution proceeding or otherwise by operation of law; or (e) transfer of an interest in this Agreement, the Franchise, Franchisee, or the Location in the event of the death of Franchisee or an owner of Franchisee, by will, declaration of or transfer in trust, or under the laws of intestate succession or the disability of Franchisee or an owner of Franchisee.

All issued and outstanding stock certificates or other documents indicating ownership in an entity other than a corporation shall bear a legend reflecting or referring to the restrictions of Section 13.B and 13.C. The proposed transferee of the Franchise or all ownership interests in Franchisee must comply with all requirements of this Agreement for a transfer, but may be required to sign a new Franchise Agreement in the Company's then-current form. This new Franchise Agreement will be for a term of either five (5) years from the effective date of the transfer or for the remainder of the term of the existing Franchise Agreement, as determined by the Company in the sole exercise of its discretion. The signing of a new form of Franchise Agreement by the proposed transferee shall not serve to release the guarantees provided by the owners of the existing Franchisee, unless the Company specifically agrees in writing to a release in its sole discretion.

The Company will not recognize a transfer that occurs without the Company's written approval. If a transfer occurs without such approval, the Company in its sole discretion may: (1) refuse to recognize the transfer, in which case all sales of Godfather's Pizza products at the Locations subject to the transfer must cease and all use of the Company's Marks, trade name, intellectual property, and confidential and proprietary information must cease; (2) allow the proposed transferee to apply to the Company for approval, but suspend the sale of Godfather's Pizza products until all conditions for approval are satisfied and the transfer is approved; or (3) permit the sale of Godfather's Pizza products to continue at the Location while the proposed transferee applies to the Company for approval and undergoes the application process. If the sale of Godfather's Pizza products is prohibited or suspended at a Location, the Company will notify the food distributor for the Location to cease or suspend the sale of proprietary products of the Company to that Location. If the Company allows the proposed transferee to apply for approval pursuant to Subsection (2) or (3) above, and approval is denied, all sales of Godfather's Pizza products (if allowed during the application process) and all use of the Company's Marks, trade name, intellectual property, and confidential and proprietary information must cease.

C. CONDITIONS FOR APPROVAL OF TRANSFERS

The Company shall not unreasonably withhold its approval of a transfer that meets all of the applicable requirements of this Section 13.C; provided that if the Location was opened pursuant to an Area Development Agreement, additional transfer requirements may be applied in Franchisor's sole discretion. The proposed transferee or its owners must be individuals of good moral character and otherwise meet the Company's then applicable standards for franchisees. If the transfer is of the Franchise, or of a controlling interest in Franchisee, or is one of a series of transfers which in the aggregate constitute the transfer of a controlling interest in Franchisee, all of the following conditions must be met prior to, or concurrently with, the effective date of the transfer: (a) the transferee or its owners must have sufficient business experience, aptitude and financial resources to own and operate the Location; (b) the transferee or its owners may be required by the Company to submit to criminal and credit background investigations; (c) the transferee must execute the Company's then standard franchise agreement if required by the Company (which may provide for different rights and obligations than are provided by this Agreement); (d) Franchisee must pay, or the transferee must give assurance of payments and performance satisfactory to the Company of, such continuing fees, advertising contributions, amounts owed for purchases by Franchisee from the Company and any other amounts owed to the Company which are then unpaid; (e) Franchisee must submit all reports and statements required by Section 11 of this Agreement to the extent that Franchisee has failed to previously submit such reports and statements; (f) an owner of the transferee or its designated managers must have completed the Company's initial training program to the satisfaction of the Company; (g) Franchisee must return to the Company the Operations Manual loaned by the Company to Franchisee or, if applicable, delete copies of the Operations Manual maintained in electronic format; (h) the lessor of the Location must have consented to the assignment or sublease of the Location to the transferee, or the transferee must secure a substitute Location approved by the Company; (i) if Franchisee finances any part of the sale price of the transferred interest, Franchisee and its owners agree that all obligations of the transferee under or pursuant to any promissory notes, agreements or security interests reserved by Franchisee or its owners in the assets of the Location shall be subordinate to the obligations of the transferee to pay continuing fees, advertising contributions and other amounts due to the Company and its affiliates, and otherwise to comply with this Agreement or the franchise agreement executed by the transferee; (j) Franchisee or the transferee must pay a training and transfer fee to the Company in an amount equal to Five Thousand Dollars (\$5,000.00); (k) Franchisee and its owners must execute a general release, in form satisfactory to the Company, of any and all claims against the Company and its officers, directors, employees, contractors and agents; (l) the Company must approve the material terms and conditions of such transfer, including, without limitation, that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Location by the transferee; and (m) Franchisee, its owners, members of its management team and members of the immediate families of any of them must execute a non-competition covenant in favor of the Company and the transferee, agreeing that for a period of two (2) years, commencing on the effective date of the transfer, Franchisee and its owners will not have any interest as an owner, investor, partner, member, manager, director, officer, employee, consultant, representative or agent, or in any other capacity in any location or business offering pizza or other products similar to the products then being offered by Godfather's Pizza locations if such business is located or operating within a ten (10) mile radius of the Location or within a ten (10) mile radius of any Godfather's Pizza location in operation or under construction on the effective date of such transfer.

D. EFFECT OF CONSENT TO TRANSFER

The Company's consent to a transfer of the Franchise or any interest in Franchisee subject to the restrictions of this Section 13, or allowing a proposed transferee to apply for approval after an unapproved transfer pursuant to Section 13.B, shall not constitute a waiver of any claims it may have against the transferor, nor shall it be deemed a waiver of the Company's right to demand exact compliance with any of the terms or conditions of the Franchise by the transferee.

E. THE COMPANY'S RIGHT OF FIRST REFUSAL

If Franchisee or its owners shall at any time determine to sell or otherwise transfer all of Franchisee's assets or interest in the Location, other than a Non-Traditional Location, or all ownership interests in a Franchisee of a Traditional Location, Franchisee or its owners shall obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and shall submit a complete copy of such offer to the Company along with such additional information regarding the offer and the purchaser as the Company may request. The Company shall have the right, exercisable by written notice delivered to Franchisee or its owners within thirty (30) days from the date of delivery of such offer and all requested information to the Company, to purchase all of such interest in the Location or all of such ownership interests in Franchisee or Franchisee's assets for the price and on the terms and conditions contained in such offer, but the Company may substitute cash for any form of payment proposed in such offer and shall have not less than sixty (60) days to prepare for closing. The Company's credit shall be deemed equal to the credit of any proposed purchaser. If the Company does not exercise its right of first refusal, Franchisee or its owners may complete the sale to such purchaser under the terms of such offer, subject to the Company's approval of the purchaser as provided in this Section 13, but if the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such offer and requested information to the Company, or there is any material change in the terms of the sale, the Company shall again have the right of first refusal granted under this Section. The Company's right of first refusal shall not apply to the sale or transfer of an interest in Franchisee or the Location to a member of a Franchisee's (or its owners') immediate family (other than a transfer of a controlling interest in Franchisee) or between or among the owners of Franchisee.

14. RENEWAL

A. FRANCHISEE'S RIGHT TO RENEW

If upon expiration of the initial term or any renewal term of the Franchise: (1) Franchisee has substantially complied with all provisions of this Agreement, and any Area Development Agreement and any other agreement with the Company; and (2) (a) Franchisee maintains possession of and agrees to refurbish the Location as required by Company; or (b) if Franchisee is unable to maintain possession of the Location, or if in the judgment of the Company the Location should be relocated, Franchisee secures a substitute Location approved by the Company and Franchisee agrees to develop such substitute Location in compliance with then applicable standards utilized in the grant of franchises for Godfather's Pizza locations; then Franchisee shall have the right to renew the Franchise for additional terms of five (5) years each. Franchisee must pay a renewal fee for the first renewal term of One Thousand Dollars (\$1,000.00) for a Non-Traditional Location and Two Thousand Dollars (\$2,000.00) for a Traditional Location (including

a delivery/carryout location), which must be paid in full before the first day of the renewal term of the Agreement. The renewal fee for additional renewal terms shall be the amount provided for in the most recent form of Franchise Agreement signed by Franchisee for the Location. No part of any renewal fee paid by Franchisee will be refunded by the Company upon termination of this Agreement.

B. NOTICE OF RENEWAL AND NONRENEWAL

Franchisee shall give the Company written notice of Franchisee's desire to exercise the option to renew at least one hundred eighty (180) days and not more than two hundred forty (240) days prior to the expiration of the term of this Agreement. The Company agrees to give Franchisee written notice of any deficiencies in Franchisee's operation of the Location which could cause the Company not to renew the Franchise within ninety (90) days after receipt by the Company of written notice from Franchisee of an election to renew the Franchise. Such notice shall state what actions Franchisee must take to correct the deficiencies in Franchisee's operation of the Location and shall specify the time period in which such deficiencies must be corrected. Renewal of the Franchise shall be conditional upon Franchisee's continued compliance with all of the terms and conditions of this Agreement up to the date of expiration of the then-current term. In the event the Company fails to give Franchisee notice of deficiencies in Franchisee's operation of the Location within ninety (90) days after receipt of Franchisee's election to renew the Franchise, the Company may extend the term of this Agreement for such period of time as is necessary in order to provide Franchisee reasonable time to cure deficiencies or to give the minimum notice of nonrenewal required under this Agreement.

C. RENEWAL AGREEMENTS/RELEASES

To renew the Franchise, the Company, Franchisee, and its owners, as applicable, shall execute the then current form of standard franchise agreement and any ancillary agreements then used by the Company in the grant or renewal of franchises for the ownership and operation of a Godfather's Pizza location, and Franchisee and its owners shall execute general releases (to the extent permitted by applicable law), in a form satisfactory to the Company, of any and all claims against the Company and its officers, directors, employees and agents. Failure by Franchisee and its owners to sign such agreements and releases within thirty (30) days after delivery thereof to Franchisee shall be deemed an election by Franchisee not to renew the Franchise.

15. TERMINATION OF FRANCHISE

A. BY FRANCHISEE

If Franchisee is in substantial compliance with this Agreement and the Company materially breaches this Agreement and fails to cure such breach within thirty (30) days after written notice thereof is delivered to the Company, Franchisee may terminate this Agreement effective ten (10) days after delivery to the Company of a termination notice. A termination of this Agreement by Franchisee for any reason other than breach of this Agreement by the Company and the Company's failure to cure such breach within thirty (30) days after receipt of written notice thereof shall be deemed a termination by Franchisee without cause.

B. BY THE COMPANY

(1) TERMINATION WITHOUT OPPORTUNITY TO CURE: This Agreement shall automatically terminate without an opportunity to cure upon delivery of notice of termination to Franchisee, if Franchisee or any of its owners:

(a) abandons, surrenders, fails to actively operate or transfers control of the operation of the Location without the Company's consent, other than a temporary closing of the Location following a fire, weather related damage or damage from other causes the Company determines that Franchisee could not reasonably control for a period of time approved by the Company in writing in the sole exercise of its discretion;

(b) suffers cancellation of or termination of the lease of the Location;

(c) has made any material misrepresentation or omission in Franchisee's application for the Franchise or in any other document provided to the Company;

(d) is convicted by a trial court of or pleads guilty or no contest to a felony, or another crime or offense that the Company determines in its sole discretion is likely to adversely affect the reputation of Franchisee, the Location, other Godfather's Pizza locations or the Company;

(e) makes an unauthorized transfer of the Franchise, this Agreement, the Location or an ownership interest in Franchisee;

(f) makes any unauthorized use or disclosure of any Confidential Information or uses, duplicates or discloses any portion of the Operations Manual in violation of this Agreement;

(g) fails on three (3) or more separate occasions during the term of the Agreement, which for the purpose of this Section also includes the term of any renewal Agreement or any Franchise Agreement signed in place of this Agreement, to submit when due reports or other data, information or supporting records, to pay when due the continuing fees, advertising contributions or other payments due to the Company or its affiliates, or otherwise fails to comply with this Agreement or any successor Franchise Agreement or any specification, standard or operating procedure prescribed by the Company, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

(h) fails to pay in a timely manner federal, state, or local taxes including but not limited to income tax, payroll tax, sales tax, or fees for licenses or permits;

(i) violates any Anti-Terrorism Laws, as that term is defined in Section 17.L of this Agreement;

(j) fails to resume the timely payment of continuing fees after paying the deposit described in Section 6.B(4) of this Agreement.

(2) TERMINATION FOLLOWING FAILURE TO CURE: In addition to the foregoing, this Agreement shall terminate without further action by the Company or notice to Franchisee, if Franchisee or any of its owners:

(a) fails or refuses to comply with any specification, standard or operating procedure prescribed by the Company relating to the cleanliness or sanitation of the Location, violates any health, safety or sanitation law, ordinance or regulation, or continues to sell a product or service after being informed in writing by the Company that such product or service is not approved for sale at the Location, and does not correct such failure, refusal or violation within seventy-two (72) hours after written notice thereof is delivered to Franchisee;

(b) fails to comply with any provision of this Agreement or any specification, standard or operating procedure prescribed by the Company relating to use of any Mark, the quality of the food and beverage products used or sold at the Location, or the requirement to provide then current insurance certificates showing that Franchisee has in effect all insurance coverage required by this Agreement, and does not correct such failure within five (5) days after written notice of such failure is delivered to Franchisee;

(c) fails to pay the initial franchise fee for the Location within five (5) days after opening, fails to accurately report the gross or net weekly sales of the Location, or fails to make payments of any amount due to the Company for continuing fees, advertising contributions or any other amounts due to the Company or its affiliates under this Agreement or any other agreement, and does not correct any of such failures within ten (10) days after written notice of such failure is delivered to Franchisee; or

(d) fails to comply with any other provision of this Agreement or any specification, standard or operating procedure prescribed by the Company, and does not correct such failure within thirty (30) days after written notice of such failure is delivered to Franchisee

(3) CROSS-DEFAULT: Any breach or default by Franchisee under the terms of any other Franchise Agreement or Agreement for License and Service entered into by Franchisee (or any affiliate of Franchisee) and the Company will constitute and may be treated as a default under this Agreement as well.

16. RIGHTS AND OBLIGATIONS OF THE COMPANY AND FRANCHISEE UPON TERMINATION OR EXPIRATION OF FRANCHISE

A. PAYMENTS OF AMOUNTS OWED TO THE COMPANY

Franchisee agrees to pay to the Company within fifteen (15) days after the effective date of termination or expiration of the Franchise, or such later date that the amounts due to the Company are determined, such continuing fees, advertising contributions, amounts owed for purchases by Franchisee from the Company or its affiliates, interest due on any of the foregoing and all other amounts owed to the Company or its affiliates which are then unpaid. In addition to

the Company's other remedies under this Agreement and under applicable law, including other forms of damages, Company may require Franchisee to pay to the Company in the event Franchisee terminates this Agreement without cause liquidated damages equal to the amount of continuing fees payable by Franchisee for the last six (6) complete calendar months before the date of such termination. Franchisee acknowledges and agrees that the actual damages to the Company in connection with a termination of this Agreement without cause by Franchisee are very difficult to ascertain, and that the amount described in the previous sentence represents a reasonable estimate of such damages.

B. MARKS

Franchisee agrees that after the termination or expiration of this Agreement, Franchisee and its owners will: (1) not directly or indirectly at any time or in any manner identify themselves or any business as a current or former Godfather's Pizza location, or as a licensee or franchisee of or as otherwise associated with the Company, or use any Mark, any colorable imitation thereof or other indicia of a Godfather's Pizza location in any manner or for any purpose, or utilize for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with the Company; (2) remove within seven (7) days after the termination or expiration of this Agreement all interior and exterior signs and sign-faces and return to the Company or destroy all advertising materials and other materials containing any Mark or otherwise identifying or relating to a Godfather's Pizza location; (3) make such other interior and exterior design and appearance changes as the Company determines to be necessary to distinguish the Location from a Godfather's Pizza location; (4) take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to Franchisee's use of any Mark; (5) change the telephone number of the Location, other than a Non-Traditional Location; (6) take down, or arrange for the Company to assume the operation of, any website, social networking site pages or mobile applications or eliminate from any websites, social networking sites or mobile applications any references to the Company (including but not limited to references in website or social networking addresses), the Marks, or the fact that Franchisee was a Godfather's Pizza franchisee; (7) contact all third-party delivery services to arrange for the elimination from any websites, social networking sites, or mobile applications any references to the Company (including but not limited to references in website or social networking addresses), the Marks, or the fact that Franchisee was a Godfather's Pizza franchisee; and (8) furnish to the Company, within thirty (30) days after the effective date of termination or expiration, evidence satisfactory to the Company of Franchisee's compliance with the foregoing obligations. If Franchisee fails to fully comply with the actions required in Subsection (2) above within seven (7) days after the termination or expiration of this Agreement, the Company shall have the right to enter the Location, either directly or through a third-party vendor, at Franchisee's expense, to remove all of the items described in Subsection (2) above. Franchisee agrees that if the Company exercises such right, neither the Company nor its third-party vendor will be guilty of trespass or tort of any kind or liable for any damage caused by the removal of such items.

C. CONFIDENTIAL INFORMATION AND PROPRIETARY PRODUCTS

Franchisee agrees that upon termination or expiration of the Franchise, Franchisee will immediately cease to use any Confidential Information of the Company disclosed to Franchisee pursuant to this Agreement in any business or otherwise, and return to the Company all copies of

the Operations Manual and any other confidential materials which have been loaned to Franchisee by the Company, or at the Company's option will delete all electronic copies and destroy all paper copies of any Confidential Information, including the Operations Manual, and provide a statement that Franchisee has deleted and destroyed such copies. Franchisee further agrees that it will immediately cease to sell any proprietary ingredients and products of the Company in any business or otherwise, and it will not purchase any proprietary ingredients or products of the Company from any source including, without limitation, a distributor, supplier, or another franchisee.

D. THE COMPANY HAS RIGHT TO LEASE THE LOCATION

Upon termination of this Agreement following an uncured default by Franchisee or expiration of this Agreement, the Company will have the right for itself or for any other person to acquire by assignment of lease, by lease, or by any other reasonable means the right to use the Location (other than a Non-Traditional Location) for operation of a Godfather's Pizza location or to execute a franchise agreement for the Location with any other person. Franchisee agrees to sign and to cause the lessor of the Location to sign, a lease addendum in form and content satisfactory to the Company permitting the Company or its designee to acquire the right to use the Location and the right to enter the Location after termination or expiration of this Agreement to remove all items bearing the Company's trademarks or other intellectual property.

E. COVENANT NOT TO COMPETE

Upon termination or expiration of this Agreement, Franchisee and each of its owners agree that for a period of two (2) years, commencing on the effective date of expiration or termination, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee, any shareholder, member, or partner of Franchisee (if Franchisee is a corporation, limited liability company, or partnership), any officers or members of the management team of Franchisee, nor any member of the immediate family of Franchisee or any shareholder, member, partner or management team member of Franchisee will have any direct or indirect interest as an owner, investor, partner, director, officer, employee, consultant, representative, or agent, or in any other capacity in any location or business offering pizza or other products similar to the products then being offered by Godfather's Pizza locations if such business is located or operating at the Location, within a ten (10) mile radius of the Location or within a ten (10) mile radius of any other Godfather's Pizza location in operation or under construction on the effective date of expiration or termination.

F. CONTINUING OBLIGATIONS

All obligations of the Company and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect after and without regard to its expiration or termination and until they are satisfied in full or by their nature expire.

17. ENFORCEMENT

A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS

Except as otherwise expressly stated in this Agreement, each section and provision of this Agreement, and any portion thereof, shall be considered severable. If any provision of this Agreement is held to be invalid in a final ruling in a proceeding to which the Company is a party, that ruling shall not impair the operation of, or have any other effect upon, the other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and bind the parties. To the extent that Section 13.C(m), Section 16.E, or any clause thereof, is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but could be enforceable by reducing any or all thereof, Franchisee and the Company agree that they shall be enforced to the fullest extent permissible under the laws applied in the jurisdiction in which enforcement is sought. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew than is required under this Agreement, or the taking of some other action not required under this Agreement, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by the Company is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions of this Agreement, and the Company shall have the right, in its sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable.

B. WAIVER OF OBLIGATIONS

The Company and Franchisee may in writing unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or such other effective date stated in the notice of waiver. Any waiver granted by the Company shall be without prejudice to any other rights the Company may have, will be subject to continuing review by the Company and may be revoked, in the Company's sole discretion, at any time and for any reason, effective upon delivery to Franchisee of ten (10) day's prior written notice. The Company and Franchisee shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including, without limitation, the right to demand exact compliance with every term, condition and covenant, or to declare any breach thereof to be a default and to terminate the Franchise prior to the expiration of its term), because of any failure, refusal or neglect of the Company or Franchisee to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations under this Agreement, including, without limitation, any specification, standard or operating procedure; any waiver, forbearance, delay, failure or omission by the Company to exercise any right, power or option, whether of the same, similar or different nature, with respect to other Godfather's Pizza locations; or the acceptance by the Company of any payments due from Franchisee after any breach of this Agreement.

C. FORCE MAJEURE

Neither the Company nor Franchisee shall be liable for loss or damage or be in breach of this Agreement for its failure to perform its obligations resulting from: (1) transportation shortages,

inadequate supply of equipment, merchandise, supplies, labor, material or energy, or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency; (2) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state, or municipal government or any department or agency; (3) acts of God; (4) fires, strikes, embargoes, war or riot; (5) pandemics; or (6) any other similar event or cause. Any delay resulting from any of these causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes shall not excuse payments of amounts owed at the time of such occurrence or payment of continuing fees and other amounts due on any sales thereafter.

D. INJUNCTIVE RELIEF

Nothing contained in this Agreement shall bar the Company's or Franchisee's right to obtain injunctive relief against actual or threatened conduct that will cause it irreparable loss or damages, under customary equity rules. Franchisee and the Company agree that each may have such injunctive relief, without bond, but upon due notice, in addition to any other relief as may be available at equity or law (all claims for damages by reason of the wrongful issuance of any such injunction are expressly waived by the Company and Franchisee).

E. RIGHTS OF PARTIES ARE CUMULATIVE

The rights of the Company and Franchisee under this Agreement are cumulative and no exercise or enforcement by the Company or Franchisee of any right or remedy under this Agreement shall preclude the exercise or enforcement by the Company or Franchisee of any other right or remedy under this Agreement or which the Company or Franchisee is entitled by law or equity to enforce, including the right of the Company to seek an award for the amount of continuing fees and advertising payments the Company would have been entitled to receive during the remainder of the term of this Agreement if the Company had not terminated the Agreement following a default by Franchisee.

F. COSTS AND ATTORNEY'S FEES

If a claim for amounts owed by Franchisee to the Company is asserted in any legal proceeding before a court of competent jurisdiction, or if the Company or Franchisee is required to enforce this Agreement in a judicial proceeding, the party prevailing in such proceeding shall be entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees.

G. GOVERNING LAW

Except to the extent governed by the United States Trademark Act (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or by the franchise laws of the state of the Location, this Agreement and the Franchise shall be governed by the laws of the State of Nebraska, without regard to its conflicts of law rules or the conflicts of law rules of any other jurisdiction.

H. EXCLUSIVE JURISDICTION AND VENUE

Franchisee and the Company agree that any action arising out of or relating to this Agreement shall be instituted and maintained only in a state or federal court of general jurisdiction in Douglas County, Nebraska, and Franchisee irrevocably submits to the jurisdiction of such courts and waives any objection Franchisee (or its owner[s]) may have to either the jurisdiction or venue of such courts. Franchisee and the Company agree that venue for any proceeding relating to or arising out of this Agreement shall be in Douglas County, Nebraska; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief, or (3) involving possession or disposition of, or other relief relating to real property, the Company may bring that action in any state or federal district court that has jurisdiction. Franchisee and the Company acknowledge that the agreement between the parties regarding applicable state law and forum set forth in this Agreement provides each of the parties with a mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Franchisee and the Company further acknowledge the receipt and sufficiency of mutual consideration for this benefit.

I. BINDING EFFECT

This Agreement is binding upon the parties and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by authorized representatives of both Franchisee and the Company.

J. CONSTRUCTION

The preambles and exhibits are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between the Company and Franchisee relating to the subject matter of this Agreement; however, nothing in this Agreement or in any other agreement is intended to disclaim any representations made by the Company in its Franchise Disclosure Document. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement. Except where this Agreement expressly obligates the Company to reasonably approve or not unreasonably withhold its approval of any action or request by Franchisee, the Company has the absolute right to refuse any request by Franchisee or to withhold its approval of any action by Franchisee. The headings of the sections and paragraphs of this Agreement are for convenience only and do not define, limit or construe the contents of such sections or paragraphs. The term "Franchisee" is applicable to one or more persons, a corporation, limited liability company or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Franchisee, whether or not as partners or joint venturers, their obligations and liabilities to the Company shall be joint and several. References to a controlling interest in Franchisee shall mean fifty percent (50%) or more of the equity or voting control of Franchisee. This Agreement may be executed in multiple counterpart copies, each of which shall be deemed an original, and may be signed by electronic, scanned or faxed signatures each of which will be deemed to be an original signature. The term "affiliate" shall mean that an entity controls, is controlled by, or is under common control with the entity with which it is described as an affiliate.

K. GUARANTY

All owners of Franchisee, including any new owners of Franchisee approved under the terms of Section 13.B, shall sign the Owners' Guaranty and Assumption of Franchisee's Obligations attached to this Agreement within five (5) days after acquiring an ownership interest in Franchisee.

L. COMPLIANCE WITH ANTI-TERRORISM LAWS

Franchisee and Franchisee's owners agree to comply, and to assist the Company to the fullest extent possible in its efforts to comply, with Anti-Terrorism Laws (defined below). Franchisee and Franchisee's owners certify, represent, and warrant that none of their property or interests is subject to being blocked under, and that Franchisee and Franchisee's owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's owners, or any blocking of Franchisee or Franchisee's owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

18. NOTICES AND PAYMENTS

All written notices permitted or required to be delivered by the provisions of this Agreement or the Operations Manual shall be deemed so delivered at the time delivered by hand; at the time sent by electronic mail so long as the notifying party either receives a delivery or read receipt or does not receive a message from its electronic mail provider stating that the electronic mail was undeliverable; or one (1) business day after placement with a nationally recognized overnight delivery service or three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. All payments and reports required by this Agreement shall be directed to the Company at the address notified to Franchisee from time-to-time, or to such other persons and places as the Company may direct from time-to-time. Any required payment or report not actually received by the Company during regular business hours on the date due (or postmarked by postal authorities at least two (2) days prior to the due date) shall be deemed delinquent.

[SIGNATURES ON FOLLOWING PAGE]

The parties have executed and delivered this Agreement in counterparts as of the date written above.

GODFATHER'S PIZZA, INC.

FRANCHISEE:

By _____

Name: _____

Title: _____

Date: _____

By _____

Name: _____

Title: _____

Date: _____

EXHIBIT "A"

OWNER' S GUARANTY AND ASSUMPTION OF FRANCHISEE' S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the preceding Franchise Agreement (the "Agreement") by Godfather's Pizza, Inc. (the "Company"), each of the undersigned hereby personally and unconditionally: (1) guarantees to the Company and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement. Each of the undersigned waives:

- (1) acceptance and notice of acceptance by the Company of the foregoing undertakings;
- (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
- (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
- (4) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- (5) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that:

- (1) his or her direct and immediate liability under this guaranty shall be joint and several;
- (2) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;
- (3) such liability shall not be contingent or conditioned upon pursuit by the Company of any remedies against Franchisee or any other person;
- (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Company may from time-to-time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement and each successive renewal thereof; and

(5) this Guaranty is a guaranty of payment and performance (and not of collection) and shall remain in full force and effect until payment and performance in full of each and every guaranteed payment and guaranteed obligation.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

[insert name], Individually

Date

[insert name], Individually

Date

EXHIBIT "B-2"

GODFATHER'S PIZZA, INC.

AREA DEVELOPMENT AGREEMENT

COMPANY: GODFATHER'S PIZZA, INC.

DEVELOPER:

DEVELOPMENT AREA:

GODFATHER'S PIZZA, INC.

AREA DEVELOPMENT AGREEMENT

This AGREEMENT is made and entered into effective _____ (the "Effective Date"), by and between Godfather's Pizza, Inc., a Delaware corporation with its principal office at 2808 North 108th Street, Omaha, Nebraska 68164 ("Company"), and _____ whose principal address is _____ ("Developer").

RECITALS

Company franchises restaurant operations under the name "Godfather's Pizza"; and Developer proposes to enter into this Agreement to develop the number of Godfather's Pizza locations described in this Agreement (the "Locations" as further defined below) and to operate each Location under the terms of a Franchise Agreement between Company and Developer (the "Franchise Agreement");

NOW, THEREFORE, in consideration of the development fees paid or to be paid by Developer and of the matters herein recited and their mutual promises exchanged in this Agreement, the receipt and sufficiency of which the parties hereby acknowledge, Company and Developer agree as follows:

1. **DEFINITIONS AND MISCELLANEOUS PROVISIONS:**

A. **TERMS DESCRIBED IN FRANCHISE AGREEMENT:** Any terms used in this Agreement that are not defined in this Agreement but are defined in the Franchise Agreement will have the meaning given to them in the Franchise Agreement.

B. **FURTHER DEFINITIONS:** As used in this Agreement, the following definitions will apply:

- (1) "Affiliate" will mean that an entity controls, is controlled by, or is under common control with the entity with which it is described as an affiliate.
- (2) "Agreement" will mean this Area Development Agreement, as originally executed or as thereafter amended in the manner provided in this Agreement.
- (3) "Balance of initial franchise fee" will mean for each Location for which a Franchise Agreement is issued, the remainder, if any, of the initial franchise fee for the Location in the amount described in the attached Exhibit "A".
- (4) "Commencement of development" will mean for any Location proposed by Developer and approved by Company, the completion of acquisition by Developer through lease, option, purchase, or otherwise of the right to build and operate a Location.

(5) "Company" will mean Godfather's Pizza, Inc., a Delaware business corporation, with its principal office in Omaha, Douglas County, Nebraska, or any permitted assign, successor, or representative.

(6) "Completion of development" will mean for any Location proposed by Developer and approved by Company for which a Franchise Agreement has been issued the commencement of business by Developer as Franchisee under such Franchise Agreement.

(7) "Developer" will mean the party listed on the first page of this Agreement or any permitted assign or successor.

(8) "Development Area" will mean all of that area described in the attached Exhibit "A".

(9) "Development Fee" will mean for the Development Area the amount indicated in the attached Exhibit "A".

(10) "Franchise Agreement" will mean for the first Location the Franchise Agreement between Company and Developer as Franchisee with provisions substantially similar to those in the attached Exhibit "B". For additional Locations developed under this Agreement, Company may require Developer to sign Company's then current form of Franchise Agreement.

(11) "Interest in Developer" will mean the ownership of all or any part of the equity of a sole proprietorship, the units of ownership of a general or limited partnership or limited liability company, the equity securities of a corporation, the units of ownership of a joint venture, or any other form of ownership of any part of the equity of Developer.

(12) "Location" will mean a location within the Development Area approved by Company under the provisions of this Agreement.

(13) "Transfer" will mean any direct or indirect assignment, creation of a security interest, encumbrance, gift, mortgage, pledge, sale or other form of conveyance of an interest in Developer.

C. DIVISIONS AND TITLES: As used in this Agreement for convenience only, the division of the text into separate paragraphs and their titles will have no independent effect upon the application or construction of the provisions of this Agreement.

D. CONFLICT OF PROVISIONS: The provisions of this Agreement will supersede the provisions of the attached form of Franchise Agreement and of any Franchise Agreement issued to the extent required for resolution of any inconsistency between such provisions.

E. RELATIONSHIP OF COMPANY AND DEVELOPER: Developer will be an independent contractor under this Agreement without any expressed or implied authority or power as agent or otherwise to act for or bind Company; and Company will have no fiduciary, employment or other relationship with Developer, except for the contractual relationship expressed by the provisions of this Agreement, and no liability or other responsibility to Developer or to any other person or persons for the financial or other commercial success of Developer. Developer will have complete control over the hiring, discipline and termination of all employees of the Locations operated by Developer or any permitted Affiliate of Developer, be exclusively responsible for the terms of their employment and compensation and for the proper training of such employees in the operation of the franchised Locations.

F. THIRD PERSONS: No third person will be a party to this Agreement; but each owner of an interest in Developer will be a party to this Agreement to the extent so provided.

G. APPLICABLE LAW AND JURISDICTION: Except to the extent governed by federal trademark or franchise law, this Agreement will be governed by the laws of the State of Nebraska, without regard to its conflicts of law principles or the conflicts of law principles of any other jurisdiction. This Agreement was negotiated in Douglas County, Nebraska. In view of this fact and the acknowledged need for uniformity and stability in the long-term relationship between the parties created under this Agreement, the parties submit to the personal jurisdiction of the state and federal courts of Douglas County, Nebraska, as the exclusive venue for any and all disputes relating in any way to this Agreement, the development of Locations by Developer, the operation of the Developer's business, or the Godfather's Pizza system. Developer irrevocably submits to the jurisdiction of such courts and waives any objection Developer may have to either the jurisdiction or venue of such.

2. DEVELOPMENT RIGHTS, PROCEDURE, AND PERSONNEL: Developer will construct Locations and thereafter operate them as franchised Godfather's Pizza locations under the following rights and procedures:

A. RIGHTS: Company hereby grants to Developer, and will grant to no other person, the right during the term of this Agreement to develop as Franchisee to operate Godfather's Pizza franchised traditional or non-traditional locations within the Development Area as set forth in Exhibit "A". At the completion of development of each Location, Company will issue to Developer a Franchise Agreement for such Location. Company reserves the right within the Development Area to offer and sell (except through traditional locations operated by Company or another franchisee if this Agreement is for the development of traditional locations, and except through non-traditional locations operated by Company or another franchisee if this Agreement is for the development of non-traditional locations), and to grant others the right to offer and sell, goods and services identical or similar to and/or competitive with those provided at Locations, whether identified by the Godfather's Pizza trademarks or other trademarks or service marks, through similar or dissimilar

channels of distribution (including the sale of licensed products through outlets not operating as franchises under the Godfather's Pizza To Go program or otherwise, other selling opportunities identified by Company, the internet or similar electronic media) from any location and on any terms and conditions Company deems appropriate. Company also reserves the right within the Development Area to operate, and to grant to others the right to operate, businesses offering dissimilar products and services, from any location, including dissimilar channels of distribution, such as the internet and similar electronic media, under the Godfather's Pizza trademarks or other trademarks and on any terms and conditions Company deems appropriate. For purposes of this Agreement, a traditional location is a restaurant selling Godfather's Pizza products that includes on-premises dining and a carryout/delivery location. A non-traditional location includes locations within convenience stores, truck stops, or other venues that are not traditional locations. If Company enters into an Area Development Agreement for the development of both traditional and non-traditional locations, Company's rights to offer and sell additional franchises within the Development Area will be described in an amendment to the Area Development Agreement.

B. PROCEDURE: The following procedure will govern the course of development under this Agreement:

- (1) Developer will, within the time periods required to assure the actual, and not average or cumulative, completion of development of not fewer than the number of Locations set forth in the development schedule attached to this Agreement as Exhibit "A", submit to Company for its prior written approval a written proposal of each proposed Location. Except where otherwise agreed by Company, Developer will submit to Company a proposal for one or more proposed Locations within a time period that permits commencement of development of the first Location within thirty (30) days of the Effective Date.
- (2) Company will have the right in its sole discretion to grant or to withhold its written approval of any potential Location proposed by Developer, and will by written response advise Developer of its approval or disapproval of each potential Location.
- (3) Developer will complete development of the first and each additional approved Location within one hundred twenty (120) days of the commencement of development of such Location.
- (4) Developer will have no rights after the term of this Agreement for exclusive or nonexclusive development for any location within the Development Area not approved by Company during the term of this Agreement. In addition, Developer will have no exclusive radius or other exclusive area around any Location developed pursuant to this Agreement.

3. CHARGES AND FEES: Developer will pay Company the following charges and fees:

A. DEVELOPMENT FEE: Developer will at the Effective Date pay Company the entire Development Fee; and, upon receipt by Company, the entire Development Fee will be considered to be earned, and no part of it will be repaid to Developer by Company.

B. INITIAL FEE AND RENEWAL FEES: Developer will at the time provided in each Franchise Agreement pay Company the initial fee required for such Franchise Agreement, and will pay each renewal fee required for all such Franchise Agreements within the time provided in each Franchise Agreement to be renewed. No part of any initial fee or renewal fee will be repaid by Company to Developer.

C. CHARGES UNDER FRANCHISE AGREEMENT: Developer will as Franchisee under each Franchise Agreement fully and promptly pay all charges required by each Franchise Agreement including royalties, service compensation, and other costs and fees specified in the Franchise Agreement.

4. REPRESENTATIONS AND LIMITATIONS: The following representations and limitations will apply to this Agreement:

A. DEVELOPER REPRESENTATION: Developer hereby represents to Company that it has adequate capitalization and development experience to perform all of its development, operational and other obligations under the provisions of this Agreement and under each Franchise Agreement issued.

B. RETENTION OF INTERESTS: Company will retain all ownership of, property rights in, and title to its confidential information and its intellectual property; and Developer will have no claim or right to this confidential information and intellectual property except as expressly authorized in each Franchise Agreement.

C. CONTROL OF MARKS: Developer will not without the express written consent of Company make any use whatever of the name "Godfather's Pizza" or any of Company's Marks, except to the extent permitted under each Franchise Agreement issued.

D. OWNERSHIP AND OPERATION OF LOCATIONS: All Locations opened pursuant to this Agreement shall be owned and operated by Developer or an Affiliate of Developer, as approved by Company in its sole discretion, and will be identified in each Franchise Agreement issued by Company as the Franchisee. Further, all such Locations shall be owned and operated by the same Franchisee unless Company agrees otherwise in writing. Franchisee shall not assign, lease, or transfer in any way the ownership or operation of any of the Locations to a different person or entity without Company's prior written approval.

5. TRANSFERS, ACQUISITIONS, AND ENCUMBRANCE: This Agreement will be subject to the following limitations upon transfers, acquisitions, and encumbrance:

A. TRANSFER BY COMPANY: Company will have the right to assign or transfer all or part of its interests under this Agreement if such assignee or transferee by express

written undertaking assumes all or part of the liabilities and other obligations of Company to Developer under the provisions of this Agreement. After any assignment or transfer of all of its interests in this Agreement, Company will have no further obligation to Developer under this Agreement. Company will have the right to encumber, pledge, or make some other security transfer to any creditor, lender, or other secured person of this Agreement or all or any part or parts of the charges due or to become due from Developer under this Agreement.

B. TRANSFER BY DEVELOPER: Transfers, assignments, or similar actions by Developer will be subject to the following limitations:

(1) Developer will not without the express written consent of Company transfer to any person or entity any part of its interest under the provisions of this Agreement.

(2) No person owning an interest in Developer will without the express written consent of Company directly or indirectly transfer to any person or entity all or any part or parts of an interest in Developer.

(3) Developer will notify Company in writing not fewer than thirty (30) days before the proposed effective date of any transfer proposed by direct or indirect action of all interests in Developer; and upon receipt of such notice of any such transfer proposed to be made in good faith, Company will have the right at its sole discretion and in place of such proposed transferee to acquire such interest for consideration and upon conditions and other terms not inferior to those offered by or to such proposed transferee. Company will have thirty (30) days from the date it receives written notification of a proposed sale to exercise this right of first refusal.

C. SPENDTHRIFT PROTECTION: This Agreement will be and remain personal to Developer exclusively; and to the fullest extent authorized or permitted by law, no part of any interest of Developer under the provisions of this Agreement will be subject to attachment, garnishment, levy, or seizure by any creditor or any other person claiming against or in the right of Developer under any legal or equitable proceeding.

D. NON-EXPLOITATION: Developer will not without the express written consent of Company by way of private or public securities offer or placement, syndication, or other mechanism allocate, divide, or otherwise transfer all or any part or parts of its interests under the provisions of this Agreement or of any Franchise Agreement issued.

E. ACQUISITIONS BY AND COMBINATIONS OF DEVELOPER: Neither Developer nor any person owning an interest in Developer will without the express written consent of Company obtain by acquisition of assets or securities, consolidation, merger, or other form of combination the rights of any other developer or franchisee of Godfather's Pizza locations.

6. BREACH AND DURATION: The following provisions will govern breach and duration of this Agreement:

A. TERM OF AGREEMENT: This Agreement will be in effect for a term beginning with its Effective Date and ending with the expiration of the development schedule attached to this Agreement, or any extension of that schedule agreed to by Company and Developer, but will remain subject to termination under the other provisions of this Agreement.

B. DEFAULT: Breach by Company or Developer will give rise to the following cumulative and nonexclusive rights and remedies:

(1) Upon any breach, default, or other material failure by Developer under the provisions of this Agreement or under the provisions of any Franchise Agreement issued to Developer or its Affiliate, Company will have the right by an express written notice given to Developer to terminate the term of this Agreement at any date not less than thirty (30) days thereafter specified by such notice if Developer fails to cure such breach, default or other material failure within such notice period; provided that Company shall not be required to permit Developer to cure any failure to comply with the development schedule set forth in this Agreement or a default under the Franchise Agreement following which the Franchise Agreement automatically terminates upon receipt of written notice from Company without an opportunity to cure the default. Company may agree in its sole discretion to extend or modify the development schedule. Upon any breach, default, or material failure by Company under the provisions of this Agreement or any Franchise Agreement issued, Developer will have the right by an express written notice given to Company to terminate the term of this Agreement at any date not less than thirty (30) days thereafter so specified by such notice if Company fails to cure such breach, default or other material failure within such notice period.

(2) Upon any breach, default or other material failure by Developer under this Agreement or under any Franchise Agreement issued, Company will have the right, at its sole discretion and in place of termination of the term of this Agreement, to amend, reduce, or otherwise limit or modify the Development Area, the development fee, or all or any part of the development schedule described in Exhibit "A", and all or any part of any other provision of this Agreement relevant to such failure; and Company and Developer will execute either a new document to supersede this Agreement or an exhibit or exhibits to amend the provisions of this Agreement.

(3) No failure of Company or Developer to declare or otherwise act upon any default by the other will be or constitute a waiver of the provision or provisions so breached or of any other provisions of this Agreement.

(4) The closing by Developer of a Location developed by Developer under this Agreement will not be a default under this Agreement, but that Location will not be included in the number of Locations developed by Developer in determining

whether Developer is in compliance with the development schedule included in this Agreement.

C. EXTENSION: Company and Developer may by express written agreement extend the term of this Agreement from time to time; provided that Company is not required to extend this Agreement if Developer fails to achieve the completion of development of all development locations described in Exhibit "A" within the time provided for such development.

D. POST-TERMINATION RIGHTS: Upon termination of this Agreement, Developer will retain all rights under each Franchise Agreement issued and not then in default subject to the provisions of each Franchise Agreement; and Company will have the right otherwise to arrange for development of the remainder of the Development Area.

7. INFORMATION, NOTICES, AND ADDRESSES:

A. NOTICES: All written notices permitted or required to be delivered by the provisions of this Agreement shall be deemed so delivered at the time delivered by hand; at the time sent by electronic mail so long as the notifying party either receives a delivery or read receipt or does not receive a message from its electronic mail provider stating that the electronic mail was undeliverable; or one (1) business day after placement with a nationally recognized overnight delivery service or three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified.

B. MAILING ADDRESSES: The mailing addresses of Company and Developer will be designated and may be changed in the following manner:

(1) Company, at
2808 North 108th Street
Omaha, Nebraska 68164
Attention: _____; and

Developer, at

(2) Company and Developer may from time to time change their mailing addresses by a written notice given to the other party at its then most recently designated mailing address.

C. OWNERSHIP INFORMATION: Developer will at the Effective Date and at any time thereafter upon the request of Company, or upon change in ownership, furnish to Company a list of the names and current business or other mailing address of each director, officer, owner, partner, member, principal, proprietor, and other owner of an interest in Developer together with a description of the nature of such entity and of the position with, or ownership of Developer of each such individual or entity.

D. NOTICE OF OWNERSHIP TRANSFER RESTRICTIONS: Developer will cause its formation documents to contain a provision restricting the transfer of any interest in Developer pursuant to this Agreement; and Developer will cause each certificate or other document evidencing ownership of any interest in Developer to contain an appropriate legend indicating the applicability of such restriction upon transfer.

8. ADDITIONAL PROVISIONS AND DOCUMENTS: Additional provisions may be made a part of this Agreement in the following manner:

A. SUPPLEMENT: The additional provisions, if any, set out in any attached exhibit at the Effective Date will be and remain from such date provisions of this Agreement as if herein set out in full.

B. AMENDMENTS: The additional provisions, if any, set out in any one or more attached, dated, and signed exhibits as amendments to this Agreement after the Effective Date will become and remain from their respective effective dates of execution provisions of this Agreement.

9. INDEMNIFICATION AND INSURANCE.

A. INDEMNIFICATION BY DEVELOPER. Developer agrees to indemnify Company, its Affiliates and their respective directors, officers, employees, shareholders, members, agents, successors and assigns (collectively "Indemnitees"), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all liability or damages arising out of or relating to (i) Developer's acts or omissions in developing Locations under this Agreement, including but not limited to any employment or third-party claims associated with the foregoing; and (ii) the failure or breach of any of Developer's representations or obligations under this Agreement, together with all reasonable costs of defending any claim brought against Indemnitees or any action in which Indemnitees are named as a party or parties (including but not limited to reasonable attorneys' fees) unless the loss, liability, damage or cost is solely due to Company's breach of this Agreement, gross negligence, willful misconduct or Company's intellectual property infringement (provided that Developer used Company's intellectual property solely in the manner Company directed). Company may, in its reasonable discretion, take such actions as Company deems appropriate to investigate, defend, or settle any event or take other remedial or corrective actions with respect thereto as may be necessary for the protection of Indemnitees; provided, however, that any settlement shall be subject to Developer's consent, which consent shall not be unreasonably withheld or delayed. This Section shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

B. INSURANCE. During the term of this Agreement Developer will maintain the insurance coverage set forth in Company's then current form of Franchise Agreement under the terms and conditions, including the designation of additional insureds, set forth in that current form of Franchise Agreement. Developer will also obtain such additional

forms of insurance required by Company from time-to-time during the term in connection with the development and construction of Locations under this Agreement.

10. GUARANTY, ENFORCEMENT, ENTIRETY, AND SEVERABILITY:

A. CONSENT: When the prior written or other consent of Company or of Developer is required for any action or decision by the other, and except where this Agreement permits Company to take an action in its sole discretion, such consent will not be unreasonably withheld.

B. ENTIRE AGREEMENT, COUNTERPARTS, AND SIGNATURES: This Agreement constitutes the entire arrangement between Company and Developer as to the development of Godfather's Pizza locations; provided, however, nothing in this Agreement or in any other agreement is intended to disclaim any representations made by the Company in its Franchise Disclosure Document. This Agreement may be executed in multiple counterpart copies, each of which shall be deemed an original, and may be signed by electronic, scanned or faxed signatures each of which will be deemed to be an original signature.

C. SEVERABILITY OF PROVISIONS: Invalidity of any of the provisions of this Agreement or of any application or construction thereof will not affect the validity of the other provisions or other applications or constructions to which effect may reasonably be given without such invalid provisions or without such invalid application or construction; and the provisions of this Agreement will be and remain severable from each other.

D. BINDING EFFECT: This Agreement will be binding upon and inure to the benefit of Company, Developer, and their respective successors, assigns, and representatives; and will be binding upon and inure to the benefit of each person owning an interest in Developer as appropriate or necessary for its effectuation and to the same extent as Developer as a party to this Agreement.

E. GUARANTY: All owners of Developer, including any new owners of Developer approved under the terms of Section 5.B, shall sign the Owners' Guaranty and Assumption of Developer's Obligations attached to this Agreement within five (5) days after acquiring an ownership interest in Developer.

The parties have executed and delivered this Agreement in counterparts as of the date written above.

GODFATHER'S PIZZA, INC.

DEVELOPER:

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Date: _____

EXHIBIT "A"

Area Development Agreement

Development Area, Development Fee, Continuing Fees, Type of Locations to Be Developed,
Development Schedule and Balances of Initial Franchise Fees

1. Development Area:
2. Development Fee:
3. Continuing Fees:
4. Type of Locations to be Developed:
5. Development Schedule:
6. Balance of Initial Franchise Fee:
7. Effective Date:

EXHIBIT “B”

Area Development Agreement

Format of Franchise Agreement

EXHIBIT "C"

OWNER' S GUARANTY AND ASSUMPTION OF DEVELOPER' S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the preceding Area Development Agreement (the "Agreement") by Godfather's Pizza, Inc. (the "Company"), each of the undersigned hereby personally and unconditionally: (1) guarantees to the Company and its successors and assigns, for the term of the Agreement and thereafter until all obligations of Developer are satisfied, that each of the undersigned shall punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement; and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement. Each of the undersigned waives:

- (1) acceptance and notice of acceptance by the Company of the foregoing undertakings;
- (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
- (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
- (4) any right he or she may have to require that an action be brought against Developer, Franchisee or any other person as a condition of liability; and
- (5) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that:

- (1) his or her direct and immediate liability under this guaranty shall be joint and several;
- (2) he or she shall render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so;
- (3) such liability shall not be contingent or conditioned upon pursuit by the Company of any remedies against Developer or any other person;
- (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Company may from time-to-time grant to Developer or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement and each successive extension thereof; and
- (5) this Guaranty is a guaranty of payment and performance (and not of collection) and shall remain in full force and effect until payment and performance in full of each and every guaranteed payment and guaranteed obligation.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

EXHIBIT "C"

FINANCIAL STATEMENTS

Godfather's Pizza, Inc. and Subsidiaries

**Consolidated Financial Statements and
Independent Auditors' Report**

May 28, 2023 and May 29, 2022



Godfather's Pizza, Inc. and Subsidiaries

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Godfather's Pizza, Inc. and Subsidiaries
Omaha, Nebraska

Opinion

We have audited the consolidated financial statements of Godfather's Pizza, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of May 28, 2023 and May 29, 2022, the related consolidated statements of income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of May 28, 2023 and May 29, 2022, and the results of its consolidated operations and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter – Leases

As discussed in Note 1 to the consolidated financial statements, the Company adopted Accounting Standards Update 2016-02, *Leases (Topic 842)*, issued by the Financial Accounting Standards Board (FASB), related to the accounting treatment for leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after July 27, 2023.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Lutz & Company, P.C.

July 27, 2023

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Balance Sheets

May 28, 2023 and May 29, 2022

ASSETS		
	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 7,552,000	\$ 5,940,000
Short-Term Investments	1,191,000	667,000
Net Receivables	1,378,000	1,189,000
Due from Affiliate	-	382,000
Current Portion of Notes Receivable from Affiliate	43,000	42,000
Inventories	95,000	76,000
Prepaid Expenses	460,000	366,000
Refundable Income Taxes	141,000	109,000
Total Current Assets	10,860,000	8,771,000
PROPERTY AND EQUIPMENT, NET	2,292,000	2,157,000
OTHER ASSETS		
Franchise Rights and Trademarks	3,073,000	3,073,000
Goodwill, Net	71,000	338,000
Notes Receivable from Affiliate, Less Current Portion	1,009,000	1,051,000
Long-Term Investments	1,088,000	1,712,000
Operating Lease Right-of-Use Assets	1,659,000	-
Other Assets	152,000	158,000
Total Other Assets	7,052,000	6,332,000
TOTAL ASSETS	\$ 20,204,000	\$ 17,260,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Balance Sheets

May 28, 2023 and May 29, 2022

LIABILITIES		
	<u>2023</u>	<u>2022</u>
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	\$ 87,000	\$ 139,000
Accounts Payable	636,000	638,000
Due to Affiliate	33,000	-
Current Portion of Operating Lease Liabilities	459,000	-
Other Accrued Liabilities	1,946,000	2,251,000
Total Current Liabilities	3,161,000	3,028,000
LONG-TERM LIABILITIES		
Long-Term Debt, Less Current Portion	20,000	116,000
Other Long-Term Liabilities	394,000	423,000
Operating Lease Liabilities, Less Current Portion	1,200,000	-
Deferred Income Taxes	851,000	856,000
Total Long-Term Liabilities	2,465,000	1,395,000
Total Liabilities	5,626,000	4,423,000
STOCKHOLDERS' EQUITY		
COMMON STOCK		
\$.01 Par Value, Authorized, 1,000,000 Shares Issued, 200,000 Shares; and Outstanding, 96,812 Shares and 96,916 Shares, Respectively	2,000	2,000
ADDITIONAL PAID IN CAPITAL	595,000	595,000
RETAINED EARNINGS	16,191,000	14,447,000
	16,788,000	15,044,000
TREASURY STOCK, AT COST	(2,210,000)	(2,207,000)
Total Stockholders' Equity	14,578,000	12,837,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 20,204,000	\$ 17,260,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Income

Years Ended May 28, 2023 and May 29, 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Sales by Company-Operated Restaurants	\$ 8,539,000	\$ 8,182,000
Franchise Revenues	9,754,000	8,976,000
Licensed Product Revenues	1,271,000	972,000
International Franchise Revenues	-	9,000
Total Revenues	19,564,000	18,139,000
COST OF SALES AND RESTAURANT OPERATING COSTS	7,495,000	7,153,000
GROSS PROFIT	12,069,000	10,986,000
GENERAL AND ADMINISTRATIVE EXPENSES	9,797,000	9,121,000
Income from Operations	2,272,000	1,865,000
OTHER INCOME AND EXPENSE		
Other Income	75,000	18,000
Interest Expense	(31,000)	(43,000)
Gain on Sale of Property and Equipment	11,000	151,000
Realized Loss on Sale of Investments	(37,000)	-
Change in Net Unrealized Loss on Investments	34,000	(104,000)
Total Other Income and Expense	52,000	22,000
Income before Provision for Income Taxes	2,324,000	1,887,000
PROVISION FOR INCOME TAXES	580,000	485,000
NET INCOME	\$ 1,744,000	\$ 1,402,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity

Years Ended May 28, 2023 and May 29, 2022

	<u>Common Stock</u>	<u>Additional Paid In Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Total Stockholders' Equity</u>
BALANCES, May 30, 2021	\$ 2,000	\$ 594,000	\$ 13,045,000	\$ (2,174,000)	\$ 11,467,000
Net Income	-	-	1,402,000	-	1,402,000
Sale of Treasury Stock	-	1,000	-	2,000	3,000
Purchase of Treasury Stock	-	-	-	(35,000)	(35,000)
BALANCES, May 29, 2022	2,000	595,000	14,447,000	(2,207,000)	12,837,000
Net Income	-	-	1,744,000	-	1,744,000
Purchase of Treasury Stock	-	-	-	(3,000)	(3,000)
BALANCES, May 28, 2023	\$ 2,000	\$ 595,000	\$ 16,191,000	\$ (2,210,000)	\$ 14,578,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended May 28, 2023 and May 29, 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 1,744,000	\$ 1,402,000
Adjustments to Reconcile Net Income to		
Net Cash Provided by Operating Activities		
Depreciation and Amortization	915,000	914,000
Realized Loss on Sale of Investments	37,000	-
Change in Net Unrealized Loss on Investments	(34,000)	104,000
Gain on Sale of Property and Equipment	(11,000)	(151,000)
Change in Reserve for Restaurant Closings	-	(55,000)
Deferred Income Taxes	(5,000)	(71,000)
Decrease (Increase) in Assets:		
Net Receivables	(189,000)	(151,000)
Due from Affiliate	382,000	59,000
Inventories	(19,000)	(21,000)
Prepaid Expenses	(94,000)	(55,000)
Refundable Income Taxes	(32,000)	(108,000)
Other Assets	6,000	11,000
Increase (Decrease) in Liabilities:		
Accounts Payable	(2,000)	(24,000)
Due to Affiliate	33,000	-
Other Accrued Liabilities	(305,000)	281,000
Other Long-Term Liabilities	(29,000)	(56,000)
Net Cash Provided by Operating Activities	2,397,000	2,079,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,616,000)	(1,277,000)
Proceeds from Sale of Investments	1,713,000	111,000
Proceeds from Sale of Property and Equipment	27,000	262,000
Purchase of Property and Equipment	(799,000)	(572,000)
Payments Received on Notes Receivable	41,000	48,000
Net Cash Used in Investing Activities	(634,000)	(1,428,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Long-Term Debt	(148,000)	(159,000)
Sale of Treasury Stock	-	3,000
Purchase of Treasury Stock	(3,000)	(35,000)
Net Cash Used in Financing Activities	(151,000)	(191,000)
Net Increase in Cash and Cash Equivalents	1,612,000	460,000
Cash and Cash Equivalents, Beginning of Year	5,940,000	5,480,000
Cash and Cash Equivalents, End of Year	\$ 7,552,000	\$ 5,940,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended May 28, 2023 and May 29, 2022

	<u>2023</u>	<u>2022</u>
SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION		
Interest Paid	\$ 31,000	\$ 43,000
Income Taxes Paid, Net	617,000	664,000
NONCASH INVESTING AND FINANCING ACTIVITIES		
Long-Term Debt Satisfied through Sale of Property and Equipment	\$ -	\$ 16,000
<u>Adoption of ASU 2016-02</u>		
Operating Lease Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	\$ 2,182,000	\$ -

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Godfather's Pizza, Inc. and its wholly-owned subsidiaries GPBCM, Inc. and GPTB, Inc., collectively (the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of Business

Godfather's Pizza, Inc. was incorporated under the laws of the State of Delaware in June 1985 and was formed to operate and franchise a concept servicing pizza and other food products.

GPBCM, Inc. ("GPBCM") was incorporated under the laws of the State of Nebraska in May 2013 and is utilized to operate programs to license the sale of pizza products in retail outlets, convenience stores and other non-traditional locations. There were 1,125 locations at May 28, 2023 and 945 locations at May 29, 2022. GPBCM also has a program under which Godfather's Pizza brand sauce is sold to retail outlets and certain online retailers.

GPTB, Inc. ("GPTB") was incorporated under the laws of the State of Nebraska in May 2013 and has been utilized to franchise a concept of serving pizza and other food products internationally. There were no international franchise locations at May 28, 2023 and May 29, 2022.

The following is a summary of restaurants operated by the Company and its franchisees at May 28, 2023 and May 29, 2022:

	<u>Company Operated</u>	<u>Franchisees</u>	<u>Total</u>
Open, May 30, 2021	<u>10</u>	<u>583</u>	<u>593</u>
Openings	-	34	34
Closings	<u>(1)</u>	<u>(22)</u>	<u>(23)</u>
Open, May 29, 2022	<u>9</u>	<u>595</u>	<u>604</u>
Openings	-	32	32
Closings	-	<u>(27)</u>	<u>(27)</u>
Open, May 28, 2023	<u>9</u>	<u>600</u>	<u>609</u>

The Company reserves for future costs associated with closed restaurants. Annually, management reviews and evaluates Company operations to determine if additional restaurants are to be included in the reserve. There was no closed store reserve at May 28, 2023 and May 29, 2022.

Fiscal Year

The Company's fiscal year ends on the last Sunday in May.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Use of Estimates

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

Advertising and Promotion Costs

The cost of advertising and promotion is expensed as incurred. Advertising and promotion costs were approximately \$275,000 and \$263,000 for the years ended May 28, 2023 and May 29, 2022, respectively.

Cash and Cash Equivalents

The Company maintains zero balance accounts as a part of its cash management. Checks not yet presented for payment are included in accounts payable and totaled approximately \$48,000 and \$99,000 at May 28, 2023 and May 29, 2022, respectively. For purposes of the consolidated statements of cash flows, the Company considers all investments with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents consist of U.S. prime money market funds.

Concentration of Credit Risk

The Company has two types of financial instruments subject to credit risk. The Company maintains bank accounts in which the balances sometimes exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. At May 28, 2023 and May 29, 2022, there were cash balances in excess of FDIC limits at the bank of approximately \$3,162,000 and \$5,232,000, respectively.

Investments and money market funds are subject to market risk and net receivables subject the Company to credit risk.

Investments

Investment securities are classified as equity or debt securities and are stated at fair value (see Notes 2 and 3). Corporate bonds that mature within one year of the consolidated balance sheet date are classified as short-term investments in the accompanying consolidated balance sheets; all other investments are classified as long-term investments.

Realized gains or losses on the sale of investment securities are accounted for using the specific identification cost method. Interest and dividend income is recorded when earned.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Net Receivables

Net receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful receivables by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions. Net receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded as income when received. The allowance for doubtful receivables was approximately \$18,000 and \$8,000 at May 28, 2023 and May 29, 2022, respectively.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value and consist primarily of restaurant food items and paper supplies.

Property and Equipment

Property and equipment are stated at cost with depreciation computed on the straight-line method over the assets' estimated useful lives. Upon sale or retirement of property and equipment, the related costs and accumulated depreciation are removed from the accounts and any related gain or loss is reflected in the consolidated statements of income.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Leasehold Improvements	3-40 years
Equipment	3-15 years

Major classes of property and equipment at May 28, 2023 and May 29, 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Leasehold Improvements	\$ 3,809,000	\$ 3,198,000
Equipment	<u>4,649,000</u>	<u>4,551,000</u>
	8,458,000	7,749,000
Less Accumulated Depreciation	<u>6,166,000</u>	<u>5,592,000</u>
	<u><u>\$ 2,292,000</u></u>	<u><u>\$ 2,157,000</u></u>

Long-Lived Asset Impairment

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate that the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized in the amount by which the carrying amount of the long-lived asset exceeds its fair value. Management does not believe any impairment existed as of May 28, 2023 and May 29, 2022.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Other Intangible Assets and Goodwill

The Company's intangible assets consist of franchise rights, trademarks and goodwill, which represent the value assigned to those assets. The Company determined that franchise rights and trademarks were deemed to have indefinite useful lives.

Accordingly, the Company does not amortize these intangibles. The Company reviews the carrying amount of their franchise rights and trademarks for possible impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill represents the carrying amount of the cost in excess of net assets acquired. The Company follows FASB Accounting Standards Update 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, which allows the Company to amortize goodwill prospectively on a straight-line basis up to ten years. Management believes that this method more accurately reflects periodic results of operations and has elected to amortize its existing goodwill over ten years, which represents the estimated useful life.

Accordingly, amortization expense of \$267,000 was recorded during the years ended May 28, 2023 and May 29, 2022 in the accompanying consolidated statements of income. The Company will continue to review goodwill for possible impairment when a triggering event has occurred. Amortization expense over the next year is anticipated to be approximately \$71,000.

Goodwill, net is as follows at May 28, 2023 and May 29, 2022:

	<u>2023</u>	<u>2022</u>
Balance, Beginning of Period	\$ 2,663,000	\$ 2,663,000
Less Accumulated Amortization	<u>(2,592,000)</u>	<u>(2,325,000)</u>
Balance, End of Period	<u>\$ 71,000</u>	<u>\$ 338,000</u>

Right-of-Use Assets and Lease Liabilities

Effective May 30, 2022, the Company adopted Accounting Standards Update 2016-02, *Leases (Topic 842)* ("ASU 2016-02") using the modified retrospective transition method, which allows for a cumulative-effect adjustment through retained earnings at the date of initial application. There was no cumulative-effect adjustment recorded as the Company's adoption of ASU 2016-02 did not have a material impact on the accompanying consolidated statements of income.

Upon adoption of ASU 2016-02, the Company elected the transition relief practical expedients which specify that an entity does not need to reassess initial direct costs for existing leases, the lease classification for expired or existing leases, and whether any expired or existing contracts contain leases.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

The new standard establishes a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the accompanying consolidated balance sheets for all leases. The Company has elected the short-term lease practical expedient to exclude leases with terms of 12 months or less from recognition on the accompanying consolidated balance sheets. The Company has elected the practical expedient to utilize the risk-free rate in determining the present value of lease payments unless the implicit rate is readily determinable.

The Company has elected the practical expedient under Accounting Standards Update 2023-01, *Leases – Common Control Arrangements*, which allows the Company to use the written terms and conditions of a lease between entities under common control in applying the guidance under ASU 2016-02. The Company is party to a common control leasing arrangement that is classified as a short-term lease based upon the written terms and conditions of the related lease agreement (see Note 8). The Company's leasehold improvements related to this lease had a net book value of approximately \$580,000 and an average remaining useful life between 6 and 8 years as of May 28, 2023.

Income Taxes

The Company follows an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually for differences between financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and statutory rates applicable to the periods in which the differences are expected to affect taxable income.

Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense or benefit is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

When income tax returns are filed, it is highly certain that some positions would be sustained upon examination by the taxing authorities, while others may be subject to uncertainty about the merits of the position taken or the amount of the position that would ultimately be sustained. The benefit of a tax position is recognized in the Company's consolidated financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold would be measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above would be reflected as a liability for unrecognized tax benefits in the accompanying Company's consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Interest and penalties associated with unrecognized tax benefits would be classified as additional income taxes in the consolidated statements of income.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Management believes it is more likely than not that the benefits recognized from tax positions taken on the Company's consolidated financial statements will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Accordingly, no liability for unrecognized tax benefits is reflected on the accompanying consolidated balance sheets.

The Company believes it is no longer subject to income tax examinations by federal, state, or local tax authorities for years ending before May 31, 2020.

Franchise Operations and Revenue Recognition

Revenue is recognized for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods and services.

The Company's accounting for revenue recognition is detailed below disaggregated by major revenue streams.

Sales by Company-Operated Restaurants

Revenue from Company-operated restaurants is recognized as the products are sold, net of sales tax and discounts applied at the time of the transaction.

Franchise Revenues

The Company sells individual franchises that require the franchisee to pay an initial nonrefundable franchise fee due upon the opening of a respective franchisee restaurant.

The initial term of a franchise agreement is generally five years. A franchisee may elect to renew the term of a franchise agreement and may pay a renewal fee upon execution of a new agreement.

The Company has determined that the initial franchise fee is a payment for preopening services including site selection, development, and training associated with opening a franchise location. The Company follows Accounting Standards Update 2021-02, *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient*, and has elected to account for preopening services as a single performance obligation. As such, the franchise fee is initially recorded as deferred revenue and is recognized as revenue upon the completion of substantially all the preopening services, which is normally concurrent with the opening of a franchisee unit. If a franchise agreement is terminated prior to the opening of a franchisee unit, the Company will recognize the full amount to revenue in the year of termination.

Continuing franchise fees are determined as a percentage of franchise restaurant sales. These fees are recognized as revenue in the period sales are earned by the franchisee and are generally paid within 30 days.

One major franchisee accounted for approximately 13% and 12% of revenues and 34% and 32% of net receivables for the years ended May 28, 2023 and May 29, 2022, respectively.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

The Company provides franchise personnel whose responsibilities are to support and assist franchise restaurant owners and operators. In addition, franchise owners receive assistance in construction and remodeling consultation and marketing from other Company personnel who also furnish these services to Company-operated restaurants. Costs and expenses related to the above franchise services are approximately 44% and 45% of general and administrative expenses for 2023 and 2022, respectively.

Licensed Product Revenues

Licensed product revenue consists of a margin received by GPBCM on certain pizza products and packaging (the "licensed products") sold to licensed store operators through an approved distributor. Revenues are recognized in the period the manufacturer sells the licensed products to an approved distributor and are generally paid within 30 days.

Contract Balances

Net receivables are an unconditional right to consideration and are recognized when the Company's performance obligation has been fully satisfied. As of May 28, 2023; May 29, 2022; and May 31, 2021; the net receivables balance was \$1,378,000, \$1,189,000, and \$1,038,000, respectively.

Contract liabilities consist of deferred revenue related to initial franchise fee deposits. The fees are recognized to revenue upon completion of substantially all preopening services, which is generally concurrent with opening a franchise unit. As of May 28, 2023; May 29, 2022; and May 31, 2021; the deferred revenue balance was \$58,000, \$49,000, and \$40,000, respectively, and is included in other accrued liabilities on the accompanying consolidated balance sheets.

Subsequent Events

Subsequent events are events or transactions that occur after the consolidated balance sheet date, but before the consolidated financial statements are available to be issued and may require potential recognition or disclosure in the Company's consolidated financial statements. Management has considered such events or transactions through July 27, 2023. In June 2023, the Company acquired substantially all assets of three franchisee locations for total consideration of approximately \$1,750,000.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

2. Investments

Investments at May 28, 2023 consists of the following:

	<u>Cost</u>	<u>Unrealized Holding Gains</u>	<u>Unrealized Holding Losses</u>	<u>Fair Value</u>
Corporate Bonds	\$ 1,100,000	\$ -	\$ (57,000)	\$ 1,043,000
Municipal Bonds	651,000	-	(22,000)	629,000
U.S. Treasury Bills	498,000	9,000	-	507,000
U.S. Government Obligations	101,000	-	(1,000)	100,000
Total Investments	<u>\$ 2,350,000</u>	<u>\$ 9,000</u>	<u>\$ (80,000)</u>	<u>\$ 2,279,000</u>

Investments at May 29, 2022 consists of the following:

	<u>Cost</u>	<u>Unrealized Holding Gains</u>	<u>Unrealized Holding Losses</u>	<u>Fair Value</u>
Corporate Bonds	\$ 1,345,000	\$ -	\$ (76,000)	\$ 1,269,000
Municipal Bonds	669,000	-	(22,000)	647,000
Fixed Income Mutual Funds	470,000	-	(7,000)	463,000
Total Investments	<u>\$ 2,484,000</u>	<u>\$ -</u>	<u>\$ (105,000)</u>	<u>\$ 2,379,000</u>

Contractual maturities of corporate and municipal bonds at May 28, 2023 are as follows:

	<u>Amortized Cost</u>	<u>Fair Value</u>
Due Within 1 Year	\$ 1,193,000	\$ 1,191,000
Due Within 1 to 5 Years	955,000	901,000
Due After 5 Years	202,000	187,000
	<u>\$ 2,350,000</u>	<u>\$ 2,279,000</u>

3. Fair Value Measurements

FASB Codification Topic 820-10 on *Fair Value Measurements* (FASB 820-10) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at May 28, 2023 and May 29, 2022.

Corporate and Municipal Bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the values of yields currently available on comparable securities of issuers with similar credit ratings.

Fixed Income Mutual Funds: Valued at the daily closing price as reported by the funds. These funds are deemed to be actively traded.

U.S. Treasury Bills: Valued using quoted market prices on active markets. These funds held by the Company are deemed to be actively traded.

U.S. Government Obligations: Valued using pricing models maximizing the use of observable inputs for similar obligations. This includes basing the value on yields currently available on comparable obligations of issuers with similar credit ratings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

The following tables present by level, within the fair value hierarchy, the Company's investments at fair value at May 28, 2023 and May 29, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2023</u>				
Corporate Bonds	\$ -	\$ 1,043,000	\$ -	\$ 1,043,000
Municipal Bonds	-	629,000	-	629,000
U.S. Treasury Bills	507,000	-	-	507,000
U.S Government Obligations	-	100,000	-	100,000
Total Investments	<u>\$ 507,000</u>	<u>\$ 1,672,000</u>	<u>\$ -</u>	<u>\$ 2,279,000</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2022</u>				
Corporate Bonds	\$ -	\$ 1,269,000	\$ -	\$ 1,269,000
Municipal Bonds	-	647,000	-	647,000
Fixed Income Mutual Funds	463,000	-	-	463,000
Total Investments	<u>\$ 463,000</u>	<u>\$ 1,916,000</u>	<u>\$ -</u>	<u>\$ 2,379,000</u>

4. Long-Term Debt and Credit Arrangements

Long-term debt consists of the following at May 28, 2023 and May 29, 2022:

	<u>2023</u>	<u>2022</u>
Various obligations to purchase equipment payable to a corporation, due in monthly installments ranging from \$483 to \$4,207, including interest ranging from 2.33% to 9.81% due at various times through December 2025, collateralized by certain equipment.	\$ 107,000	\$ 255,000
Total Long-Term Debt	107,000	255,000
Less Current Portion	87,000	139,000
Long-Term Debt, Less Current Portion	<u>\$ 20,000</u>	<u>\$ 116,000</u>

At May 28, 2023, the combined aggregate maturities for all long-term debt are as follows:

<u>Year Ending May,</u>	
2024	\$ 87,000
2025	15,000
2026	5,000
	<u>\$ 107,000</u>

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

The Company maintains a \$350,000 revolving bank line of credit due September 2023, with an interest rate at the bank prime rate less 0.50% (the bank prime rate was 8.25% at May 28, 2023), but not less than 4.00%, collateralized by substantially all business assets of the Company. There were no outstanding borrowings at May 28, 2023 and May 29, 2022.

5. Leases

The Company leases certain land, buildings and equipment which are all classified as operating lease agreements. The leases expire on various dates through 2033. Any renewal options have not been included in the calculation of right-of-use asset and lease liability. The nonlease components have not been included in the calculation of right-of-use asset and lease liability.

For the year ended May 28, 2023, total lease cost and other information included in the calculation of the right-of-use assets and lease liabilities consisted of the following:

	<u>2023</u>
<u>Lease Cost</u>	
Operating Lease Expense	\$ 548,000
Short Term Lease Expense	434,000
Nonlease Components	<u>51,000</u>
Total Lease Cost	<u><u>\$ 1,033,000</u></u>
<u>Other Information</u>	
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:	
Operating Cash Flows from Operating Leases	\$ 548,000
Operating Lease Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	2,182,000
Weighted-Average Remaining Lease Term (Years) - Operating Leases	6.4
Weighted-Average Discount Rate - Operating Leases	2.78%

The Company has short term rent expense related to a lease with an affiliated entity as described in Note 8.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Future minimum lease payments under these leases, excluding taxes and other related operating expenses, for the years ending after May 28, 2023 and their reconciliation to the operating lease liabilities included in the accompanying consolidated financial statements are as follows:

<u>Year Ending May,</u>	<u>Operating Leases</u>
2024	\$ 498,000
2025	304,000
2026	253,000
2027	108,000
2028	103,000
Thereafter	<u>555,000</u>
Total Future Lease Payments	1,821,000
Less: Discount to Present Value	<u>(162,000)</u>
Total Lease Liabilities	1,659,000
Less: Current Portion	(459,000)
Lease Liabilities, Less Current Portion	<u><u>\$ 1,200,000</u></u>

6. Income Taxes

The components of the provision for income taxes are as follows:

	<u>2023</u>	<u>2022</u>
Current Income Tax Expense	\$ 585,000	\$ 556,000
Deferred Income Tax Expense (Benefit)		
Reversal of Temporary Differences	<u>(5,000)</u>	<u>(71,000)</u>
Provision for Income Taxes	<u><u>\$ 580,000</u></u>	<u><u>\$ 485,000</u></u>

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

The Company's actual income tax provision differs from the statutory tax rates as follows:

	<u>2023</u>	<u>2022</u>
Tax at Statutory Rate of 26%	\$ 604,000	\$ 490,000
Nondeductible Expenses	22,000	14,000
State Tax Deduction	(25,000)	(24,000)
Other, Net	(21,000)	5,000
Provision for Income Taxes	<u>\$ 580,000</u>	<u>\$ 485,000</u>

Temporary differences and carry-forwards which give rise to a significant portion of deferred tax assets and liabilities are as follows:

	<u>2023</u>	<u>2022</u>
Deferred Tax Assets (Liabilities)		
Deferred Compensation	\$ 99,000	\$ 106,000
Depreciation	(401,000)	(398,000)
Incentive Pay	137,000	118,000
Intangible Amortization	(768,000)	(768,000)
Reserve for Restaurant Closings and Other Liabilities	(27,000)	26,000
Other, Net	109,000	60,000
Total Net Deferred Tax Liability	<u>\$ (851,000)</u>	<u>\$ (856,000)</u>

7. Commitments and Contingencies

Stockholder Agreements

The Company is committed under an Executive Stock Purchase Agreement with certain executives to repurchase shares of common stock in the event of their termination. The Company was committed to repurchase up to 3,812 and 3,916 shares of common stock at May 28, 2023 and May 29, 2022, respectively. The repurchase price is equivalent to the executive's original purchase price (which was \$70,000 at May 28, 2023) plus interest ranging from 5% to 10% per annum from the date of original purchase. Under certain circumstances, an additional severance amount of up to one year of a terminated executive's salary could be paid under the agreement. Under this agreement, the Company repurchased 104 shares in 2023 for \$3,000 and 208 shares in 2022 for \$35,000.

Deferred Compensation Plan

The Company has a Deferred Compensation Plan, which included two executives. This liability includes amounts deferred by the executives plus interest based on a bond index rate. The deferred liability will be paid to the executives upon their termination from employment or death. During 2019, payments to a certain executive were initiated upon retirement and were paid in monthly installments of approximately \$6,000, including interest at 4.29%, through December 2022. Payments totaled approximately \$42,000 and \$72,000 for the years ended May 28, 2023 and May 29, 2022, respectively. The amount of the liability was approximately \$395,000 at May 28, 2023 and \$423,000 at May 29, 2022. These amounts are included in other long-term liabilities.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 28, 2023 and May 29, 2022

Litigation

The Company is a party to legal proceedings arising in the ordinary course of its business. In the opinion of management and its legal counsel, disposition of these matters will not materially affect the Company's consolidated financial position or results of operations.

8. Affiliated Entity

The Company leases office space from and provides management services for Gartlan Real Estate Holdings, LLC ("Gartlan"), an affiliated company through common ownership. Monthly rent is approximately \$36,000. Rent expenditure related to this lease was approximately \$434,000 and \$493,000 for the years ended May 28, 2023 and May 29, 2022, respectively.

The Company has concluded that Gartlan qualifies as a variable interest entity (VIE) due to the fact that the Company guarantees certain debt obligations of this entity and the Company makes rental payments through the lease agreement described above. Gartlan is an operating entity formed to own the land and a building to be used as the Company's office which is then leased to the Company for use in the ordinary course of business. At May 28, 2023 and May 29, 2022, the Company is potentially liable for Gartlan's long-term debt of approximately \$846,000 and \$1,035,000, respectively, which carries an interest rate ranging from 3.125% to 3.50% and a maturity of July 2027, as the Company acts as the guarantor on this debt.

The Company follows an accounting alternative as provided for in FASB Accounting Standards Update 2014-07, Consolidation (Topic 810): *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*. Pursuant to this accounting alternative, the Company has elected not to consolidate the above VIE in the accompanying consolidated financial statements. Management believes that this presentation more accurately reflects the overall financial status of the Company and will continue to review the relationship between the VIE and the Company to assure that it continues to meet the criteria for applying this alternative accounting policy.

Notes receivable, affiliate consists of three notes receivable from Gartlan. One of these notes is an installment note receivable that as of May 28, 2023, had a balance of \$217,000 with interest at 6.78%, due in monthly installments of \$4,668 through November 2027. At May 29, 2022 the note had a balance of \$258,000 with interest at 4.51%, due in monthly installments of \$4,248. The remaining two notes are balloon notes, with interest at 4.50%, with principal of \$835,000 at May 28, 2023 and May 29, 2022, due on various dates through May 2026.

Lutz

Godfather's Pizza, Inc. and Subsidiaries

**Consolidated Financial Statements and
Independent Auditors' Report**

May 29, 2022 and May 30, 2021



Godfather's Pizza, Inc. and Subsidiaries

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Godfather's Pizza, Inc. and Subsidiaries
Omaha, Nebraska

Opinion

We have audited the consolidated financial statements of Godfather's Pizza, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of May 29, 2022 and May 30, 2021, the related consolidated statements of income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of May 29, 2022 and May 30, 2021, and the results of its consolidated operations and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after July 27, 2022.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Lutz & Company, P.C.

July 27, 2022

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Balance Sheets

May 29, 2022 and May 30, 2021

ASSETS		
	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 5,940,000	\$ 5,480,000
Short-Term Investments	667,000	399,000
Net Receivables	1,189,000	1,038,000
Due from Affiliate	382,000	441,000
Current Portion of Notes Receivable		
Affiliate	42,000	41,000
Other	-	5,000
Inventories	76,000	55,000
Prepaid Expenses	366,000	311,000
Refundable Income Taxes	109,000	1,000
Total Current Assets	8,771,000	7,771,000
PROPERTY AND EQUIPMENT, NET	2,157,000	2,359,000
OTHER ASSETS		
Franchise Rights and Trademarks	3,073,000	3,073,000
Goodwill, Net	338,000	605,000
Notes Receivable, Less Current Portion		
Affiliate	1,051,000	1,092,000
Other	-	3,000
Long-Term Investments	1,712,000	918,000
Other Assets	158,000	169,000
Total Other Assets	6,332,000	5,860,000
TOTAL ASSETS	\$ 17,260,000	\$ 15,990,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Balance Sheets

May 29, 2022 and May 30, 2021

LIABILITIES		
	<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	\$ 139,000	\$ 159,000
Reserve for Restaurant Closings	-	55,000
Accounts Payable	638,000	662,000
Other Accrued Liabilities	2,251,000	1,970,000
Total Current Liabilities	3,028,000	2,846,000
LONG-TERM LIABILITIES		
Long-Term Debt, Less Current Portion	116,000	271,000
Other Long-Term Liabilities	423,000	479,000
Deferred Income Taxes	856,000	927,000
Total Long-Term Liabilities	1,395,000	1,677,000
Total Liabilities	4,423,000	4,523,000
STOCKHOLDERS' EQUITY		
COMMON STOCK		
\$.01 Par Value, Authorized, 1,000,000 Shares Issued, 200,000 Shares; and Outstanding, 96,916 Shares and 97,020 Shares, Respectively	2,000	2,000
ADDITIONAL PAID IN CAPITAL	595,000	594,000
RETAINED EARNINGS	14,447,000	13,045,000
	15,044,000	13,641,000
TREASURY STOCK, AT COST	(2,207,000)	(2,174,000)
Total Stockholders' Equity	12,837,000	11,467,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 17,260,000	\$ 15,990,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Income

Years Ended May 29, 2022 and May 30, 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Sales by Company-Operated Restaurants	\$ 8,182,000	\$ 9,194,000
Franchise Revenues	8,976,000	8,318,000
Licensed Product Revenues	972,000	754,000
International Franchise Revenues	9,000	26,000
Total Revenues	18,139,000	18,292,000
COST OF SALES AND RESTAURANT OPERATING COSTS	7,153,000	7,883,000
GROSS PROFIT	10,986,000	10,409,000
GENERAL AND ADMINISTRATIVE EXPENSES	9,121,000	8,734,000
Income from Operations	1,865,000	1,675,000
OTHER INCOME AND EXPENSE		
Other Income	18,000	481,000
Forgiveness of Paycheck Protection Program Loan	-	1,174,000
Interest Expense	(43,000)	(71,000)
Gain (Loss) on Sale of Property and Equipment	151,000	(39,000)
Change in Net Unrealized Loss on Investments	(104,000)	(1,000)
Total Other Income and Expense	22,000	1,544,000
Income before Provision for Income Taxes	1,887,000	3,219,000
PROVISION FOR INCOME TAXES	485,000	419,000
NET INCOME	\$ 1,402,000	\$ 2,800,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity

Years Ended May 29, 2022 and May 30, 2021

	<u>Common Stock</u>	<u>Additional Paid In Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Total Stockholders' Equity</u>
BALANCES, May 31, 2020	\$ 2,000	\$ 587,000	\$ 10,245,000	\$ (2,156,000)	\$ 8,678,000
Net Income	-	-	2,800,000	-	2,800,000
Sale of Treasury Stock	-	7,000	-	12,000	19,000
Purchase of Treasury Stock	-	-	-	(30,000)	(30,000)
BALANCES, May 30, 2021	2,000	594,000	13,045,000	(2,174,000)	11,467,000
Net Income	-	-	1,402,000	-	1,402,000
Sale of Treasury Stock	-	1,000	-	2,000	3,000
Purchase of Treasury Stock	-	-	-	(35,000)	(35,000)
BALANCES, May 29, 2022	\$ 2,000	\$ 595,000	\$ 14,447,000	\$ (2,207,000)	\$ 12,837,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended May 29, 2022 and May 30, 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 1,402,000	\$ 2,800,000
Adjustments to Reconcile Net Income to		
Net Cash Provided by Operating Activities		
Depreciation and Amortization	914,000	873,000
Change in Net Unrealized Loss on Investments	104,000	1,000
Loss (Gain) on Sale of Property and Equipment	(151,000)	39,000
Forgiveness of Paycheck Protection Program Loan	-	(1,174,000)
Change in Reserve for Restaurant Closings	(55,000)	55,000
Deferred Income Taxes	(71,000)	(21,000)
Decrease (Increase) in Assets:		
Net Receivables	(151,000)	(485,000)
Due from Affiliate	59,000	682,000
Inventories	(21,000)	5,000
Prepaid Expenses	(55,000)	(62,000)
Refundable Income Taxes	(108,000)	17,000
Other Assets	11,000	2,000
Increase (Decrease) in Liabilities:		
Accounts Payable	(24,000)	92,000
Other Accrued Liabilities	281,000	273,000
Other Long-Term Liabilities	(56,000)	(56,000)
Net Cash Provided by Operating Activities	2,079,000	3,041,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,277,000)	(1,318,000)
Proceeds from Sale of Investments	111,000	-
Proceeds from Sale of Property and Equipment	262,000	3,000
Purchase of Property and Equipment	(572,000)	(414,000)
Payments Received on Notes Receivable	48,000	99,000
Net Cash Used in Investing Activities	(1,428,000)	(1,630,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Long-Term Debt	(159,000)	(224,000)
Sale of Treasury Stock	3,000	19,000
Purchase of Treasury Stock	(35,000)	(30,000)
Net Cash Used in Financing Activities	(191,000)	(235,000)
Net Increase in Cash and Cash Equivalents	460,000	1,176,000
Cash and Cash Equivalents, Beginning of Year	5,480,000	4,304,000
Cash and Cash Equivalents, End of Year	\$ 5,940,000	\$ 5,480,000

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended May 29, 2022 and May 30, 2021

	<u>2022</u>	<u>2021</u>
SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION		
Interest Paid	\$ 43,000	\$ 73,000
Income Taxes Paid, Net	664,000	423,000
NONCASH INVESTING AND FINANCING ACTIVITIES		
Long-Term Debt Incurred to Purchase Property and Equipment	\$ -	\$ 130,000
Long-Term Debt Satisfied through Sale of Property and Equipment	16,000	-

See Notes to Consolidated Financial Statements.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Godfather's Pizza, Inc. and its wholly-owned subsidiaries GPBCM, Inc. and GPTB, Inc., collectively (the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of Business

Godfather's Pizza, Inc. was incorporated under the laws of the State of Delaware in June 1985 and was formed to operate and franchise a concept servicing pizza and other food products.

GPBCM, Inc. ("GPBCM") was incorporated under the laws of the State of Nebraska in May 2013 and is utilized to operate programs to license the sale of pizza products in retail outlets, convenience stores and other non-traditional locations. There were 945 locations at May 29, 2022 and 711 locations at May 30, 2021. GPBCM also has a program under which Godfather's Pizza brand sauce is sold to retail outlets and certain online retailers and gluten-free products are sold to retail outlets.

GPTB, Inc. ("GPTB") was incorporated under the laws of the State of Nebraska in May 2013 and has been utilized to franchise a concept serving pizza and other food products internationally. There were no international franchise locations at May 29, 2022 and seven locations at May 30, 2021.

The following is a summary of restaurants operated by the Company and its franchisees at May 29, 2022 and May 30, 2021:

	<u>Company Operated</u>	<u>Franchisees</u>	<u>Total</u>
Open, May 31, 2020	<u>10</u>	<u>576</u>	<u>586</u>
Openings	-	44	44
Closings	-	<u>(37)</u>	<u>(37)</u>
Open, May 30, 2021	<u>10</u>	<u>583</u>	<u>593</u>
Openings	-	34	34
Closings	<u>(1)</u>	<u>(22)</u>	<u>(23)</u>
Open, May 29, 2022	<u>9</u>	<u>595</u>	<u>604</u>

The Company reserves for future costs associated with closed restaurants. Annually, management reviews and evaluates Company operations to determine if additional restaurants are to be included in the reserve. The closed store reserve at May 29, 2022 and May 30, 2021 was \$0 and \$55,000, respectively.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Fiscal Year

The Company's fiscal year ends on the last Sunday in May.

Use of Estimates

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

Advertising and Promotion Costs

The cost of advertising and promotion is expensed as incurred. Advertising and promotion costs were approximately \$263,000 and \$258,000 for the years ended May 29, 2022 and May 30, 2021, respectively.

Cash and Cash Equivalents

The Company maintains zero balance accounts as a part of its cash management. Checks not yet presented for payment are included in accounts payable and totaled approximately \$99,000 and \$215,000 at May 29, 2022 and May 30, 2021, respectively. For purposes of the consolidated statements of cash flows, the Company considers all investments with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents consist of U.S. prime money market funds.

Concentration of Credit Risk

The Company has two types of financial instruments subject to credit risk. The Company maintains bank accounts in which the balances sometimes exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. At May 29, 2022 and May 30, 2021, there were cash balances in excess of FDIC limits at the bank of approximately \$5,232,000 and \$3,693,000, respectively.

Money market funds are subject to market risk and net receivables subject the Company to credit risk.

Investments

Investment securities are classified as equity or debt securities and are stated at fair value (see Notes 2 and 3). Corporate bonds that mature within one year of the consolidated balance sheet date are classified as short-term investments in the accompanying consolidated balance sheets; all other investments are classified as long-term investments.

Realized gains or losses on the sale of investment securities are accounted for using the specific identification cost method. Interest and dividend income is recorded when earned.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Net Receivables

Net receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful receivables by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions. Net receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded as income when received. The allowance for doubtful receivables was approximately \$8,000 and \$9,000 at May 29, 2022 and May 30, 2021, respectively.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value and consist primarily of restaurant food items and paper supplies.

Property and Equipment

Property and equipment are stated at cost with depreciation computed on the straight-line method over the assets' estimated useful lives. Upon sale or retirement of property and equipment, the related costs and accumulated depreciation are removed from the accounts and any related gain or loss is reflected in the consolidated statements of income.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings	15 years
Leasehold Improvements	3-40 years
Equipment	3-15 years

Major classes of property and equipment at May 29, 2022 and May 30, 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Land	\$ -	\$ 76,000
Buildings	-	159,000
Leasehold Improvements	3,198,000	2,958,000
Equipment	4,551,000	4,647,000
	<u>7,749,000</u>	<u>7,840,000</u>
Less Accumulated Depreciation	5,592,000	5,481,000
	<u>\$ 2,157,000</u>	<u>\$ 2,359,000</u>

Other Intangible Assets and Goodwill

The Company's intangible assets consist of franchise rights, trademarks and goodwill, which represent the value assigned to those assets. The Company determined that franchise rights and trademarks were deemed to have indefinite useful lives.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Accordingly, the Company does not amortize these intangibles. The Company reviews the carrying amount of their franchise rights and trademarks for possible impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill represents the carrying amount of the cost in excess of net assets acquired. The Company follows FASB Accounting Standards Update 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, which allows the Company to amortize goodwill prospectively on a straight-line basis up to ten years. Management believes that this method more accurately reflects periodic results of operations and has elected to amortize its existing goodwill over ten years, which represents the estimated useful life.

Accordingly, amortization expense of \$267,000 was recorded during the years ended May 29, 2022 and May 30, 2021 in the accompanying consolidated statements of income. The Company will continue to review goodwill for possible impairment when a triggering event has occurred. Amortization expense over the next two years is anticipated to be approximately \$267,000 and \$71,000, respectively.

Goodwill, net is as follows at May 29, 2022 and May 30, 2021:

	<u>2022</u>	<u>2021</u>
Balance, Beginning of Period	\$ 2,663,000	\$ 2,663,000
Less Accumulated Amortization	<u>(2,325,000)</u>	<u>(2,058,000)</u>
Balance, End of Period	<u><u>\$ 338,000</u></u>	<u><u>\$ 605,000</u></u>

Paycheck Protection Program Loan

In April 2020, the Company was granted a loan from the bank in the aggregate amount of \$1,174,000, pursuant to the Paycheck Protection Program ("PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020 ("PPP Loan"). Under the terms of the PPP Loan, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

The Company elected to account for the PPP Loan as a financial liability under long-term debt in accordance with FASB ASC 470, *Debt*. During 2021, the Company was released as the primary obligor under the loan by the Small Business Administration and recognized forgiveness totaling \$1,174,000 in other income in the consolidated statements of income in accordance with FASB ASC 405-20-40-1, *Extinguishment of Liabilities*.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Income Taxes

The Company follows an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually for differences between financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and statutory rates applicable to the periods in which the differences are expected to affect taxable income.

Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense or benefit is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

The Company follows the provisions of FASB Codification Topic 740-10 related to uncertain income tax positions. When income tax returns are filed, it is highly certain that some positions would be sustained upon examination by the taxing authorities, while others may be subject to uncertainty about the merits of the position taken or the amount of the position that would ultimately be sustained. The benefit of a tax position is recognized in the Company's consolidated financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold would be measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above would be reflected as a liability for unrecognized tax benefits in the accompanying Company's consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Interest and penalties associated with unrecognized tax benefits would be classified as additional income taxes in the consolidated statements of income.

Management believes it is more likely than not that the benefits recognized from tax positions taken on the Company's consolidated financial statements will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Accordingly, no liability for unrecognized tax benefits is reflected on the accompanying consolidated balance sheets.

The Company believes it is no longer subject to income tax examinations by federal, state, or local tax authorities for years ending before May 26, 2019.

Franchise Operations and Revenue Recognition

Revenue is recognized for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods and services.

The Company's accounting for revenue recognition is detailed below.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Sales by Company-Operated Restaurants

Revenue from Company-operated restaurants is recognized as the products are sold, net of sales tax and discounts applied at the time of the transaction.

Franchise Revenues

The Company sells individual franchises that require the franchisee to pay an initial nonrefundable franchise fee due upon the opening of a respective franchisee restaurant.

The initial term of a franchise agreement is generally five years. A franchisee may elect to renew the term of a franchise agreement and may pay a renewal fee upon execution of a new agreement.

The Company has determined that the initial franchise fee is a payment for preopening services including site selection, development, and training associated with opening a franchise location. The Company follows Accounting Standards Update 2021-02, *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient*, and has elected to account for preopening services as a single performance obligation. As such, the franchise fee is initially recorded as deferred revenue and is recognized as revenue upon the completion of substantially all the preopening services, which is normally concurrent with the opening of a franchisee unit. If a franchise agreement is terminated prior to the opening of a franchisee unit, the Company will recognize the full amount to revenue in the year of termination.

Continuing franchise fees are determined as a percentage of franchise restaurant sales. These fees are recognized as revenue in the period sales are earned by the franchisee and are generally paid within 30 days.

One major franchisee accounted for approximately 12% of revenues for the year ended May 29, 2022. The franchisee's net receivable balance totaled approximately 32% of net receivables at May 29, 2022. There were no major franchisees whose revenues exceeded 10% of total revenues for the year ended May 30, 2021.

The Company provides franchise personnel whose responsibilities are to support and assist franchise restaurant owners and operators. In addition, franchise owners receive assistance in construction and remodeling consultation and marketing from other Company personnel who also furnish these services to Company-operated restaurants. Costs and expenses related to the above franchise services are approximately 45% and 42% of general and administrative expenses for 2022 and 2021, respectively.

Licensed Product Revenues

Licensed product revenue consists of a margin received by GPBCM on certain pizza products and packaging (the "licensed products") sold to licensed store operators through an approved distributor. Revenues are recognized in the period the manufacturer sells the licensed products to an approved distributor and are generally paid within 30 days.

Reclassifications

Certain reclassifications have been made to the 2021 consolidated financial statements to conform to the 2022 presentation.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Subsequent Events

Subsequent events are events or transactions that occur after the consolidated balance sheet date, but before the consolidated financial statements are available to be issued and may require potential recognition or disclosure in the Company's consolidated financial statements. Management has considered such events or transactions through July 27, 2022, noting no items for disclosure.

2. Investments

Investments at May 29, 2022 consists of the following:

	<u>Cost</u>	<u>Unrealized Holding Gains</u>	<u>Unrealized Holding Losses</u>	<u>Fair Value</u>
Corporate Bonds	\$ 1,345,000	\$ -	\$ (76,000)	\$ 1,269,000
Municipal Bonds	669,000	-	(22,000)	647,000
Fixed Income Mutual Funds	470,000	-	(7,000)	463,000
Total Investments	<u>\$ 2,484,000</u>	<u>\$ -</u>	<u>\$ (105,000)</u>	<u>\$ 2,379,000</u>

Investments at May 30, 2021 consists of the following:

	<u>Cost</u>	<u>Unrealized Holding Gains</u>	<u>Unrealized Holding Losses</u>	<u>Fair Value</u>
Corporate Bonds	\$ 686,000	\$ 2,000	\$ (2,000)	\$ 686,000
Municipal Bonds	232,000	-	-	232,000
Fixed Income Mutual Funds	400,000	-	(1,000)	399,000
Total Investments	<u>\$ 1,318,000</u>	<u>\$ 2,000</u>	<u>\$ (3,000)</u>	<u>\$ 1,317,000</u>

Contractual maturities of corporate and municipal bonds at May 29, 2022 are as follows:

	<u>Amortized Cost</u>	<u>Fair Value</u>
Due Within 1 Year	\$ 205,000	\$ 204,000
Due Within 1 to 5 Years	1,568,000	1,497,000
Due After 5 Years	241,000	215,000
	<u>\$ 2,014,000</u>	<u>\$ 1,916,000</u>

3. Fair Value Measurements

FASB Codification Topic 820-10 on *Fair Value Measurements* (FASB 820-10) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Corporate and Municipal Bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the values of yields currently available on comparable securities of issuers with similar credit ratings.

Fixed Income Mutual Funds: Valued at the daily closing price as reported by the funds. These funds held by the Company are deemed to be actively traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

The following tables present by level, within the fair value hierarchy, the Company's investments at fair value at May 29, 2022 and May 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2022				
Corporate Bonds	\$ -	\$ 1,269,000	\$ -	\$ 1,269,000
Municipal Bonds	-	647,000	-	647,000
Fixed Income Mutual Funds	463,000	-	-	463,000
Total Investments	<u>\$ 463,000</u>	<u>\$ 1,916,000</u>	<u>\$ -</u>	<u>\$ 2,379,000</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2021				
Corporate Bonds	\$ -	\$ 686,000	\$ -	\$ 686,000
Municipal Bonds	-	232,000	-	232,000
Fixed Income Mutual Funds	399,000	-	-	399,000
Total Investments	<u>\$ 399,000</u>	<u>\$ 918,000</u>	<u>\$ -</u>	<u>\$ 1,317,000</u>

4. Notes Receivable, Other

The Company had a note receivable from a Corporation, payable in monthly installments of \$705, including interest at 7.00%, through September 2022. The note was collateralized by certain property and equipment and the personal guarantee of the owner of the Corporation. The note was paid in full during 2022. At May 30, 2021, the outstanding balance was \$8,000.

5. Long-Term Debt and Credit Arrangements

Long-term debt consists of the following at May 29, 2022 and May 30, 2021:

	<u>2022</u>	<u>2021</u>
Various capitalized lease obligations payable to a corporation, due in monthly installments ranging from \$263 to \$4,207, including interest ranging from 2.33% to 9.81% due at various times through December 2025, collateralized by certain equipment.	<u>\$ 255,000</u>	<u>\$ 430,000</u>
Total Long-Term Debt	255,000	430,000
Less Current Portion	<u>139,000</u>	<u>159,000</u>
Long-Term Debt, Less Current Portion	<u>\$ 116,000</u>	<u>\$ 271,000</u>

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

At May 29, 2022, the combined aggregate maturities for all long-term debt are as follows:

<u>Year Ending,</u>	
2023	\$ 139,000
2024	93,000
2025	18,000
2026	5,000
	<u>\$ 255,000</u>

The Company maintains a \$350,000 revolving bank line of credit due September 2022, with an interest rate at the bank prime rate less 0.50% (the bank prime rate was 4.00% at May 29, 2022), but not less than 4.00%, collateralized by substantially all business assets of the Company. There were no outstanding borrowings at May 29, 2022 and May 30, 2021.

6. Leases - Commitments

The Company leases certain land, buildings and equipment under long-term operating lease agreements which expire on various dates through 2027. Certain leases contain provisions for additional rent based on a percentage of sales. Most of the leases contain renewal options and require the Company to pay maintenance, insurance and property taxes.

Total rent expense under operating leases included in the consolidated statements of income amounted to approximately \$1,038,000 and \$1,696,000 for the years ended May 29, 2022 and May 30, 2021, respectively.

Future minimum lease payments for the years ending after May 29, 2022 on leases having an initial term greater than one year are as follows:

<u>Year Ending,</u>	
2023	\$ 974,000
2024	804,000
2025	628,000
2026	389,000
2027	9,000
	<u>\$ 2,804,000</u>

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

7. Income Taxes

The components of the provision for income taxes are as follows:

	<u>2022</u>	<u>2021</u>
Current Income Tax Expense	\$ 556,000	\$ 440,000
Deferred Income Tax Expense (Benefit)		
Reversal of Temporary Differences	<u>(71,000)</u>	<u>(21,000)</u>
Provision for Income Taxes	<u>\$ 485,000</u>	<u>\$ 419,000</u>

The Company's actual income tax provision differs from the statutory tax rates as follows:

	<u>2022</u>	<u>2021</u>
Tax at Statutory Rate of 26%	\$ 490,000	\$ 838,000
Non-Taxable PPP Loan Forgiveness	-	(305,000)
Non-Taxable Life Insurance Proceeds	-	(105,000)
Nondeductible Expenses	14,000	14,000
State Tax Deduction	(24,000)	(19,000)
Other, Net	5,000	(4,000)
Provision for Income Taxes	<u>\$ 485,000</u>	<u>\$ 419,000</u>

Temporary differences and carry-forwards which give rise to a significant portion of deferred tax assets and liabilities are as follows:

	<u>2022</u>	<u>2021</u>
Deferred Tax Assets (Liabilities)		
Deferred Compensation	\$ 106,000	\$ 120,000
Depreciation	(398,000)	(388,000)
Incentive Pay	118,000	113,000
Intangible Amortization	(768,000)	(768,000)
Reserve for Restaurant Closings and Other Liabilities	26,000	(28,000)
Other, Net	60,000	24,000
Total Net Deferred Tax Liability	<u>\$ (856,000)</u>	<u>\$ (927,000)</u>

8. Commitments and Contingencies

Stockholder Agreements

The Company is committed under an Executive Stock Purchase Agreement with certain executives to repurchase up to 3,916 shares of common stock in the event of their termination. The repurchase price is equivalent to the executive's original purchase price (which was \$74,000 at May 29, 2022) plus interest ranging from 5% to 10% per annum from the date of original purchase.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Under certain circumstances, an additional severance amount of up to one year of a terminated executive's salary could be paid under the agreement. Under this agreement, the Company repurchased 208 shares in 2022 for \$35,000 and 461 shares in 2021 for \$30,000.

Deferred Compensation Plan

The Company has a Deferred Compensation Plan, which includes two executives. This liability includes amounts deferred by the executives plus interest based on a bond index rate. The deferred liability will be paid to the executives upon their termination from employment or death. During 2019, payments to a certain executive were initiated upon retirement and are paid in monthly installments of approximately \$6,000, including interest at 4.29%, through December 2022. Payments totaled approximately \$72,000 for the years ended May 29, 2022 and May 30, 2021. The amount of the liability was \$423,000 at May 29, 2022 and \$479,000 at May 30, 2021. These amounts are included in Other Long-Term Liabilities.

Litigation

The Company is a party to legal proceedings arising in the ordinary course of its business. In the opinion of management and its legal counsel, disposition of these matters will not materially affect the Company's consolidated financial position or results of operations.

9. Affiliated Entity

The Company leases office space from and provides management services for Gartlan Real Estate Holdings, LLC ("Gartlan"), an affiliated company through common ownership. Monthly rent ranges from approximately \$24,000 to \$36,000 with the lease term through December 2025. Lease payments under this lease agreement are included in the future minimum lease payments disclosed in Note 6. Rent expenditure related to this lease was approximately \$493,000 and \$1,055,000 for the years ended May 29, 2022 and May 30, 2021, respectively. Rent expenditures during the years ended May 29, 2022 and May 30, 2021 included approximately \$65,000 and \$687,000, respectively, paid for a market adjustment to rent dating back to 2014.

The Company has concluded that Gartlan qualifies as a variable interest entity (VIE) due to the fact that the Company guarantees certain debt obligations of this entity and the Company makes rental payments through the lease agreement described above. Gartlan is an operating entity formed to own the land and a building to be used as the Company's office which is then leased to the Company for use in the ordinary course of business. At May 29, 2022 and May 30, 2021, the Company is potentially liable for Gartlan's long-term debt of approximately \$1,035,000 and \$1,218,000, respectively, which carries an interest rate ranging from 3.125% to 3.50% and a maturity of July 2027, as the Company acts as the guarantor on this debt.

The Company follows an accounting alternative as provided for in FASB Accounting Standards Update 2014-07, Consolidation (Topic 810): *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*. Pursuant to this accounting alternative, the Company has elected not to consolidate the above VIE in the accompanying consolidated financial statements. Management believes that this presentation more accurately reflects the overall financial status of the Company and will continue to review the relationship between the VIE and the Company to assure that it continues to meet the criteria for applying this alternative accounting policy.

Godfather's Pizza, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

May 29, 2022 and May 30, 2021

Notes receivable, affiliate consists of three notes receivable from Gartlan. One of these notes is an installment note receivable with a balance of \$258,000 and \$298,000 at May 29, 2022 and May 30, 2021, respectively, with interest at 4.51%, due in monthly installments of \$4,248 through November 2027. The remaining two notes are balloon notes, with interest ranging from 0.14% to 0.44%, with principal of \$835,000 at May 29, 2022 and May 30, 2021, due on various dates through May 2024.

Lutz

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Exhibit E-1
Franchise Store Listing
(By State)

03440	DAVE COATES KETCHIKAN ENTERTAINMENT CENTER 2050 SEA LEVEL DRIVE KETCHIKAN (907) 225-9011	AK	99901		
02126	2050 SEA LEVEL DR	KETCHIKAN	AK	99901	
03032	LAL T. CHANDIRAMANI THE ROUND UP L.L.C. 2825 OXMOOR GLEN DRIVE BIRMINGHAM (205) 586-6000 (KIM)	AL	35211		
01248	231 STATE FARM PAKWAY, UNIT 101	HOMEWOOD	AL	35209	
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
01250	7561 MESOPOTAMIA STREET	EUTAW	AL	35462	
01249	16101 HIGHWAY 84	EVERGREEN	AL	36401	
01246	1127 TYSON ROAD	HOPE HULL	AL	36043	
01251	747 LEE ROAD 248	SMITHS STATION	AL	36877	
01247	905 STEELE STATION ROAD	STEELE	AL	35987	
07031	CERESA M. FRENKEL & DANIEL R. WILLIAMS GPF, INC. 6324 PICCADILLY SQUARE DRIVE MOBILE (251) 342-1097	AL	36609		
01252	5442 HIGHWAY 90 WEST	MOBILE	AL	36619	
01253	5015 MOFFETT ROAD	MOBILE	AL	36618	
01254	120 SARALAND LOOP ROAD	SARALAND	AL	36571	
23780	MARK & PATTY WOODS WOODS MANAGEMENT, INC. 206 E. QUEENSBURY LANE FLORENCE (256) 335-1361	AL	35630		
01216	2801 MALL DR #15	FLORENCE	AL	35630	
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
04138	3910 S. DIVISION ST	BLYTHEVILLE	AR	72315	
04143	3404 HIGHWAY 63 NORTH	HAZEN	AR	72064	
04145	800 MARTIN LUTHER KING JR DRIVE	MEMPHIS	AR	72301	
04144	1600 NORTH HIGHWAY 95	MORRILTON	AR	72110	
04139	11801 E. I-40	NORTH LITTLE ROCK	AR	72117	



Exhibit E-1
Franchise Store Listing
(By State)

06019	JONATHAN GRIFFIN FAMILY STOPS USA, LLC 8405 S. ZERO STREET, SUITE C FORT SMITH (479) 308-2161	AR	72903		
04140		6600 PHOENIX AVENUE	FORT SMITH	AR	72901
04141		415 GARRISON AVENUE, SUITE A	FORT SMITH	AR	72901
13510	DON WOOD SODEXO, INC. 9801 WASHINGTONIAN BLVD. GAITHERSBURG (301) 987-4924	MD	20878		
04136		ASU/105 N. CARAWAY RD./CARL RENG CTR-BOX 299	STATE UNIVERSITY	AR	72467
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
03230		643 STATE ROAD 90	BENSON	AZ	85602
03234		1610 SOUTH MILLER ROAD	BUCKEYE	AZ	85326
03231		5000 N. SUNLAND GIN ROAD	ELOY	AZ	85131
03233		14414 SOUTH CROSS L ROAD	MAYER	AZ	86333
03232		2931 E. GILA RIDGE ROAD	YUMA	AZ	85365
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
05472		2974 LENWOOD RD	BARSTOW	CA	92311
05479		2120 SOUTH AVENUE	CORNING	CA	90621
05477		3175 AVENUE 17	MADERA	CA	93637
05476		551 WEST MAIN STREET	WESTMORLAND	CA	92281
05475		100 MARGURITE STREET	WILLIAMS	CA	95987
19049	RAJWINDER SINGH G & H SINGH, INC. 202 EL CAMINO REAL GREENFIELD (669) 400-9987	CA	93927		
05481		202 EL CAMINO REAL	GREENFIELD	CA	93927
20006	SAAD TOMA GODFATHER'S PIZZA 685 SWEETWATER ROAD SPRING VALLEY (619) 462-6580	CA	91977		
05468		685 SWEETWATER RD	SPRING VALLEY	CA	91977



Exhibit E-1
Franchise Store Listing
(By State)

12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
06342	115 HARRISON AVE		BUENA VISTA	CO	81211
06355	15596 HWY 287		EADS	CO	81036
06359	5505 TRAVEL PLAZA DRIVE		FOUNTAIN	CO	80817
06345	108 S. 12TH STREET		GUNNISON	CO	81230
06346	308 EAST 1ST STREET		LA JUNTA	CO	81050
06347	605 N. MAIN ST		LAMAR	CO	81052
06349	301 E. OLIVE ST		LAMAR	CO	81052
06348	1537 GRAND AVE		MONTE VISTA	CO	81144
06352	6470 NORTH ELIZABETH STREET		PUEBLO	CO	81008
06354	99800 INTERSTATE 25		WALSENBURG	CO	81089
01015	ROBERT GARZA AGFINITY, INC. 4065 ST. CLOUD DRIVE, SUITE 100 LOVELAND (970) 454-4000	CO	80538		
06356	2449 35TH AVENUE		GREELEY	CO	80634
06357	1607 2ND AVENUE		GREELEY	CO	80631
23012	CODY WICKHAM SAMUS ENTERPRISES LLC 16726 H CIRCLE OMAHA (402) 616-1929	NE	68135		
06350	9567 E. ILIFF AVENUE		DENVER	CO	80231
06343	2350 E. 120TH AVENUE		THORNTON	CO	80233
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
07001	3 POLSTER ROAD		WILLINGTON	CT	06279
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
10524	17110 BRANDY BRANCH ROAD		JACKSONVILLE	FL	32234
10522	17309 HIGHWAY 27		LAKE WALES	FL	33859



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Franchise Store Listing
(By State)

12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
11251		2766 US HIGHWAY 17 SOUTH	BRUNSWICK	GA	31523
11256		4855 MAYSVILLE ROAD	COMMERCE	GA	30529
11252		1190 FRANK AMERSON PARKWAY	MACON	GA	31216
11259		1500 MONTICELLO ROAD	MADISON	GA	30650
11004	MARK KNAUSS MAK CONCEPTS, INC. 8303 WHITE BLUFF ROAD SAVANNAH (912) 272-2488	GA	31406		
11245		8303 WHITE BLUFF RD	SAVANNAH	GA	31406
16042	HEMANT (HARRY) PATEL MURLI, LLC 300 EAST 3RD STREET DONALSONVILLE (229) 507-6440	GA	39845		
11262		300 EAST 3RD STREET	DONALSONVILLE	GA	39845
16020	KESHAV (KEN) PATEL ROADRUNNER TRUCK STOP 2020 GA HWY 32 W./P.O. BOX 449 ALMA (912) 632-0099	GA	31510		
11250		2021 GA HWY 32 W	ALMA	GA	31510



Exhibit E-1
Franchise Store Listing
(By State)

01016	TIM ANDING AINSWORTH FOUR CORNERS, L.L.C. 3112 HIGHWAY 92 AINSWORTH (319) 657-3200	IA	52201	
16624		3112 HIGHWAY 92 (FOCO)	AINSWORTH	IA 52201
04014	TRACIE BOLHUIS DOWS PROPERTY GROUP 21435 HWY 57 PARKERSBURG (641) 751-5553	IA	50665	
16539		904 CARDINAL AVE	DOWS	IA 50071
03030	TYLER BOONE COOPERATIVE GAS & OIL CO 153 N. MAIN AVENUE SIOUX CENTER (712) 722-2501	IA	51250	
16616		100 N. CROSSROADS DRIVE	SHELDON	IA 51201
16584		2950 S. MAIN AVENUE	SIOUX CENTER	IA 51250
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126	
16604		100 MONROE ST	FLOYD	IA 50435
16627		2417 GRANDVIEW AVENUE	MUSCATINE	IA 52761
16629		2525 SINGING HILLS BLVD	SIOUX CITY	IA 51111
11023	MIKE COX KARDES, INC. 2100 S. MAIN STREET MONTICELLO (319) 465-3212	IA	52310	
16589		2100 S. MAIN STREET	MONTICELLO	IA 52310
03037	KEITH CRANE KMC GFP, LLC 219 East Bluff Street CHEROKEE (712) 229-1105	IA	51012	
16633		103 E. INDIAN STREET	CHEROKEE	IA 51012
04012	JANICE L. DEITERING BANCROFT CARGO LLC P.O. BOX 44/112 N. LONG ST. BANCROFT (515) 320-1208	IA	50517	
16527		112 N. LONG ST	BANCROFT	IA 50517



Exhibit E-1
Franchise Store Listing
(By State)

04006	JIM DEVINE LJSL, LLC 630 SOUTH 6TH AVENUE DEWITT (563) 349-9532	IA	52742		
16448	630 SOUTH 6TH AVE	DEWITT	IA	52742	
20005	TIA EISCHEID SPARKY'S ONE STOP 12053 HWY 71 N. CARROLL (712) 673-2723	IA	51401		
16554	402 PINE ST	AUBURN	IA	51433	
16511	101 HWY 141	BAYARD	IA	50029	
16615	212 MAIN STREET	BREDA	IA	51436	
16533	500 STATE ST	GUTHRIE CENTER	IA	50115	
16489	606 EAST HWY 30	JEFFERSON	IA	50129	
16485	711 EAST MAIN ST	LAKE CITY	IA	51449	
16480	1211 9TH ST	LAKE VIEW	IA	51450	
16477	1004 IOWA ST	ONAWA	IA	51040	
16583	2325 MARSHALL AVE	ROCKWELL CITY	IA	50579	
16613	5292 HWY 71 NORTH	STORM LAKE	IA	50588	
16609	101 HWY 30 (Sparky's One Stop #18)	VAIL	IA	51465	
06020	JOHN & MARY FARUS SIDS GAS & GROCERIES, LC 102 COUNTRY CLUB ROAD FOREST CITY (641) 210-5755	IA	50436		
16620	1116 HIGHWAY 69 SOUTH	FOREST CITY	IA	50436	
06016	JEFF FEDLER FEDLER AND COMPANY 901 E. WASHINGTON ST MOUNT PLEASANT (319) 385-4112	IA	52641		
16581	901 E. WASHINGTON ST	MOUNT PLEASANT	IA	52641	
06015	JOHN FRESE SILVER MANAGEMENT SERVICES, LLC P.O. BOX 81 ATKINS (319) 432-1480 (ANDY OLSON)	IA	52206		
16579	2722 120TH STREET NE	SWISHER	IA	52338	
16580	200 HWY 151 EAST	WALFORD	IA	52351	



Exhibit E-1
Franchise Store Listing
(By State)

06018	BRIAN & DEB FRIEDRICHSEN NORTH IDA INVESTMENTS, LLC 2010 INDORF AVE. HOLSTEIN IA 50125 (361) 244-0957 (CHRISTOPHER BROWN)			
16594	2010 INDORF AVE	HOLSTEIN	IA	51025
09003	RENEE FUNK THE UNIVERSITY OF IOWA 202 PLAZA CENTRE ONE IOWA CITY IA 52242 (319) 335-0115			
16595	IOWA MEMORIAL UNION	IOWA CITY	IA	52242
07027	PRITAM S. GREWAL WEST SIDE HOUSER MART, LLC 2201 HOUSER STREET MUSCATINE IA 52761 (408) 406-0703			
16621	2201 HOUSER ST	MUSCATINE	IA	52761
07009	KEVIN GROTHE DON'S MOTOR MART, INC. 401 WEST MAIN STREET LAKE MILLS IA 50450 (641) 592-9966			
16476	401 WEST MAIN ST	LAKE MILLS	IA	50450
18100	PETER HARDING FALL FOODS, INC. 5627 EMILE STREET OMAHA NE 68106 (402) 681-5741			
16590	200 SE GATEWAY DR #111	GRIMES	IA	50111
16175	1703 4TH ST SE	MASON CITY	IA	50401
16395	5919 ASHWORTH RD	WEST DES MOINES	IA	50266
08042	DAVID A. HEIKEN R 80 LLC 2 MAPLE STREET KENSETT IA 50448 (641) 845-2033			
16626	912 CENTRAL AVENUE (R 80)	NORTHWOOD	IA	50459
08035	ZACHARY HERMANSEN ZCH, CORP. 5027 MILLENNIUM DRIVE CEDAR FALLS IA 50613 (319) 235-7104			
16591	3811 UNIVERSITY AVE	WATERLOO	IA	50701



Exhibit E-1
Franchise Store Listing
(By State)

08038	CORY & MELISSA HODAPP THE STATION LLC 350 BEAVER KREEK CENTRE, UNIT D NORTH LIBERTY IA 52317 (319) 631-3149	
16603	620 MEADE DR NORTH LIBERTY IA 52317	
06007	JENNIFER HOSKINS UNITED FARMERS COOPERATIVE 203 200TH STREET RED OAK IA 51566 (712) 623-5453	
16488	408 - 6TH ST CORNING IA 50841	
19012	LARRY HUISMAN GRUNDY COUNTY HERITAGE CENTER, LLC 16250 N AVENUE HOLLAND IA 50642 (319) 824-2728	
16445	16250 NORTH AVE HOLLAND IA 50642	
11022	AJAY K. KSHETRY GODFATHER'S PIZZA 2559 CANTERBURY RD. MUSCATINE IA 52761-9799 (563) 732-3714	
16586	1300 NICOLAUS DR WILTON IA 52778	
10002	BROOKE LILLEY JET GAS CORPORATION P.O. BOX 67 HOUGHTON IA 52631 (319) 469-4321	
16473	2760 MT. PLEASANT ST BURLINGTON IA 52601	
16478	901 SOUTH ST BURLINGTON IA 52601	



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Franchise Store Listing
(By State)

12011	MARK LIPPINCOTT KOPPER KETTLE, INC. 1160 LINCOLN ST. BLAIR (402) 426-2171	NE	68008		
16592		1961 HIGHWAY 30	MISSOURI VALLEY	IA	51555
12018	SHAWN & JOYCE LITTLE JSL CORP 24629 110th Street ANAMOSA (319) 480-8661	IA	52205		
16635		3647 1/2 1ST AVE SE	CEDAR RAPIDS	IA	52402
13031	RAUL MAZON AMPRIDE TRAVEL CENTER, INC. 74 ROOSEVELT STREET PEQUANNOCK	NJ	07440		
16618		506 HWY 59 N.	DENISON	IA	51442
16619		200 E. 1ST ST	UTE	IA	51060
20019	TODD MCCUBBIN TJK ENTERTAINMENT, LLC P.O. BOX 1193 FORT DODGE (515) 576-2226	IA		50501	
16630		3232 1ST AVENUE SOUTH	FORT DODGE	IA	50501
13017	JASON MCDERMOTT MCDERMOTT OIL CO. P.O. BOX 70 CASCADE (563) 852-3510	IA	52033		
16519		1501 1ST AVE EAST	CASCADE	IA	52033
16555		206 S. CENTER AVE	EPWORTH	IA	52045
16546		710 WASHBURN AVE	LAMONT	IA	50650
16535		2210 STATE HWY 13	MANCHESTER	IA	52057
13013	DAN MOELLERS CSOI CORP 602 ELMWOOD DR. MARSHALLTOWN (641) 752-2580	IA	50158		
16608		1201 N. JEFFERSON WAY	INDIANOLA	IA	50125
16625		2001 WEST 2ND AVENUE	INDIANOLA	IA	50125
16521		290 HWY 28	MARTENSDALE	IA	50160
16526		1806 S. 12TH AVE W	NEWTON	IA	50208
16487		108 1/2 HWY 30 WEST	TOLEDO	IA	52342



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Franchise Store Listing
(By State)

09001	DUSTIN MOHR IOWA STATE UNIVERSITY 1340 ADMIN SERVICES BLDG. AMES (515) 294-4793	IA	50011-1004		
16529		MAPLE-WILLOW-LARCH COMM/1215 FRILEY HALL	AMES	IA	50012
16577		ISU MEMORIAL UNION FOOD CRT/2229 LINCOLN WAY	AMES	IA	50014
16587		ISU DINING SVCS/1015 FREDERIKSEN COURT COMM CTR	AMES	IA	50010
16567		UNIV OF NORTHERN IOWA/1224 W 23RD STREET	CEDAR FALLS	IA	50614-0283
13034	MARK E. MOLO MOLO COMPANIES 123 SOUTHERN AVENUE DUBUQUE (563) 557-7540	IA	52003		
16628		3300 ASBURY ROAD	DUBUQUE	IA	52002
16632		1225 BOYSON ROAD	HIAWATHA	IA	52233
15008	GREG ODENDAHL GMB FOODS INC. 624 WEST US HIGHWAY 30 CARROLL (712) 792-5470	IA	51401		
16607		624 W. US HIGHWAY 30	CARROLL	IA	51401
15007	KEITH & BARBARA OLSEN OLSEN FUEL SUPPLY, INC. P.O. BOX 536 ATLANTIC (712) 243-2340	IA	50022		
16605		110 LOCUST ST	ATLANTIC	IA	50022
16035	HIREN N. PATEL HANUMANTA, INC. 7425 WILD BIRD CT. SCHERERVILLE (219) 677-6241	IN	46375		
16612		806 W. MAIN ST	LE GRAND	IA	50142
16032	GREG POPKES POPKES CAR CARE, INC. 602 NORTH 2ND AVENUE EAST ROCK RAPIDS (712) 472-2997	IA	51246		
16614		800 1ST AVENUE	ROCK RAPIDS	IA	51246
19037	JAN L. PRESTON TIGER MART 50526 HWY 92 GRISWOLD (712) 778-2660	IA	51535		
16601		708 MAIN STREET	GRISWOLD	IA	51535



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Franchise Store Listing
 (By State)

13500	BRAD PRICE ROC MANAGEMENT & ASSOCIATES, INC. 3000 18TH STREET SPIRIT LAKE (712) 336-3933	IA	51360	
16290	625 HAWKEYE AVE SOUTHWEST	LE MARS	IA	51031
16572	2402 OKOBOJI AVE	MILFORD	IA	51351
16387	3701 GORDON DR	SIOUX CITY	IA	51106
16200	113 GRAND AVE	SPENCER	IA	51301
16385	2310 17TH ST	SPIRIT LAKE	IA	51360
19017	DENNIS SHEPARD SHEPARD & SHEPARD, L.L.C. 12735 US HWY 61 WAPELLO (563) 262-3331	IA	52653	
16486	HWY 61 & HWY 92	GRANDVIEW	IA	52752
19043	MICHAEL STANTON MFS INVESTMENTS LLC 4133 CEDAR HEIGHTS DRIVE CENTER POINT (319) 573-8580	IA	52213	
16623	4200 LEWIS ACCESS ROAD	CENTER POINT	IA	52213
20007	BRAD TAYLOR TAYLOR OIL COMPANY, INC. P.O. BOX 548/1904 SOUTH STREET BLAIR (402) 426-9505	NE	68008	
16492	12 EAST STREET	SHELBY	IA	51570
20002	MICK TIMMERMAN MICK T. INVESTMENTS, LC 3119 WINTER RIDGE ROAD CEDAR FALLS (319) 277-7777	IA	50613	
16419	1621 WEST 1ST ST	CEDAR FALLS	IA	50613
23013	RANDY J. WALTER HWZ LLC 2649 HUNTER CT. NW SWISHER (319) 310-2322	IA	52338	
16598	110 S. MARKET STREET	OLON	IA	52333
23007	TODD & AMY WARNKE A.T. WARNKES 2971 250TH STREET FREDERICKSBURG (319) 240-9088	IA	50630	
16497	138 E. MAIN ST	FREDERICKSBURG	IA	50630
16549	213 VINE ST	WEST UNION	IA	52175



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03011	DE LONE WILSON CUBBY'S, INC. 9229 MORMON BRIDGE PLZ, SUITE 6 OMAHA NE (402) 453-2468	68152-1959		
16545	1302 FIRST AVE	MANSON	IA	50563
16493	121 N. DES MOINES	ODEBOLT	IA	51458
16569	2501 210TH AVE	PERCIVAL	IA	51648
16491	2405 N. BROADWAY ST	RED OAK	IA	51566
05005	ANDREW WOODARD ELLIOTT OIL COMPANY P.O. BOX 473 OTTUMWA IA (641) 684-4377	52501		
16564	444 E. MAIN ST	AGENCY	IA	52530
16565	107 N. MAIN ST	ALBIA	IA	52531
16568	100 1ST ST	BATAVIA	IA	52533
16636	206 N. WASHINGTON ST.	BLOOMFIELD	IA	52537
16573	107 E. GRACE AVE	CHARITON	IA	50049
16566	500 SOUTH MERINO AVENUE	EDDYVILLE	IA	52553
16536	103 E. 6TH ST	HEDRICK	IA	52563
16560	1049 WEST 2ND ST	OTTUMWA	IA	52501
16561	4108 US HWY 63	OTTUMWA	IA	52501
16610	720 RICHMOND AVE	OTTUMWA	IA	52501
03016	SEAN CHINNA S & R PETROLEUM 7372 WEST RIDGE LANE CHERRY VALLEY IL (309) 627-9291	61016		
14277	402 6TH ST	NEW BOSTON	IL	61272
14273	116 NORTH EIGHTH STREET	OQUAWKA	IL	61469
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY OK (405) 751-9000	73126		
14312	5 SOUTH STATE STREET	ATKINSON	IL	61235
14316	23801 WEST BLUFF ROAD	CHANNAHON	IL	60410
14314	2005 MOUSETTE LN	EAST ST. LOUIS	IL	62206
14319	1900 BUSSE ROAD	ELK GROVE VILLAGE	IL	60007
14322	8316 NORTH ROUTE 1	GRANT PARK	IL	60940
14318	203 N. HAUGHTON HWY	GREENUP	IL	62428
14317	1001 WEST 11TH AVENUE	MONMOUTH	IL	61462
14320	16991 EAST ILLINOIS ROUTE 72	MONROE CENTER	IL	61052



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06011	ANDREW L. FUHRMAN FUHRCO, LLC 713 40TH STREET EAST MOLINE (507) 438-1895	IL	61244	
14282	1211 AVENUE OF THE CITIES, SUITE 4	SILVIS	IL	61282
07027	PRITAM S. GREWAL WOODHULL TRUCK PLAZA, LLC 536 OXFORD AVENUE WOODHULL (408) 406-0703	IL	61490	
14326	536 OXFORD AVENUE	WOODHULL	IL	61490
06500	DAVE GRIMES MARTIN & BAYLEY, INC. 1311 A WEST MAIN ST. CARMi (618) 382-2334	IL	62821	
14310	4590 NORTH ILLINOIS STREETE	BELLEVILLE	IL	62226
14284	1900 SOUTH ILLINOIS AVE	CARBONDALE	IL	62903
14250	1107 WEST OAK ST	CARMi	IL	62821
14285	1100 PIN OAK DR	CARTERVILLE	IL	62918
14324	315 EAST CALUMET STREET	CENTRALIA	IL	62801
14303	501 MADISON STREET	CHARLESTON	IL	61920
14292	104 EGYPTIAN AVE	CHRISTOPHER	IL	62822
14307	110 SOUTH MAIN STREET	DUPO	IL	62239
14254	1015 W. CAMP ST	EAST PEORIA	IL	61611
14253	ROUTE 45 & 142	ELDORADO	IL	62930
14268	101 WEST MAIN ST	FAIRFIELD	IL	62837
14331	1029 LINCOLN HIGHWAY	FAIRVIEW HEIGHTS	IL	62208
14291	925 EAST CLINTON AVE	FARMER CITY	IL	61842
14321	5608 HUMBERT ROAD	GODFREY	IL	62035
14231	522 N. COURT ST	GRAYVILLE	IL	62844
14238	701 WEST CLEVELAND	HEYWORTH	IL	61745
14327	3228 SOUTH PARK AVENUE	HERRIN	IL	62948
14276	701 E. DEYOUNG ST	MARION	IL	62959
14308	2700 WEST MAIN STREET	MARION	IL	62959
14224	106 E. RANDOLPH ST	MCLEANSBORO	IL	62859
14249	201 EAST MAIN	MOUNT VERNON	IL	62864
14297	1801 SOUTH 10TH STREET	MT. VERNON	IL	62864
14311	101 SOUTH 45TH STREET	MT. VERNON	IL	62864
14301	150 SPITLER PARK DR	MT. ZION	IL	62549
14252	1415 WEST ALTA RD	PEORIA	IL	61615
14295	7225 N. ALLEN ROAD	PEORIA	IL	61614
14302	607 EAST MAIN STREET	ROBINSON	IL	62454
14313	1530 WEST MAIN STREET	SALEM	IL	62881
14234	102 EAST BROADWAY	STEELEVILLE	IL	62288



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Franchise Store Listing
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12003	JOHN LESKOVISEK & MIKE MONSEUR J & M FAMILY FUN & FOOD, INC. 35 FAIRVIEW LANE SPRINGFIELD (217) 529-1202	IL	62711		
14256	21 COTTONWOOD DR	CHATHAM	IL	62629	
14269	2860 N. MAIN	DECATUR	IL	62526	
14299	2107 COURT ST, UNIT 20	PEKIN	IL	61554	
14260	1549 SOUTH DIRKSEN PARKWAY	SPRINGFIELD	IL	62703	
14264	1754 WABASH AVE	SPRINGFIELD	IL	62704	
02011	BILL SMITH BECK OIL CO. OF ILLINOIS 850 E. THOMPSON ST. PRINCETON (815) 875-6451	IL	61356		
14283	349 SOUTH TENNEY ST	KEWANEE	IL	61443	
14300	359 3RD STREET	LA SALLE	IL	61301	
14288	1838 N. MAIN ST	PRINCETON	IL	61356	
03028	SHARON TROW GPM INVESTMENTS, LLC 8565 MAGELLAN PARKWAY, SUITE 400 RICHMOND (804) 730-1568	VA	23227		
14290	401 N. MARKET ST	OGDEN	IL	61859	
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
15323	3150 GRANT STREET	GARY	IN	46408	
15295	780 JEFF GORDON BLVD	PITTSBORO	IN	46167	



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06500	DAVE GRIMES MARTIN & BAYLEY, INC. 1311 A WEST MAIN ST. CARMI (618) 382-2334	IL	62821		
15283	11 WEST MAIN ST		AUSTIN	IN	47102
15300	568 EAST PEARL ST		BATESVILLE	IN	47006
15254	509 W. MAIN ST		BLOOMFIELD	IN	47424
15318	113 WEST COMMERCE ST		BROWNSTOWN	IN	47220
15299	102 E. LINCOLN AVE		CHANDLER	IN	47610
15335	700 PIKE STREET		CHARLESTOWN	IN	47111
15319	3131 KANSAS ROAD		EVANSVILLE	IN	47725
15320	2225 N. FARES AVENUE		EVANSVILLE	IN	47711
15282	US HWY 41 STATE RD 168 RT 1		FORT BRANCH	IN	47648
15267	322 EAST BROADWAY		FORTVILLE	IN	46040
15260	208 SOUTH STATE RD		FRENCH LICK	IN	47432
15261	515 WEST MAIN		GREENTOWN	IN	46936
15277	9823 NORTH STATE RD 9		HOPE	IN	47246
15284	601 NORTH MAIN		HUNTINGBURG	IN	47542
15290	555 HOFFMAN RD		JASPER	IN	47546
15315	5425 E. HIGHWAY 62		JEFFERSONVILLE	IN	47130
15292	631 WEST 4TH ST		MT. VERNON	IN	47620
15333	7288 OAK GROVE ROAD		NEWBURGH	IN	47630
15332	7777 IN-66		NEWBURGH	IN	47630
15327	104 WABASH ROAD		NORTH MANCHESTER	IN	46962
15316	363 SOUTH MAPLE STREET		ORLEANS	IN	47452
15317	812 WEST MAIN STREET		PAOLI	IN	47454
15258	17 WEST MAIN		PETERSBURG	IN	47567
15325	1373 WEST TIPTON STREET		SEYMOUR	IN	47274
15328	1515 WASHINGTON AVENUE		VINCENNES	IN	47591
15337	2816 NORTH SIXTH STREET		VINCENNES	IN	47591
15330	1 GATEWAY DRIVE		WASHINGTON	IN	47501



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16025	JAYESHKUMAR PATEL AJ PARTNERSHIP INC. 6925 S. FRANKLIN ROAD INDIANAPOLIS (317) 714-7066	IN	46259	
15312	2994 FULMER DR	BARGERSVILLE	IN	46106
15314	1808 INDIANAPOLIS ROAD	CRAWFORDSVILLE	IN	47933
15311	2935 MITTHOEFFER RD	INDIANAPOLIS	IN	46229
15313	6925 S. FRANKLIN RD	INDIANAPOLIS	IN	46259
15326	8020 BROOKVILLE ROAD	INDIANAPOLIS	IN	46239
19040	DALJIT SINGH PRINCE PETROLEUM, INC 8858 DOUBLETREE DRIVE NORTH CROWN POINT (219) 942-6002	IN	46307	
15322	6851 BROADWAY	MERRILLVILLE	IN	46410
01012	DAREL ANDERSON NORTH-AGRI MART LLC P.O. BOX 157 HOPE (785) 366-7213	KS	67451	
17307	301 W. WALNUT STREET	HERINGTON	KS	67449
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126	
17306	1712 N. SUMMIT STREET	ARKANSAS CITY	KS	67005
17304	265 WEST 4TH STREET	COLBY	KS	67701
17278	1108 W. WYATT EARP BLVD	DODGE CITY	KS	67801
17305	400 E. WYATT EARP BLVD	DODGE CITY	KS	67801
17297	200 WASHINGTON STREET	ELLIS	KS	67637
17309	3285 EAST US HIGHWAY 50	GARDEN CITY	KS	67846
17298	1221 10TH STREET	GREAT BEND	KS	67530
17301	2500 VINE STREET	HAYS	KS	67601
17312	1500 NORTH JONES AVENUE	HOLCOMB	KS	67851
17299	208 W. PANCAKE BLVD	LIBERAL	KS	67901
17316	MILEPOST 97, KANSAS TURNPIKE	MATFIELD GREEN	KS	66842
17303	303 W. HOLME ST	NORTON	KS	67654
17302	709 E. STATE STREET	PHILLIPSBURG	KS	67661
17300	1412 EAST 1ST STREET	PRATT	KS	67124
17308	1811 NW BRICKYARD ROAD	TOPEKA	KS	66618
17317	MILE 188, KANSAS TURNPKE (I-70)	TOPEKA	KS	66608
17318	MILEPOST 65, KANSAS TURNPIKE	TOWANDA	KS	67042
12015	ANGIE GATZEMEYER VALLEY FALLS, LLC 1420 K4 HIGHWAY VALLEY FALLS (785) 231-4771	KS	66088	
17294	1420 K4 HIGHWAY (PETRO)	VALLEY FALLS	KS	66088
06500	DAVE GRIMES			



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Franchise Store Listing
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MARTIN & BAYLEY, INC.				
1311 A WEST MAIN ST.				
CARM		IL	62821	
(618) 382-2334				
18341	101 N. ELM ST	BARDWELL	KY	42023
18363	675 WESTERN KENTUCKY PKWY	BEAVER DAM	KY	42320
18365	104 S. MADISONVILLE STREET	CROFTON	KY	42217
18359	4200 LAFAYETTE ROAD	HOPKINSVILLE	KY	42240
18367	1830 EAST 9TH STREET	HOPKINSVILLE	KY	42240
18304	2299 US HWY 62 WEST	KUTTAWA	KY	42055
18371	709 SOUTH MAIN STREET	MADISONVILLE	KY	42431
18372	921 NATIONAL MINE DRIVE	MADISONVILLE	KY	42431
18236	600 EAST FORT ST	MORGANFIELD	KY	42437
18310	411 S. 12TH ST	MURRAY	KY	42071
18342	900 N. 12TH ST	MURRAY	KY	42071
18305	2245 RAGU DR	OWENSBORO	KY	42303
18306	300 E. PARRISH AVE	OWENSBORO	KY	42303
18295	5750 BENTON ROAD	PADUCAH	KY	42003
18311	3572 LONE OAK RD	PADUCAH	KY	42003
18316	3025 OLIVET CHURCH RD	PADUCAH	KY	42001
18237	200 EAST MAIN	PROVIDENCE	KY	42450
18364	7117 SHELBYVILLE ROAD	SIMPSONVILLE	KY	40067
18238	620 NORTH MAIN	STURGIS	KY	42459



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19024	G. LYNN RICE SUPER QUIK, INC. 2000 ASHLAND DR., SUITE 105 ASHLAND (606) 393-3247	KY	41101-7058		
18303		14 WEST KY 8, STE A	VANCEBURG	KY	41179
19048	RAVINDER SINGH TEG FOOD STORES LLC 2611 LEITCHFIELD ROAD ELIZABETHTOWN (270) 995-0160	KY	42701		
18374		2611 LEITCHFIELD RD	ELIZABETHTOWN	KY	42701
23014	ANIL (ANDY) WADHWA RSSB, LLC 10125 DIXIE BEELINE HWY GUTHRIE (931) 801-1307	KY	42234		
18360		10125 DIXIE BEELINE HWY	GUTHRIE	KY	42234
05010	DAVID WELLS EG AMERICA, LLC 165 FLANDERS ROAD WESTBOROUGH (513) 762-1215	MA	01581		
18300		410 W. MAIN ST	AUBURN	KY	42206
18301		1989 US HWY 231 SOUTH	BEAVER DAM	KY	42320
18307		150 SCOTTY'S WAY	BOWLING GREEN	KY	42101
18313		1051 FAIRVIEW AVE	BOWLING GREEN	KY	42103
18314		810 MORGANTOWN RD	BOWLING GREEN	KY	42101
18318		3411 LOUISVILLE RD	BOWLING GREEN	KY	42101
18319		4455 RUSSELLVILLE RD	BOWLING GREEN	KY	42101
18320		3810 SCOTTSVILLE RD	BOWLING GREEN	KY	42104
18339		3011 NASHVILLE RD	BOWLING GREEN	KY	42101
18323		PO BOX 437/HOUCHENS FERRY RD	BROWNSVILLE	KY	42210
18324		311 NORTH MAIN ST	BURKESVILLE	KY	42717
18325		267 MAIN ST	CADIZ	KY	42211
18326		HWY 95 & FIFTH AVE	CALVERT CITY	KY	42029
18327		HWY 31 & 70	CAVE CITY	KY	42127
18329		1080 HARDING RD	FRANKLIN	KY	42134
18330		557 S L ROGERS WELLS BLVD	GLASGOW	KY	42141
18331		349 N. MAIN ST	GREENVILLE	KY	42345
18332		511 N. COLLEGE ST	HARRODSBURG	KY	40330-1015
18333		1905 N. MAIN ST	JAMESTOWN	KY	42629-2507
18334		1580 US HWY 60 W	LEDBETTER	KY	42058-0043
18335		634 EDGEWOOD DR	NICHOLASVILLE	KY	40356
18336		125 WEST NASHVILLE ST	PEMBROKE	KY	42266
18338		1397 NEW GALLATIN RD	SCOTTSVILLE	KY	42164
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
19216		1940 US-84	MANSFIELD	LA	71052



Exhibit E-1
Franchise Store Listing
(By State)

19215		335 HIGHWAY 594	MONROE	LA	71203
08034	SARA BONNEY HOLIDAY STATIONSTORES, LLC 4567 AMERICAN BLVD. WEST BLOOMINGTON (952) 830-8700	MN	55437		
23151		56021 US HIGHWAY 41	CALUMET	MI	49913
23152		110 US HIGHWAY 41	L'ANSE	MI	49946
23153		103 GREENLAND ROAD	ONTONAGON	MI	49953
23154		185 US HWY 2 WEST	WAKEFIELD	MI	49968
09600	DICK JOHNSON DJ CONCEPTS, INC. 11820 LAKEWAY DR. PLAINWELL (269) 664-5260	MI	49080		
23142		3815 EAST CORK	KALAMAZOO	MI	49001
01010	STEVEN ANDERSON BOBBY & STEVE'S AUTO WORLD, LLP 7920 FRANCE AVE S BLOOMINGTON (952) 831-8833	MN	55435		
24390		7920 FRANCE AVE S	BLOOMINGTON	MN	55435



Exhibit E-1
Franchise Store Listing
(By State)

02020	ROGER BACKSTROM GFI MANAGEMENT LLC 10471 HOLLY STREET NW COON RAPIDS (763) 560-2667	MN	55448		
24377		7450 UNITY AVE, NORTH	BROOKLYN PARK	MN	55443
08034	SARA BONNEY HOLIDAY STATIONSTORES, INC. 4567 AMERICAN BLVD. WEST BLOOMINGTON (952) 830-8700	MN	55437		
24408		4255 ROOSEVELT ROAD	ST. CLOUD	MN	56301
19004	COREY CHRISTENSEN SCK OF RED WING, INC. 2000 OLD WEST MAIN STREET, SUITE 101 RED WING (651) 388-1138	MN	55066		
24333		2000 OLD WEST MAIN ST	RED WING	MN	55066
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
24403		15402 HORNSBY STREET NE	COLUMBUS	MN	55025
03034	JEFF EINCK CHANDLER CO-OP, CHANDLER, MN 151 5TH STREET/P.O. BOX 205 CHANDLER (507) 677-2207	MN	56122-0205		
24407		587 STATE HIGHWAY 30	LAKE WILSON	MN	56151
24398		2511 MAPLE AVENUE	SLAYTON	MN	56172
08040	JON FLECK CHS, INC. 5500 CENEX DRIVE INVER GROVE HEIGHTS (615) 355-6000	MN	55077		
24396		2605 WEST LINCOLN AVENUE	FERGUS FALLS	MN	56537
07028	LEE & MICHELLE GAUER LEAGUE OF CHAMPS, LLC 12973 134TH AVENUE NE SPICER (320) 220-3600	MN	56288		
24402		190 PROGRESS WAY	SPICER	MN	56288
07018	STEVEN M. GIERE PIZZA TEAM, INC. 1611 16TH STREET NW ROCHESTER (507) 288-7515	MN	55901		
24381		1611 N.W. 16TH ST	ROCHESTER	MN	55901



Exhibit E-1
Franchise Store Listing
(By State)

08016	BOB HANAUSKA DON'S I-94 CONVENIENCE STORE, INC. 310 8TH STREET SOUTH/P.O. BOX 549 ALBANY MN 56307 (320) 845-4646	24350	310 - 8TH ST SOUTH ALBANY MN 56307
11027	RUTH KAPAUN DRK PIZZA, LLC 1482 EAST SHORE DRIVE DETROIT LAKES MN 56501 (218) 457-0087	24401	712 1/2 WASHINGTON AVE DETROIT LAKES MN 56501
12017	GABE, SCOTT & PATTY LINDBOM G.E.L. CO. LLC 11227 MONROE CT. BECKER MN 55308 (320) 761-3480	24406	13854 1ST STREET SE, SUITE 8 BECKER MN 55308
03020	JERRY MORD CO-OP SERVICE INC. OF BAUDETTE P.O. BOX 69 BAUDETTE MN 56623 (218) 634-2550	24380	509 W. MAIN BAUDETTE MN 56623
03014	NIKKI OSSE NORTHERN STAR COOPERATIVE SERVICES, INC. 105 MAIN AVE. NW/P.O. BOX 458 DEER RIVER MN 56636 (218) 232-2445	24356	904 1ST AVE NE LONG PRAIRIE MN 56347
12016	JASON OYE LUVERNE SUPERMARKET, INC. P.O. BOX 266 JACKSON MN 56143 (507) 841-3326	24399	818 NORTH KNISS AVE LUVERNE MN 56156



Exhibit E-1
Franchise Store Listing
(By State)

13500	BRAD PRICE ROC MANAGEMENT & ASSOC., INC. 3000 18TH STREET SPIRIT LAKE (712) 336-3933	IA	51360		
24155		600 W. OAKLAND	AUSTIN	MN	55912
24296		328 NORTHWEST FOURTH ST	FARIBAULT	MN	55021
24285		116 OAKDALE STREET	OWATONNA	MN	55060
24297		112 3RD AVE	WINDOM	MN	56101
07033	JANE SAULSBURY GLACIAL PLAINS COOPERATIVE 543 VAN NORMAN AVENUE MURDOCK (320) 875-2811	MN	56271		
24405		1020 ATLANTIC AVENUE	BENSON	MN	56215
7032	CASEY SOOST FREEBORN COUNTY COOPERATIVE OIL CO. 1840 MARGARETHA AVENUE ALBERT LEA (507) 373-3991	MN	56007		
24404		1820 MARGARETHA AVENUE	ALBERT LEA	MN	56007
06021	SCOTT WALKER FARMERS CO-OPERATIVE OIL COMPANY OF RENVILLE, MN 118 DUPONT AVENUE/P.O. BOX 250 RENVILLE (320) 329-8351	MN	56284-0250		
24400		1208 WEST LINCOLN AVENUE	OLIVIA	MN	56277
02032	RUSSELL BABCOCK GRACE PIZZA, INC. 9004 NW SKYVIEW AVENUE KANSAS CITY (816) 905-1000	MO	64154		
26402		9004 NW SKYVIEW AVENUE	KANSAS CITY	MO	64154
06022	RONALD E. BACHMAN, JR. ST. JOE PETROLEUM CO. 2520 SOUTH 2ND STREET ST. JOSEPH (816) 646-1135	MO	64501		
26438		103 HILL STREET	STEWARTSVILLE	MO	64490
02026	KRISTI BAILEY GODFATHER'S PIZZA 3108 COUNTY ROAD 3690 MOUNTAIN VIEW (417) 247-0274	MO	65548		
26392		103 E. 5TH ST	MOUNTAIN VIEW	MO	65548



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Franchise Store Listing
(By State)

03036	REMY CANO ON LAKE TIME SUNRISE BEACH, LLC 245 GREENLEAF DRIVE SUNRISE BEACH (573) 317-6444	MO	65079	
26435	11947 NORTH STATE HWY 5	SUNRISE BEACH	MO	65079
03027	HEON-MO (BILL) CHUNG NAM-HO DEVELOPMENT, LLC 1514 BOB GRIFFIN ROAD CAMERON (816) 617-2753	MO	64429	
26394	1518 BOB GRIFFIN RD	CAMERON	MO	64429
03031	MICHAEL COOK COOK RESTAURANTS, LLC 888 COUNTY ROAD 526 POPLAR BLUFF (573) 686-1420	MO	63901	
26397	791 N. WESTWOOD BLVD	POPLAR BLUFF	MO	63901
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126	
26436	500 NORTH D HIGHWAY	BATES CITY	MO	64011
03551	DAVID & KATHY CROWDUS AUXARC PIZZA, INC. 549 AMANDA RD. RIDGEDALE (816) 792-1000	MO	65739	
26399	1026 W. MAIN STREET	BRANSON	MO	65616
07019	TONY GIER GIER OIL COMPANY, INC. 301 E. 8TH STREET ELDON (573) 392-6150	MO	65026	
26425	205 E. MORGAN STREET	BOONVILLE	MO	65233
26431	201 NORTH MAIN STREET	CONCORDIA	MO	64020
26424	1460 MO HWY 64	HERMITAGE	MO	65668
26426	1780 HWY 50 EAST	LINN	MO	65051
26443	2804 N. BROOKLINE AVE.	REPUBLIC	MO	65738
26432	3459 WEST DIVISION STREET	SPRINGFIELD	MO	65802
26441	681 OLD ROUTE 65 (ST. ROBERT EAGLE STOP)	ST. ROBERT	MO	65584
26389	1963 HWY 63 (WESTPHALIA EAGLE STOP)	WESTPHALIA	MO	65085



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Franchise Store Listing
(By State)

06500	DAVE GRIMES MARTIN & BAYLEY, INC. 1311 A WEST MAIN ST. CARMI (618) 382-2334	IL	62821		
26430		353 SOUTH KINGSHIGHWAY	CAPE GIRARDEAU	MO	63703
26437		3500 PATTERSON ROAD	FLORISSANT	MO	63031
26439		3441 ST. MARY'S AVENUE	HANNIBAL	MO	63401
26419		501 CIVIC CENTER DRIVE	LAKE ST. LOUIS	MO	63367
26391		703 N. WESTWOOD BLVD	POPLAR BLUFF	MO	63901
26427		2875 SAINT PETERS HOWELL ROAD	ST. PETERS	MO	63376
12006	GREG & LORI LANDES LANDES OIL INC. P.O. BOX 199 JAMESPORT (660) 684-6611	MO	64648		
26433		1841 EAST 28TH STREET	TRENTON	MO	64683
13030	CURTIS & JONI MAYS ALDEBARAN INVESTMENT GROUP LLC 15771 CR 440 WINONA (417) 247-0887	MO	65588		
26428		102 WEST PINE STREET	VAN BUREN	MO	63965
19510	MIKE & CHRIS SIDWELL K2M, INC. 510 EAST SOUTH STREET OZARK (417) 581-9292	MO	65721		
26368		5453 FF HWY	BATTLEFIELD	MO	65619
26357		1890 DEFFER DR	NIXA	MO	65714
26363		510 EAST SOUTH ST	OZARK	MO	65721
26398		1832 S. INGRAM MILL ROAD	SPRINGFIELD	MO	65804
19047	KANDY & LONNIE STAPP REM STATE LLC 7250 SE BOBBY ROAD CAMERON (641) 456-3355	MO	64429		
26442		5402 NE ANTIOCH ROAD	KANSAS CITY	MO	64119
05005	ANDREW WOODARD ELLIOTT OIL COMPANY P.O. BOX 473 OTTUMWA (641) 684-4377	IA	52501		
26390		RR #3, BOX 173D	LANCASTER	MO	63548



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Franchise Store Listing
(By State)

12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
25111		11332 CEDAR LAKE ROAD	BILOXI	MS	39532
25116		525 TUSCALOOSA ROAD	COLUMBUS	MS	39702
25109		730 US-80 EAST	FLOWOOD	MS	39232
25108		6138 LAKE-NORRIS ROAD	LAKE	MS	39092
25114		600 RICHARDSON DRIVE	WALNUT	MS	38683
7026	TOMMY L. JOHNSON & JIMMIE COCKRELL J & C STARKVILLE LLC 118 AUTUMN CREST DRIVE MADISON (256) 541-2035	AL	35757		
25112		401 UNIVERSITY DRIVE, SUITE 2	STARKVILLE	MS	39759
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
27141		3219 AIRPORT DRIVE	GREAT FALLS	MT	59404
08028	C. JIM HENNER & TERRA GARDIPEE FLAT FOOD LLP 1800 3RD STREET NW GREAT FALLS (406) 899-2900	MT	59404		
27140		1800 3RD STREET NW	GREAT FALLS	MT	59404
22100	TERESA LECHNER MONTANA PIZZA, INC. 905 MAIN STREET BILLINGS (406) 251-3461	MT	59105		
27135		905 MAIN ST	BILLINGS	MT	59105
27105		2216 N MONTANA AVE	HELENA	MT	59601
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
34332		3308 HWY 226 SOUTH	MARION	NC	28752
34345		1217 TROLLINGWOOD HAWFIELDS RD	MEBANE	NC	27302



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13028	JYOTHSNA (JYO) NAGABHIRAVA & CHAKARADHAR (CHUCK) MANNAVA NIVI CORPORATION 835 SKYBROOK FALLS DRIVE HUNTERSVILLE NC 28078 (336) 391-9132			
34355	3020 PROSPERITY CHURCH ROAD, SUITE F	CHARLOTTE	NC	28269
34344	215 WEST US HWY 64, UNIT #14	LEXINGTON	NC	27295
20016	ANGELIA THOMPSON S & A THOMPSON ENTERPRISES INC. 1010 E. BROAD AVENUE ROCKINGHAM NC 28379 (910) 206-5403			
34346	1010 E. BROAD AVE	ROCKINGHAM	NC	28379
3028	SHARON TROW GPM INVESTMENTS, LLC 8565 MAGELLAN PARKWAY, SUITE 400 RICHMOND VA 23227 (804) 730-1568			
34352	5673 GUM BRANCH ROAD	JACKSONVILLE	NC	28540
34353	1050 EDWARDS ROAD	PRINCETON	NC	27569
34354	2700 NC-210	SURF CITY	NC	28445
08034	SARA BONNEY HOLIDAY STATIONSTORES, INC. 4567 AMERICAN BLVD. WEST BLOOMINGTON MN 55437 (952) 830-8700			
35154	107 8TH AVENUE SE	WATFORD CITY	ND	58854
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY OK 73126 (405) 751-9000			
35155	13586 57TH STREET NW	WILLISTON	ND	58801
23015	CHRIS FITTERER WEST DAKOTA OIL, INC. 604 E. BROADWAY DICKINSON ND 58601 (701) 225-4292			
35158	450 EAST VILLARD STREET	DICKINSON	ND	58601
08033	JARED SCHEELER HUB CONVENIENCE STORES, INC 191 40TH STREET WEST DICKINSON ND 58601 (701) 483-3835			
35153	191 40TH STREET WEST	DICKINSON	ND	58601
35159	709 3RD AVENUE NW	HAZEN	ND	58545
07022	PHILLIP M. ANDERSON GANDER FOODS, LLC			



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Franchise Store Listing
(By State)

106 S. MAIN STREET				
WAYNE	NE	68787		
(402) 369-2145				
28450	106 S. MAIN ST	WAYNE	NE	68787



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Franchise Store Listing
(By State)

18400	BRIAN BARTLING RIGEL AIRPORT SERVICES LLC 4501 ABBOTT DRIVE/SUITE #2200 EPPLEY AIRFIELD OMAHA NE 68110 (402) 422-6376			
28394	4501 ABBOTT DR-EPPLEY AIRFIELD	OMAHA	NE	68110
03023	BRUCE N. CANNON 1ST COURSE, INC 314 PARKWILD DRIVE COUNCIL BLUFFS IA 51503 (712) 256-9121			
28456	3301 O STREET	LINCOLN	NE	68510
28444	714 W. BENJAMIN	NORFOLK	NE	68701
04100	KEN DENFELD PACIFIC PIZZA COMPANY 11280 NW EAST ROAD PORTLAND OR 97229 (503) 531-7200			
28300	7920 SO. 84TH ST	LAVISTA	NE	68128
04021	JOHN DILSAVER WESTERN OIL II LLC P.O. BOX 10 VALENTINE NE 69201 (402) 376-2224			
28460	108 2ND AVENUE	KEARNEY	NE	68847
28459	923 238TH ROAD	MILFORD	NE	68405
28473	203 E. HIGHWAY 20	VALENTINE	NE	69201
07740	MIKE GOTTSCHALK GOTCHA CORPORATION 3618 SOUTH 170TH COURT OMAHA NE 68130 (402) 210-7423			
28406	806 VILLAGE SQUARE	GRETN	NE	68028
28432	2917 S. 168TH ST	OMAHA	NE	68130
07029	KAYLEE GRAYBILL & LORI CAHILL K & L BRASS RAIL, LLC 513 MAPLE STREET CLARKSON NE 68629 (402) 615-0662			
28471	227 PINE STREET	CLARKSON	NE	68629



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Franchise Store Listing
(By State)

08610	CHAD HENGgeler & AMY HAMILTON GODFATHER'S PIZZA OF FREMONT 1851 E. 23RD STREET FREMONT (402) 727-6262	NE	68025	
28379		1851 E. 23RD ST	FREMONT	NE 68025
11905	BOB KUTA KBF, INC. P.O. BOX 1500 COLUMBUS (402) 564-8515	NE	68601	
28375		770 33RD AVE	COLUMBUS	NE 68601
15005	STEVE & VICKI OSBORN OZZIE'S I-80 P.O. BOX 278 SUTHERLAND (308) 386-6061	NE	69165	
28422		I-80 & HWY 25	SUTHERLAND	NE 69165
16037	LONNIE PARSONS K & L ENTERPRISES, INC. 2001 W. WALKER ROAD NORTH PLATTE (308) 520-3820	NE	69101	
28462		1100 SOUTH JEFFERS STREET	NORTH PLATTE	NE 69101
16038	HAMAL PATEL GINI, LLC 1105 S. BROAD STREET FREMONT (402) 721-9815	NE	68025	
28464		101 S. CHARDE AVE	OAKLAND	NE 68045
16200	RYAN PETERSEN ELKHORN PIZZA, INC. P.O. BOX 513 ELKHORN (402) 289-2038	NE	68022	
28374		101 HILLRISE	ELKHORN	NE 68022
03035	MICHAEL G. STICKA C & M SUPPLY, INC. P.O. BOX 8 RUSKIN (402) 226-2261	NE	68974	
28461		101 1ST STREET	DESHLER	NE 68340



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Franchise Store Listing
(By State)

08600	ADAM SVOBODA SVOBODA & HENK, INC. 1095 LILAC CIRCLE SPRINGFIELD (402) 297-4968	NE	68059	
28345	1916 S LOCUST	GRAND ISLAND	NE	68801
28385	132 S. 6TH ST	PLATTSMOUTH	NE	68048
28245	122 NORTH 5TH ST	SEWARD	NE	68434
23004	TODD VEGAS WHITEHEAD OIL COMPANY P.O. BOX 30211 LINCOLN (402) 435-3509	NE	68503	
28428	18940 S. 68TH ST	HICKMAN	NE	68372
23011	DENNIS & JENIFER WAMSLEY THE POST, LLC P.O. BOX 500 SIDNEY (308) 249-4403	NE	69162	
28448	1020 OLD POST ROAD	SIDNEY	NE	69162
20015	CARL (MARTY) & CAROL WILLIAMS TACO JOHNS OF NEBRASKA, INC. 3650 N. 10TH STREET GERING (308) 641-7756	NE	69341	
28458	102 W. 5TH ST	BRIDGEPORT	NE	69336
03011	DE LONE WILSON CUBBY'S, INC. 9229 MORMON BRIDGE PLZ, SUITE 6 OMAHA (402) 453-2468	NE	68152-1959	
28433	15625 C. W. HADAN DR.	BENNINGTON	NE	68007
28453	1458 WASHINGTON STREET	BLAIR	NE	68008
28451	301 S. LAKE AVENUE	GOTHENBURG	NE	69138
28430	13504 238TH ST	GREENWOOD	NE	68366
28472	210 US-20	LAUREL	NE	68745
28438	210 L ST	NELIGH	NE	68756
28470	601 SOUTH 13TH STREET	OMAHA	NE	68102
28474	14139 Q STREET	OMAHA	NE	68137
28475	15234 WEST MAPLE RD	OMAHA	NE	68116
28476	417 N. SADDLE CREEK RD	OMAHA	NE	68131
28477	7403 NORTH 30TH ST	OMAHA	NE	68112
28420	204 EAST HWY 20	O'NEILL	NE	68763
28447	701 SOUTH 4TH ST	PENDER	NE	68047
28463	600 EAST PARK	SHELBY	NE	68662
28449	110 NORTH 30 RD	SYRACUSE	NE	68446
28425	603 S. 13TH ST	TEKAMAH	NE	68061
28415	206 OAK ST	WAKEFIELD	NE	68784
28426	546 COUNTY ROAD M	YUTAN	NE	68073



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Franchise Store Listing
(By State)

13510	DON WOOD SODEXO, INC. 9801 WASHINGTONIAN BLVD. GAITHERSBURG (301) 987-4924	MD	20878		
28386		CREIGHTON UNIV STUDENT CTR/2400 CASS ST	OMAHA	NE	68178
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
32164		703 SOUTH 1ST STREET	CLAYTON	NM	88415
32161		900 WEST MOTEL DRIVE	LORDSBURG	NM	88045
32165		257 HORIZON BLVD	MILAN	NM	87021
32166		2401 AIRPORT ROAD	SANTA TERESA	NM	88008
32159		1900 MOUNTAIN RD	TUCUMCARI	NM	88401
13035	RYAN BOOTHE MAVERIK, INC. 185 SOUTH STATE STREET, SUITE 800 SALT LAKE CITY (801) 936-5557	UT	84111		
29161		605 WEST HASKELL STREET	WINNEMUCCA	NV	89445
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
29159		825 COMMERCE CENTER DRIVE	FERNLEY	NV	89408
29154		12501 APEX GREAT BASIN WAY	LAS VEGAS	NV	89105
13023	ANIL MANOCHA & VED P. AHUJA GODFATHER'S PIZZA 5321 DESERT PEACH DR. SPARKS (775) 786-7191	NV	89436		
29156		645 BOOTH ST	RENO	NV	89509



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(By State)

12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
36418		4352 STATE ROUTE 225	DIAMOND	OH	44412
36416		2586 NORTH MAIN STREET	HUBBARD	OH	44425
36417		6023 ALUM CREEK DRIVE	OBETZ	OH	43137
36415		2241 FAIR ROAD	SIDNEY	OH	45365
16041	VARUN & KEYUR PATEL MAAKALI PETROLEUM LLC 950 BURGESS COURT CINCINNATI (513) 633-8469	OH	45245		
36420		2700 OLD STATE ROUTE 32	BATAVIA	OH	45103
19024	G. LYNN RICE SUPER QUIK, INC. 2000 ASHLAND DR., SUITE 105 ASHLAND (606) 393-3247	KY	41101-7058		
36419		1051 GALENA PIKE	WEST PORTSMOUTH	OH	45663
23400	CHUCK WINTERS W & W PIZZA, INC. P.O. BOX 1268 PRINCETON (812) 385-8747	IN	47670		
36407		5800 WILMINGTON PIKE	CENTERVILLE	OH	45459
36404		4628 BRANDT PIKE	HUBER HEIGHTS	OH	45424
36408		291 N. SPRINGBORO PIKE	MIAMISBURG	OH	45449



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Franchise Store Listing
(By State)

12001	JOE COTTON				
	LOVE'S TRAVEL STOPS & COUNTRY STORES, INC.				
	P.O. BOX 26210				
	OKLAHOMA CITY	OK	73126		
	(405) 751-9000				
37267	300 N. MISSISSIPPI	ADA	OK	74820	
37275	524 W. MAIN STREET	ADA	OK	74820	
37256	619 N. MAIN STREET	ALTUS	OK	73521	
37259	607 E. OKLAHOMA BLVD	ALVA	OK	73717	
37231	P.O. BOX 2236	ARDMORE	OK	73401	
37268	930 W. BROADWAY	ARDMORE	OK	73401	
37297	1100 EAST MAIN STREET	BOISE CITY	OK	73933	
37280	504 S. PARK DRIVE	BROKEN BOW	OK	74728	
37278	1326 SOUTH 4TH STREET	CHICKASHA	OK	73018	
37281	1001 W. CHOCTAW AVE	CHICKASHA	OK	73018	
37285	432 S. GRAND	CRESCENT	OK	73028	
37262	202 W. MAIN ST	DUNCAN	OK	73533	
37271	1223 NORTH 1ST ST	DURANT	OK	74701	
37272	524 W. MAIN STREET	DURANT	OK	74701	
37298	5278 WEST MAIN STREET	DURANT	OK	74701	
37239	P.O. BOX 1645	EDMOND	OK	73083	
37291	1645 EAST HIGHWAY 66	EL RENO	OK	73036	
37232	1601 BIRKES RD	EUFAULA	OK	74432	
37288	401 N. MAIN STREET	FAIRVIEW	OK	73737	
37277	1223 S. DIVISION ST	GUTHRIE	OK	73044	
37295	2530 EAST NOBLE AVENUE	GUTHRIE	OK	73044	
37260	101 SE 2ND STREET	GUYMON	OK	73942	
37270	413 E. MAIN STREET	HENRYETTA	OK	74437	
37233	4400 N. BROADWAY	HINTON	OK	73047	
37302	201 WEST HIGHWAY 54	HOOVER	OK	73945	
37290	203 SOUTH MAIN STREET	KINGFISHER	OK	73750	
37301	502 WEST CHEROKEE STREET	LINDSAY	OK	73052	
37276	411 SOUTH 1ST STREET	MADILL	OK	73446	
37257	811 N. BROADWAY ST	MARLOW	OK	73055	
37269	701 S. BROADWAY ST	MARLOW	OK	73055	
37293	12601 SOUTH MCLOUD ROAD	MCLOUD	OK	74851	
37273	1015 E. STEVE OWENS BLVD	MIAMI	OK	74354	
37294	5317 SE 44TH STREET	NORMAN	OK	73072	
37283	102 W. COPELAND	OKEMAH	OK	74859	
37282	10875 N PENNSYLVANIA AVE	OKLAHOMA CITY	OK	73120	
37287	3233 SW 89TH STREET	OKLAHOMA CITY	OK	73159	
37265	309 W. GRANT AVE	PAULS VALLEY	OK	73075	
37261	225 N. GREEN AVENUE	PURCELL	OK	73080	
37299	251344 HIGHWAY 70	RANDLETT	OK	73562	
37264	1005 N. KICKAPOO AVE	SHAWNEE	OK	74801	
37274	111 E. DOWNING ST	TAHLEQUAH	OK	74464	
37266	100 E. WALNUT ST	TECUMSEH	OK	74873	
37300	1430 HIGHWAY 54 EAST	TEXHOMA	OK	73949	
37296	706 SOUTH THORNTON STREET	VIAN	OK	74962	
37289	304 W. RUSSWORM DRIVE	WATONGA	OK	73772	
37255	3033 HIGHWAY 412	WATTS	OK	74964	
37258	3020 WILLIAMS AVENUE	WOODWARD	OK	73801	
37263	2615 OKLAHOMA AVENUE	WOODWARD	OK	73801	
37286	305 W. ROBERT S. KERR BLVD.	WYNNEWOOD	OK	73098	
37279	1016 W. MAIN STREET	YUKON	OK	73099	



Exhibit E-1
Franchise Store Listing
(By State)

04020	IVAN DICKEY IVAN DICKEY, LLC 2101 WEST OWEN K. GARRIOTT ROAD ENID OK 73703 (580) 402-0440			
37284	2101 WEST OWEN K. GARRIOTT RD.	ENID	OK	73703
03024	PATRICK M. CAHILL K-HILL & SUN LLC 8860 SW 69TH AVE. PORTLAND OR 97223 (971) 255-1321			
38212	14200 SW BARROWS RD	TIGARD	OR	97223
38213	2503 SW CHERRY PARK RD	TROUTDALE	OR	97060
04100	KEN DENFELD PACIFIC PIZZA COMPANY 11280 NW EAST ROAD PORTLAND OR 97229 (503) 531-7200			
38197	17691 SW FARMINGTON ROAD	ALOHA	OR	97007
38185	2834-A PACIFIC AVE	FOREST GROVE	OR	97116
38206	7440 SW BASELINE	HILLSBORO	OR	97123
38199	11140 S.W. BARNES RD	PORTLAND	OR	97225
13033	MOHAMMAD Y. MALIK MYS ENERGY GREENCASTLE INC 705 BUCHANAN TRAIL EAST GREENCASTLE PA 17225 (202) 716-0165			
39143	705 BUCHANAN TRAIL EAST	GREENCASTLE	PA	17225
02006	CHRIS BARTH KNR FOODS 608 SOUTH KINGS HWY MYRTLE BEACH SC 29577 (843) 626-3300			
41212	608 SOUTH KINGS HWY	MYRTLE BEACH	SC	29577
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY OK 73126 (405) 751-9000			
41221	3205 FIVE CHOP ROAD	ORANGEBURG	SC	29115
01011	LAURIE & STEVE ANDERSON HANDI MART LLC 100 N HWY 81 ARLINGTON SD 57212 (605) 983-5771			
42178	100 N. HWY 81	ARLINGTON	SD	57212
42181	102 HIGHWAY 14 EAST	DE SMET	SD	57231



Exhibit E-1
Franchise Store Listing
(By State)

02010	R.F. BUCHE G.F. BUCHE CO. 102 SOUTH MAIN AVENUE WAGNER (605) 384-4300	SD	57380		
42154		E HWY 18/P.O. BOX 788	MISSION	SD	57555
42153		413 W.HWY 46	WAGNER	SD	57380
03029	MICHAEL CARRELS OCHO, INC. P.O. BOX 1825 ABERDEEN (605) 725-3401	SD	57402		
42172		711 N. 2ND STREET	ABERDEEN	SD	57401
42183		2303 SE 6TH AVENUE	ABERDEEN	SD	57401
03202	STEVE CLARK PLAINS PIZZA CORP. P.O. BOX 89856 SIOUX FALLS (605) 366-2772	SD	57108		
42143		195 21ST STREET SOUTHWEST	HURON	SD	57350
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY 4057519000	OK	73126		
42182		1100 SOUTH MAIN STREET	KIMBALL	SD	57355
04018	CHRIS DVORAK DVORAK CONVENIENCE STORES, INC. P.O. BOX 200 BLACK HAWK (605) 484-9934	SD	57718		
42180		16098 HWY 14/16	NEW UNDERWOOD	SD	57761
04019	JASON DVORAK BLACK HAWK OIL, INC. P.O. BOX 740 BLACK HAWK (605) 391-2732	SD	57718		
42179		7215 BLACK HAWK RD	BLACK HAWK	SD	57718
19046	RENAE GREENFIELD SIOUX VALLEY COOPERATIVE 8 10th STREET NW WATERTOWN (605) 886-5829	SD	57201		
42185		756 CLIFF AVENUE NORTH	HARRISBURG	SD	57032
08017	DIANA HOLDEN AGLAND COOP 115 SOUTH FIRST STREET PARKSTON (605) 928-7543	SD	57366		



Exhibit E-1
Franchise Store Listing
(By State)

42157

905 W. HWY 44

PARKSTON

SD

57366



Exhibit E-1
Franchise Store Listing
(By State)

22003	CARRIE LEFORT HIGHLAND TRAVEL PLAZA, LLC 2160 HIGHLAND WAY MITCHELL (605) 995-5091	SD	57301		
42160		2160 HIGHLAND WAY	MITCHELL	SD	57301
13025	SURINDER (SAM) MULTANI SURAJ GAS BAR & C STORE, LLC 47018 SD HWY 46 BERESFORD (605) 957-4141	SD	57004		
42177		47018 SD HWY 46	BERESFORD	SD	57004
16004	GREGG PETERS JONES ENTERPRISES 812 COTTAGE AVE VERMILLION (605) 624-2624	SD	57069		
42152		27600 South Dakota Hwy 19	PARKER	SD	57053
42155		812 COTTAGE AVE	VERMILLION	SD	57069
21004	JORDAN URBAN SODAK PIZZA CO 520 11TH AVENUE SE, SUITE 1 WATERTOWN (605) 881-5834	SD	57201		
42184		1300 9TH AVENUE SE	WATERTOWN	SD	57201
03011	DE LONE WILSON CUBBY'S, INC. 9229 MORMON BRIDGE PLZ, SUITE 6 OMAHA (402) 453-2468	NE	68152-1959		
42174		200 TOWER ROAD	DAKOTA DUNES	SD	57049
42169		220 HWY 115 N.	DELL RAPIDS	SD	57022
42171		4700 W. 12TH ST	SIOUX FALLS	SD	57107
42168		101 W. 1ST ST	TEA	SD	57064
02038	AMIR (ALEX) BOGHANI KNOX C-STORE PRO LLC 2201 GREENWICH LN KNOXVILLE (865) 456-4536	TN	37932		
43352		3990 EAST ANDREW JOHNSON HIGHWAY	GREENVILLE	TN	37745
43353		1116 HARVEY ROAD	KNOXVILLE	TN	37922



Exhibit E-1
Franchise Store Listing
(By State)

12010	ROBERT BRECKER DUNNE MANNING STORES LLC 645 WEST HAMILTON ST., SUITE #500 ALLENTOWN PA (610) 625-8005	18101		
43327	1190 OAK RIDGE TURNPIKE	OAK RIDGE	TN	37830
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY OK (405) 751-9000	73126		
43331	3070 LAKE RD	DYERSBURG	TN	38024
43348	150 COUCHVILLE INDUSTRIAL BLVD	MT. JULIET	TN	37122
43347	1129 SMOKEY MOUNTAIN LANE	NEWPORT	TN	37821
43330	1001 HIGHWAY 76	WHITE HOUSE	TN	37188
06500	DAVE GRIMES MARTIN & BAYLEY, INC. 1311 A WEST MAIN ST. CARMI IL (618) 382-2334	62821		
43324	106 HIGHWAY 46	DICKSON	TN	37055
43320	23 VETERANS DR NORTH	HUNTINGDON	TN	38344
43336	1295 UNION UNIVERSITY DRIVE	JACKSON	TN	38305
43337	7 RIDGECREST ROAD	JACKSON	TN	38305
43354	44 LINDELL STREET	MARTIN	TN	38237
43341	1400 SOUTH 1ST STREET	UNION CITY	TN	38261
16024	GIRISH (GARY) PANCHAL GODFATHER'S PIZZA 128 BEAVER CREEK DRIVE PORTLAND TN (302) 562-6463	37148		
43345	1721 HIGHWAY 41 SOUTH	GOODLETTSVILLE	TN	37072
43328	5500 HIGHWAY 31 WEST	PORTLAND	TN	37148
43339	905 N. BROADWAY	PORTLAND	TN	37148
16015	INDRAVADAN K. PATEL JEET HOSPITALITY, INC. 3740 DICKERSON PIKE NASHVILLE TN (615) 865-6650	37207		
43314	3740 DICKERSON PIKE	NASHVILLE	TN	37207



Exhibit E-1
Franchise Store Listing
(By State)

16034	RAJESH (ROGER) PATEL SAKAMBA, INC. 422 CHARLESTON DRIVE COOKEVILLE (630) 751-9224	TN	38501	
43344		4456 S. GRUNDY QUARLES HWY	BLOOMINGTON SPRINGS TN	38545
05010	DAVID WELLS EG AMERICA, LLC 165 FLANDERS ROAD WESTBOROUGH (864) 525-2875	MA	01581	
43301		1230 PEACHERS MILL RD	CLARKSVILLE	TN 37042
43305		2690 TRENTON RD	CLARKSVILLE	TN 37040-5801
01017	DASHON ANDREWS BRIGHTSIDE HORIZONS LLC 139 CYPRESSWOOD DRIVE #161 SPRING (206) 683-2102	TX	77388	
44882		5275 LOUETTA ROAD	SPRING	TX 77379
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126	
44864		105 SE INTERSTATE IH 45	ALMA	TX 75119
44823		6930 I-40 EAST	AMARILLO	TX 79118
44883		14701 I-40 WEST	AMARILLO	TX 79124
44863		7495 SMITH ROAD	BEAUMONT	TX 77713
44876		3400 NAFTA PARKWAY	BROWNSVILLE	TX 78526
44881		12182 HIGHWAY 87 NORTH	DALHART	TX 79022
44857		6421 N. I-35	DENTON	TX 76207
44859		720 N. DUMAS	DUMAS	TX 79029
44894		21379 US-77 EXPRESSWAY	HARLINGEN	TX 78550
44877		101 PINNACLE ROAD	LAREDO	TX 78045
44858		219 S. BOYKIN DR	MEMPHIS	TX 79245
44852		5200 CHOLLA RD	MIDLAND	TX 79706
44856		3215 N. MAIN ST	PARIS	TX 75460
44849		1415 W 11TH STREET	QUANAH	TX 79252
44854		22406 US HIGHWAY 59 N	QUEEN CITY	TX 75572
44826		1600 LOOP 254 WEST	RANGER	TX 76470
44853		1188 S. OAK STREET	VAN	TX 75790
44873		2605 EAST BANKHEAD DRIVE	WEATHERFORD	TX 76086
44872		1124 CENTRAL FREEWAY EAST	WICHITA FALLS	TX 76301
44879		12577 COUNTY ROAD 3101	WINONA	TX 75792
09004	ZAHID IQBAL AM STAR LLC 1606 FM 423, SUITE 400 FRISCO (219) 588-4607	TX	75034	
44884		27379 EAST UNIVERSITY DRIVE, STE 400	AUBREY	TX 76227
44874		1606 FM 423, SUITE 400	FRISCO	TX 75034
44886		4701 SOUTH CUSTER ROAD, SUITE 400	MCKINNEY	TX 75070



Exhibit E-1
Franchise Store Listing
(By State)



Exhibit E-1
Franchise Store Listing
(By State)

11200	JOSEPH F. KARMOUT JFK1, LLC 1610 BRADNEY DRIVE HOUSTON (832) 423-5741	TX	77077		
44892		8650 N. SAM HOUSTON PKWY E. #110	HUMBLE	TX	77396
44878		402 WEST GRAND PARKWAY SOUTH #103	KATY	TX	77494
11025	SHRADDHA (SHEELA) KOTHARI SAIROOP LLC 8639 CHICKASAW PLUM WAY KATY (281) 799-0009	TX	77494		
44861		7925 7TH STREET	BAY CITY	TX	77414
18009	MIKE & DONNA RATKE GODFATHER'S PIZZA P.O. BOX 166 FARWELL (575) 760-9491	TX	79325		
44851		701 AVENUE A	FARWELL	TX	79325
03033	JACK WHITNEY CAL'S CONVENIENCE, INC. 7460 WARREN PKWY, SUITE 310 FRISCO (972) 616-4899	TX	75034		
44866		101 SOUTH STATE STREET	BRONTE	TX	76933
44867		100 S. 25 MILE AVE	HEREFORD	TX	79045
44868		100 EAST 6TH STREET	IRAAN	TX	79744
44869		1206 AVENUE E	OZONA	TX	76943
13035	RYAN BOOTHE MAVERIK, INC. 185 SOUTH STATE STREET, SUITE 800 SALT LAKE CITY (801) 936-5557	UT	84111		
45140		1033 WEST 200 NORTH	LOGAN	UT	84321
12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
47260		23845 ROGERS CLARK BLVD	RUTHER GLEN	VA	22548
08560	WILLIAM B. HOLTZMAN HOLTZMAN OIL CORP. P.O. BOX 8 MT. JACKSON (540) 477-3131	VA	22842		
47250		9181 N. FREDERICK PIKE	CROSS JUNCTION	VA	22625
47248		100 LEE HIGHWAY	NEW MARKET	VA	22844
47252		125 N. MAIN ST	TIMBERVILLE	VA	22853



Exhibit E-1
Franchise Store Listing
(By State)

12001	JOE COTTON LOVE'S TRAVEL STOPS & COUNTRY STORES, INC. P.O. BOX 26210 OKLAHOMA CITY (405) 751-9000	OK	73126		
48410		1501 PORT OF TACOMA ROAD	FIFE	WA	98424
25001	DANIEL YANEZ-GARCIA Y-GARCIA L.L.C. 1014 N. WENATCHEE AVENUE WENATCHEE (509) 662-5255	WA	98801		
48409		15709 PACIFIC AVE., PAD 8	TACOMA	WA	98444
48402		1014 N. WENATCHEE AVE	WENATCHEE	WA	98801
01013	JOSEPH S. ARBAUGH ARBAUGH GROCERY COMPANY, INC. 5600 STATE ROUTE 10 SALT ROCK (304) 710-8022	WV	25559		
49178		5600 STATE ROUTE 10	SALT ROCK	WV	25559
12008	GREG DARBY LITTLE GENERAL STORE, INC. P.O. BOX 968 BECKLEY (304) 253-9592	WV	25802		
49163		ROUTE 12	ALDERSON	WV	24910
49164		ROUTE 1 - BOX 165K	ALUM CREEK	WV	25003
49176		468 STANAFORD RD	BECKLEY	WV	25801
49161		1586 MOUNTAINEER HIGHWAY	BRADSHAW	WV	24817
49180		30 RAMSEY ROAD	DANVILLE	WV	25053
49177		125 ODD RD	GHENT	WV	25843
49167		7006 HARPER RD.	GLEN DANIEL	WV	25844
49168		U.S. ROUTE 19	GLEN JEAN	WV	25846
49162		1062 MCCLELLAN HIGHWAY	HARTS	WV	25524
49169		RTE 219 NORTH, HC 81 BOX 76	LEWISBURG	WV	24901
49170		MARKET EXPRESS/ROUTE 16	LIZEMORES	WV	25125
49172		HIGHWAY 219	MARLINTON	WV	24954
49173		ROUTE 60	ONA	WV	25545
49174		ROUTE 20, ATHENS RD	PRINCETON	WV	24740
49179		12745 COAL HERITAGE ROAD	RODERFIELD	WV	24881
49175		103 E. MAIN ST	WHITE SULPHUR SPRINGS	WV	24986



Exhibit E-1
Franchise Store Listing
(By State)

19045	CLINT COOK FAST STOP STORES, LLC P.O. BOX 150545 OGDEN (801) 499-4275	UT	84415	
51140		8 PURPLE SAGE ROAD (Fast Stop 1134)	ROCK SPRINGS	WY 82901
22006	KEVIN VREELAND VREELAND/MAZZA, LLC 5719 YELLOWSTONE ROAD CHEYENNE (307) 634-5222	WY	82009	
51137		5719 YELLOWSTONE RD	CHEYENNE	WY 82009

EXHIBIT E-2

STORES NOT OPENED AS OF JULY 28, 2023

None

EXHIBIT E-3
FORMER FRANCHISEES

Aminderjit Singh
SSA 4, Inc.
9 Hawks Ridge
Avon, CT 06001
860-402-8401

Chirag (Pat) Patel
Kilby Crossings LLC
2006 Petersburg Road
Hebron, KY 41048
859-630-2221

Wesley Dowling
DLM Investments LLC
513 E. 2nd Street
Gillette, WY 82716
307-689-3136

Steven R. Hostetter
Tri Star Energy, LLC
1740 Ed Temple Blvd.
Nashville, TN 37208
615-313-3600

John Ketchen
Ketchen Inc.
101 W. Fourth St./P.O. Box 457
Vinton, IA 52349
319-472-3480

Lonnie Parsons
K & L Enterprises, Inc.
2001 West Walker Road
North Platte, NE 69101
308-520-3820

Sheryl Schumann
Schubox Enterprises LLC
10 1st Street SE
Hampton, IA 50441
641-425-2654

Nilam D. Patel
Godfather's Pizza
1506 S. Shelby Street
Louisville, KY 40217
502-636-1953

Keith Lacy
MAKINZAH, Inc.
24565 110th Street
Anamosa, IA 52205
319-382-4736

Mayank (Max) Patel
JMP Mart, Inc.
4385 Roane State Hwy
Rockwood, TN 37854
404-862-7191

Larry Kicker
Godfather's Pizza in Arlington
343 W. Main St.
Arlington, MN 55307
507-304-5022

Cody Wickham
Samus Enterprises LLC
16726 H Circle
Omaha, NE 68135
402-616-1929

United Quality Coop
307 Main Street
P.O. Box 340
New Town, ND 58763
701-627-3636

Chuck Winters
W & W Pizza, Inc.
927 S. Main St./P.O. Box 1268
Princeton, IN 47670
812-385-8747

Molly Fontaine
Holiday Inn Fargo
3803 13th Avenue South
Fargo, ND 58103
701-282-2700

Devinder Ghotra/Gurdeep Singh
Hariom Gas Incorporated
11750 West State Road 10
DeMotte, IN 46310
219-670-6018

Pat Kelley
KT Restaurants, Inc., LLC
P.O. Box 540843
Omaha, NE 68154
402-651-0329

Joe Cotton
Love's Travel Stops & Country Stores, Inc.
P.O. Box 26210
Oklahoma City, OK 73126
405-751-9000

Kris Ehlinger
Fastraks, Inc.
916 W. Platt St.
Maquoketa, IA 52060
563-357-1911

Greg Popkes
Lakeside Travel Plaza LLC
602 North 2nd Avenue East
Rock Rapids, IA 51246
605-366-9807 (Melinda Popkes)

Ricky D. Wood
Woodshed
P.O. Box 339
Edna, KS 67342
620-922-7252

Gary Suhr
GSMW Groceries, Inc.
1110 South B Street
Broken Bow, NE 68822
308-530-9051

Brad Price
ROC Management & Assoc., Inc.
3000 18th Street
Spirit Lake, IA 51360
712-336-3933

Steve Williams
Bobby & Steve's Auto World II, LLP
1221 Washington Avenue South
Minneapolis, MN 55415
612-333-8900

Dawn Lampkins
Maverick, Inc. & Cox Oil Co., Inc.
623 Perkins Street
Union City, TN 38261
731-885-6444

Tim Bonnstetter
IFOS, L.L.C.
303 Jefferson Street
Remsen, IA 51050
712-541-2532

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	September 7, 2022
Illinois	August 9, 2022
Indiana	August 25, 2022
Maryland	October 21, 2022
Michigan	August 28, 2022
Minnesota	October 17, 2022
New York	December 13, 2021
North Dakota	August 31, 2022
Rhode Island	August 19, 2022
South Dakota	August 30, 2022
Virginia	October 14, 2022
Washington	September 23, 2022
Wisconsin	July 28, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT F
RECEIPT
(Your Copy)

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

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa requires that we give you this disclosure document by the earlier of the first personal meeting between us, or 14 days prior to the earlier of your execution of a contract imposing a binding legal obligation on you or the payment by you of any consideration in connection with the offer or sale of the franchise.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise: David Gartlan, Kathleen Johnson and Dan Ising Godfather's Pizza, Inc., 2808 North 108th Street, Omaha, Nebraska 68164, (402) 391-1452.

Issuance Date: July 28, 2023

See Exhibit A for our registered agents authorized to receive service of process.

I have received a disclosure document dated July 28, 2023 that included the following Exhibits:

Exhibit A.	State Agencies/Agents For Service Of Process
Exhibit B-1.	Franchise Agreement
Exhibit B-2.	Area Development Agreement
Exhibit C.	Financial Statements
Exhibit D.	Operations Manual Table Of Contents
Exhibit E-1.	Franchisees as of May 28, 2023
Exhibit E-2.	Stores Not Yet Open as of July 28, 2023
Exhibit E-3.	Former Franchisees
Exhibit F.	Receipts

_____ Date	_____ Signature	_____ Printed Name
_____ Date	_____ Signature	_____ Printed Name

KEEP THIS COPY FOR YOUR RECORDS.

EXHIBIT F
RECEIPT
(Our Copy)

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

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa requires that we give you this disclosure document by the earlier of the first personal meeting between us, or 14 days prior to the earlier of your execution of a contract imposing a binding legal obligation on you or the payment by you of any consideration in connection with the offer or sale of the franchise.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

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Exhibit F.	Receipts

<hr/>	<hr/>	<hr/>
Date	Signature	Printed Name
<hr/>	<hr/>	<hr/>
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature and return it to the Franchise Services Department, Godfather's Pizza, Inc., 2808 North 108th Street, Omaha, NE 68164.