

FRANCHISE DISCLOSURE DOCUMENT

ROSATI'S PIZZA ENTERPRISES, INC.

A Florida Corporation

10131 Sweetgrass Circle, Unit 104

Naples, FL 34104

(847)426-1414, (847)915-9174

info@myrosatis.com, info@rosatisfranchising.com

www.MyRosatis.com, www.rosatisfranchising.com



We offer franchises for distinctive restaurants featuring pizza and other food items under the ROSATI'S PIZZA® name. The total investment necessary to begin operation of a ROSATI'S PIZZA restaurant is from \$147,200 to \$500,500 for a carryout/delivery location, or from \$275,000 to \$1,249,000 for a sports pub. This includes \$35,000 that must be paid to the franchisor or its affiliates.

We also offer franchises for the right to develop multiple for ROSATI'S PIZZA restaurants in a specified territory under a Multi-Unit Developer Agreement. The total investment necessary under a Multi-Unit Developer Agreement is \$17,500 multiplied by the number of franchises you agree to acquire, less the first franchise agreement you agree to acquire (plus the initial franchise fee for the first ROSATI'S PIZZA restaurant of \$35,000). The total investment necessary under the Multi-Unit Developer Agreement is estimated to be \$35,000 to \$70,000 (based on a 3 to 5 unit development commitment). This entire amount must be paid to the franchisor. A minimum of 3 restaurants must be developed under the Multi-Unit Developer 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 Kathleen Davidson or Jazmin Barrera at Rosati's Pizza Enterprises, Inc., 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104, (847) 426-1414.

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: March 31, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 Rosati’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 Rosati’s Pizza franchisee?	Item 20 or Exhibit C lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 arbitration and/or litigation only in Illinois. Out-of-state arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate, or litigate with the franchisor in Illinois than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.
3. **Supplier Control.** You must purchase all or nearly all of the inventory and supplies necessary to operate your business from Franchisor, its affiliates, or from suppliers that Franchisor designates at prices that the Franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your Restaurant.
4. **Sales Performance Requirement.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise and loss of your investment.
5. **Short Operating History.** The franchisor is at an early stage of development and has limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
6. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
7. **Brand Control.** Several different entities and several Rosati's family members may operate and franchise others to operate a Rosati's Pizza restaurant. These other restaurants may be operated in a totally different manner from your restaurant, with different menu items, and a different overall dining experience. We have no control over some of these other restaurants. If any one of them operates a Rosati's pizza restaurant with poor service or inferior pizza, the entire Rosati's Pizza brand, including your business, suffers.

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.

**THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY**

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

- (a) A prohibition on the right of a franchisee to join an association of franchises.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Law. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity which in no event need be more than thirty (30) days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishing not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) Failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement or multi-unit developer agreement existing at the time of the proposed transfer.

- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement or multi-unit developer agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

Any questions regarding the notice of this Offering should be directed to:

Michigan Attorney General's Office
Consumer Protection Division
Attn. Franchise Section
525 W. Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48933
(517) 335-7567

Note: Despite subparagraph (f) above, we intend, and we and you agree to fully enforce the arbitration provisions of the franchise agreement and the multi-unit developer agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions. You acknowledge that we will seek to enforce this section as written.

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
Item 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	1
Item 2. BUSINESS EXPERIENCE.....	3
Item 3. LITIGATION	4
Item 4. BANKRUPTCY	5
Item 5. INITIAL FEES	5
Item 6. OTHER FEES	6
Item 7. ESTIMATED INITIAL INVESTMENT.....	9
Item 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	13
Item 9. FRANCHISEE’S OBLIGATIONS	16
Item 10. FINANCING	17
Item 11. FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING.....	18
Item 12. TERRITORY.....	26
Item 13. TRADEMARKS.....	29
Item 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION.....	31
Item 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	32
Item 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	33
Item 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION.....	33
Item 18. PUBLIC FIGURES.....	39
Item 19. FINANCIAL PERFORMANCE REPRESENTATIONS.....	39
Item 20. OUTLETS AND FRANCHISEE INFORMATION	41
Item 21. FINANCIAL STATEMENTS.....	44
Item 22. CONTRACTS	44
Item 23. RECEIPTS.....	45

EXHIBITS

Exhibit A	State Administrators
Exhibit B	Agents for Service of Process
Exhibit C	List of Franchises and Affiliate-Owned Units
Exhibit C-1	Operating Franchises
Exhibit C-2	Franchises Not Yet Operating
Exhibit C-3	Former Franchisees
Exhibit D	Audited Financial Statements
Exhibit E	Franchise Agreement
Exhibit F	Operations Manual Table of Contents
Exhibit G	Franchise Acknowledgement Questionnaire
Exhibit H	State Addendum
Exhibit I	Renewal Addendum
Exhibit J	Multi-Unit Developer Agreement
Exhibit K	Receipts

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

The franchisor is Rosati's Pizza Enterprises, Inc. For ease of reference, Rosati's Pizza Enterprises, Inc. will be referred to as "we", or "us" in this disclosure document. We will refer to the person who buys the franchise as "you" throughout the disclosure document. If you are married, you and your spouse would be the signers of the franchise agreement. If you are a corporation or partnership or limited liability company, your owners and their spouses will have to guarantee and be bound by the obligations contained in the franchise agreement to be signed by you as described in this disclosure document.

Franchisor, Predecessors, and Affiliates

We are organized as a Florida corporation. We were formed as an Illinois corporation on February 16, 2022 and domesticated as a Florida corporation on March 15, 2023. Our principal business address is 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104. We do business under our company name, Rosati's Pizza Enterprises, Inc., and our tradename ROSATI'S PIZZA®. We began offering franchises for ROSATI'S PIZZA restaurants in March 2022. We do not currently own or operate any ROSATI'S PIZZA restaurants, though entities under common ownership with us currently own and operate 1 ROSATI'S PIZZA restaurant. We do not have any business activities other than as described in this disclosure document. If we have an agent for service of process in your state, we disclose that agent in Exhibit B. We have no parents.

The first ROSATI'S PIZZA restaurant opened in 1964. Rosati's Family Restaurants, Inc. (f/k/a Rosati Franchise Systems, Inc.) sold franchises for ROSATI'S PIZZA restaurants from 1979 to 1983. Rosati's Family Restaurants, Inc. assigned the ROSATI'S PIZZA trademark and service marks to Rosati's Franchise Systems, Inc. ("RFSI") in 1988. RFSI sold franchises for ROSATI'S PIZZA restaurants from 1988 to 1998. RFSI continues to own the Marks described in this disclosure document.

In 1998, RFSI licensed certain Rosati family members the right to use the ROSATI'S PIZZA trademark. Some of those Rosati family members formed our predecessor, Rosati's Franchising, Inc. ("RFI"), to franchise ROSATI'S PIZZA restaurants. Other Rosati family members own, license, or franchise their own ROSATI'S PIZZA restaurants independently. RFI has offered franchises for ROSATI'S PIZZA restaurants since 2006 and continues to do so. Its principal place of business is 1652 S. Eastwood Drive, Woodstock, IL 60098. In February 2022, the majority owners of RFI turned in their shares of RFI and in exchange, were assigned 143 franchise agreements and 4 multi-unit developer agreements previously in the name of RFI. These Rosati's family members then created Rosati's Pizza Enterprises, Inc. (the franchisor under this disclosure document) to own and support the franchisees whose franchise agreements were assigned, and to offer and sell new ROSATI'S PIZZA franchises going forward.

Our affiliate Vive Bene Enterprises, Inc. ("Vive Bene") offers franchises for pizza restaurants under the name and service mark PAPA SAVERIO'S. Vive Bene's principal place of business is 425 N. Martingale Road, Suite 1150, Schaumburg, Illinois 60173. As of December 31, 2022, 15 franchised PAPA SAVERIO'S were in operation. Vive Bene has never owned, operated, or franchised any ROSATI'S PIZZA restaurants, or offered franchises in any other line of business.

Franchised Business.

We franchise a pizzeria restaurant featuring pizza and casual Italian food (the "Rosati's Pizza Restaurants") under the name "ROSATI'S PIZZA®" and other trademarks, service marks, logos, and commercial symbols we periodically authorize (the "Marks") using certain procedures, techniques, business methods, business forms, business policies and a body of knowledge pertaining to the establishment and operation of the Rosati's Pizza Restaurants (the "System"). The franchise offered is for the right to operate a ROSATI'S PIZZA restaurant using the Marks and the System at a specific location

(your “Restaurant”). You may operate your Restaurant as either a carryout/delivery restaurant or a sports pub. A carryout/delivery restaurant has a menu that includes food and non-alcoholic beverages, offers carryout and delivery services, and in some cases, has dine-in seating and serves beer and wine (each, a “Carryout/Delivery Restaurant”). A sports pub has full table service and dine-in seating, a bar, a décor package approved by us, a menu that includes food, non-alcoholic beverages, beer, wine, and in some cases, hard liquor, and offers carryout and delivery services (each, a “Sports Pub”). You must sign our standard franchise agreement (the “Franchise Agreement”) when you purchase a franchise. Our current form of Franchise Agreement is attached to this disclosure document as Exhibit E.

We may also offer certain persons who meet our criteria the right to acquire multiple franchises for ROSATI’S PIZZA restaurants within a specifically described geographic territory (the “Development Area”) according to a designated development schedule (the “Development Schedule”). Our current form of Multi-Unit Developer Agreement is attached to this disclosure document as Exhibit J (the “Developer Agreement”). If we approve you as a developer, we will mutually agree with you on the number of ROSATI’S PIZZA restaurants that you will develop and the development schedule for those ROSATI’S PIZZA restaurants before you sign your Developer Agreement. Currently, our minimum development commitment is 3 ROSATI’S PIZZA restaurants. If we grant you a Developer Agreement, you must sign a Franchise Agreement for your first Restaurant at the time the Developer Agreement is signed. For each additional franchise, you must sign our then current form of Franchise Agreement that may have different terms than the Franchise Agreement contained in this disclosure document.

Market and Competition.

You will compete primarily with other local restaurants offering pizza and related products, including independent pizza restaurants and regional and national franchised restaurants offering pizza. But you will also be competing with other types of restaurants and home cooking. The market for restaurants featuring pizza and related food items is developed and highly competitive.

Your competition may also include ROSATI’S PIZZA restaurants operated by other members of the Rosati family, licensees of RFSI, including RFSI itself and RFI. These restaurants may be located in your general area, but under license agreement between RFSI and our owners, no ROSATI’S PIZZA restaurant can be less than 5 miles from another ROSATI’S PIZZA restaurant. The licensees of RFSI are obligated to monitor the quality of the products and services offered under the Marks for the protection of the Marks; however, we do not have the ability to control any ROSATI’S PIZZA restaurant under licenses not granted by us. There may be some variation in the operation of the restaurants, in menu items offered, and in promotions conducted.

Industry Specific Regulations.

In addition to laws and regulations that apply to businesses generally, restaurants are subject to federal, state and local laws, regulations and guidelines governing the food service industry. The Food and Drug Administration, the United States Department of Agriculture and food industry organizations, including the National Restaurant Association, have established rules affecting the restaurant business. You must comply with all federal, state, and laws and regulations concerning food preparation, handling and storage, menu item names, menu labeling and nutritional information, emissions controls, and health and safety. State and local agencies routinely conduct inspections for compliance with these requirements. You must also comply with laws applicable to compensation of employees (including minimum wage, tipped workers, and overtime), data protection, business licensure, zoning, real estate and occupational permitting, construction permitting, accessibility for persons with disabilities, sales and use tax, health and safety, and emergency orders related to public health or safety. There may be other laws applicable to your Restaurant. You are solely responsible for ensuring that you and your Restaurant complies with all applicable laws.

ITEM 2.
BUSINESS EXPERIENCE

Director and President: Anthony M. Rosati

Mr. Rosati has been our Director and President since February 2022, in Marco Island, Florida. Prior to that, Mr. Rosati held multiple positions with RFI from October 2005 to February 2022, including Director from October 2005 to February 2022, President from May 2019 to February 2022, and Vice President from December 2006 to April 2019. Mr. Rosati also currently holds the following positions: (i) President of Rosati's Pizza Pub Developments, Inc. since April 2014, (ii) Manager of Rosati's Distribution, LLC since January 2019, (iii) Director of Vive Bene since April 2002 and its President since January 2010, and (iv) manager of Rosati's Westlead Holding, LLC, since February 2017. Each of these roles was held from Schaumburg, Illinois. Since 1990, Mr. Rosati has also owned multiple ROSATI'S PIZZA restaurants.

Director and Vice President: David M. Rosati

Mr. Rosati has been our Director and Vice President since February 2022, in Bonita Springs, Florida. Prior to that, Mr. Rosati held multiple positions with RFI from October 2005 to February 2022, including as Director from October 2005 to February 2022, and as Vice President from December 2006 to February 2022. Mr. Rosati also currently holds the following positions: (i) President of RFSI since February 2008, (ii) Manager of Rosati's Distribution, LLC since January 2019, (iii) Director of Vive Bene since April 2002, its Vice President since January 2010, and its Secretary since January 2019. Each of these roles was held from Schaumburg, Illinois. Since 1987, Mr. Rosati has also owned multiple ROSATI'S PIZZA restaurants.

Director and Secretary: Andrew Rosati

Mr. Rosati has been our Director and Secretary since February 2022, in St. Charles, Illinois. Prior to that, Mr. Rosati was Project Manager for RFI from May 2012 to February 2022. Mr. Rosati also currently holds the following positions: (i) Manager of Rosati's Distribution, LLC since January 2019 in Schaumburg, Illinois, (ii) President of ADAN ONE, Inc. in Chicago, Illinois, and (iii) President of ADAN TWO, Inc. in Phoenix, Arizona since February 2022. ADAN ONE, Inc. and ADAN TWO, Inc. operate ROSATI'S PIZZA restaurants.

Director and Treasurer: Darren Schmitt

Mr. Schmitt has been our Director and Treasurer since February 2022, in Naples, Florida. Prior to that, Mr. Schmitt held multiple positions with RFI from March 2013 to February 2022, including as Treasurer and Chief Financial Officer from March 2013 to February 2022, and Secretary from January 2019 to February 2022. Mr. Schmitt has also held multiple positions with Vive Bene in Schaumburg, Illinois since May 2007, including as Treasurer and Chief Financial Officer since April 2013.

Vice President of Franchise Development: Timothy McCarthy

Mr. McCarthy has been our Vice President of Franchise Development since March 2022, in Fountain Hills, Arizona. Prior to that, Mr. McCarthy held multiple positions with RFI from March 2013 to February 2022, including Vice President from October 2015 to February 2022. Mr. McCarthy has also been the Director of Franchise Sales of Vive Bene in Schaumburg, Illinois since January 2012.

Vice President of Operations: Noel Catarina

Mr. Catarina has been our Vice President of Operations since March 2022, in Chicago, Illinois. Prior to that, Mr. Catarina was Field Operations Manager for RFI from September 2015 to February 2022. Mr. McCarthy has also held multiple positions with Vive Bene in Schaumburg, Illinois since September

2015, including as Vice President of Operations since March 2022 and as Field Operations Manager from September 2015 to February 2022.

ITEM 3. **LITIGATION**

Pending litigation against us and certain officers:

Rosati's Franchising, Inc. v. Anthony Rosati, David Rosati, Rosati's Pizza Enterprises, Inc., Andrew Rosati, Darren Schmitt and Timothy McCarthy, Case No. 2022CH04376 was filed in the Circuit Court of Cook County, County Department, Chancery Division, State of Illinois on May 6, 2022. Our predecessor, RFI, filed suit against us and our officers. This lawsuit arises from the actions of Anthony Rosati and David Rosati, former shareholders of RFI and officers of us, in turning in their shares of RFI in exchange for an assignment of certain existing franchise agreements sold by them through RFI pursuant to a provision in the RFI Shareholder Agreement, and establishing us to operate as a franchisor of ROSATI'S PIZZA restaurants. The plaintiffs allege that the representations made by the defendants in this disclosure document and our advertising materials constitute a deceptive trade practice under the Illinois Uniform Deceptive Trade Practices Act. The plaintiffs further allege that the individual defendants, by assigning to themselves 143 franchises and 4 multi-unit developer agreements, allegedly misappropriating RFI's assets and intellectual property including RFI's website, and forming us to compete with RFI, breached their fiduciary duty to RFI and its shareholders in violation of the Illinois Business Corporation Act, and further, conspired to commit breach of their fiduciary duty to RFI and its shareholders. The plaintiffs seek preliminary and permanent injunctions, compensatory and punitive damages, a constructive trust over RFI assets allegedly misappropriated pending adjudication on the merits, an accounting of RFI financial records through February 28, 2022, an accounting of our balance sheet and Item 19 financial performance representations included in its FDD, attorneys' fees and other relief the Court deems just and appropriate. On June 30, 2022, the defendants filed a motion to dismiss the action. On November 14, 2022 and January 5, 2023, RFI filed motions for temporary restraining orders ("TROs") seeking to restrict us and our officers from taking certain actions relating to our operations pending adjudication of the lawsuit on the merits. The trial court denied both of RFI's motions. RFI took an interlocutory appeal seeking reversal of the trial court's orders denying RFI's motions for TROs. On March 1, 2023, the Illinois Appellate Court entered an order affirming the trial court's denials of RFI's motions. By order dated March 15, 2023, the Court granted the motion to dismiss without prejudice in all respects except for the claims for breach of fiduciary duty and an accounting as to Anthony and David Rosati. Discovery in the case is ongoing.

Concluded litigation against our predecessor:

Rosati's Franchising, Inc. and Anthem Way Rosatis, Inc. vs. Fire It Up, LLC, Kevin Doukas, Donna Kutamia, and Troy Wolver, Case No. 1:15-cv-02230 was filed in the United States District Court for the Northern District of Illinois on March 13, 2015. Our predecessor and Anthem Way Rosatis, Inc. ("Anthem Way") filed suit against its former franchisee Fire It Up, LLC and its individual owners and predecessors after the franchise agreement was terminated for abandonment of the business. The Complaint alleged trademark infringement, false advertising, and unfair competition in violation of the federal Lanham Act, breach of franchise agreement, violation of the Illinois Deceptive Trade Practices Act and the Illinois Consumer Fraud and Deceptive Business Practices Act, and unfair competition, and sought injunctive relief, damages for infringement of our name and mark, damages for amounts due under the franchise agreement, a declaratory judgment, punitive damages, and attorneys' fees and costs. The court issued a preliminary injunction against defendants on April 6, 2015. On May 1, 2015, the defendants filed a Motion to Dismiss and to motion to transfer the action, which the court denied in part and granted in part, transferring the case to the District Court in Arizona. Our predecessor filed a Writ of Mandamus with the 7th Circuit Court of Appeals objecting to the transfer of the action to Arizona. On August 10, 2015, the appellate court granted the writ of mandamus and ordered the action to be transferred back to the Northern District of Illinois. On August 14, 2015, the defendants filed a counterclaim in the U.S. District Court of

Arizona, alleging fraud, violation of the Arizona Consumer Fraud Act, breach of contract, breach of the implied covenant of good faith and fair dealing against us and Anthem Way. On September 9, 2015, the appellate court granted our predecessor's motion and ordered the District Court of Arizona to transfer the case back to the Northern District of Illinois. Our predecessor filed an answer to the defendants' counterclaim and affirmative defenses in September 2015. In January 2016, the parties entered into a settlement agreement pursuant to which Anthem Way paid \$60,000 to the defendants and all parties exchanged releases. The court dismissed the case with prejudice on February 5, 2016.

Concluded litigation against our officers:

Michael Rosati, individually and derivatively on behalf of Rosati's Franchise Systems, Inc. and William Rosati, individually and derivatively on behalf of Rosati's Franchise Systems, Inc. v. Anthony Rosati, David Rosati, and Power Play Distributors, LLC as defendants and Rosati's Franchise Systems, Inc., as nominal defendant, Case No. 20-7762 was filed in the United States District Court for the Northern District of Illinois on December 29, 2020. This was a shareholder derivative suit filed by two shareholders of RFSI, as minority shareholders, against our officers Anthony Rosati and David Rosati. RFSI is the owner and licensor of our primary mark "Rosati's Pizza." The complaint alleged trademark infringement, false designation of origin, unfair competition, trademark dilution and trademark counterfeiting under the Lanham Act, trademark infringement and trademark dilution under Illinois common law, violations of the Illinois Uniform Deceptive Trade Practices Act, breach of contract, and breach of fiduciary duty against the defendants. These claims arise from the distribution of frozen pizza under the Marks by the defendants. The plaintiffs sought a permanent injunction, an award of unspecified damages, and attorney's fees. On December 23, 2021, the court approved a confidential settlement reached by the parties and dismissed the Action with prejudice. Under the terms of the settlement, RFSI entered into a confidential Trademark License and Manufacturing Rights Agreement with Power Play Distributors, LLC for the retail sale of frozen pizza under the Rosati marks, with the consent of all RFSI shareholders, and provided for the division of royalties among the shareholders. The settlement confirmed the rights of the Rosati parties and other shareholders, provided for the dismissal of the Action with prejudice and without acknowledgment of liability, and divided certain legal fees among the shareholders.

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

ITEM 4.
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5.
INITIAL FEES

Franchise Agreement. The initial franchise fee for your first ROSATI'S PIZZA restaurant is \$35,000. The initial franchise fee for each ROSATI'S PIZZA restaurant after your first ROSATI'S PIZZA restaurant is \$17,500. You will pay us the initial franchise fee in lump sum by wire transfer of immediately available funds upon your signing of the Franchise Agreement. The initial franchise fee is not refundable under any circumstances.

We participate in the VetFran program and offer a discounted initial franchise fee of \$26,250 to qualifying U.S. veterans for the first ROSATI'S PIZZA restaurant franchise purchased. You must have been honorably discharged and provide us with a copy of your DD214.

Developer Agreement. If you sign a Developer Agreement, you must sign the Franchise Agreement for your first ROSATI'S PIZZA restaurant and pay the \$35,000 initial franchise fee at the same time as you sign the Developer Agreement. In addition, you must pay a non-refundable development fee of \$17,500 times

the number of additional restaurants to be developed at the time you sign your Developer Agreement. When you sign the Franchise Agreement for additional franchises, \$17,500 of the Developer Agreement will be applied as the initial franchise fee for that franchise. The development fee is not refundable under any circumstances.

Referral Fee. We currently offer a discretionary referral fee of up to \$5,000 to existing franchisees who refer a franchise prospect to us that results in the granting of a franchise to that lead. Any information given to you by a franchisee is coming from him or her in his or her capacity as a franchisee. Franchisees may be required to register as franchise brokers in certain states in order to receive referral fees.

ITEM 6.
OTHER FEES

Type of Fee (Note 6)	Amount	Due Date	Remarks
Royalty Fee	5% of Gross Sales.	Payable weekly	See Notes 1 and 2.
Advertising Fund	Up to 5% of Gross Sales, subject to change. Currently, \$350 per month, but in no event to exceed 5% of Gross Sales.	Payable monthly	See Note 1. Currently the advertising fund contributions cover the cost of online ordering, gift card and loyalty programs and online reputation management.
Remedial Training	Currently \$250 per day, subject to increase; plus reimbursement of our expenses.	Before Training	We may require you or your managers to attend additional training if we determine that your Restaurant is not being operated in compliance with the Franchise Agreement, or the System Standards. You will pay our then-current fee and reimburse our expenses in connection with such training.
Ongoing Training	Currently we do not charge; however, we may charge a fee.	As incurred	Payable if we require you or your personnel to attend additional training courses or certification programs other than remedial training.
Convention or National Business Meeting	No fee was charged for the last convention; however, we may charge a fee.	As incurred	Payable if we hold a convention and you choose to or we require you to attend.
Transfer Fee – Franchise Agreement	One-half of the then current initial franchise fee for a first franchise; currently \$17,500.	At time of transfer	If you transfer your franchise or any interest in your entity, we charge for our legal expenses and related costs but no transfer fee is due.
Renewal Fee – Franchise Agreement	\$5,000	Before renewal	Payable if you renew your franchise at the end of the initial franchise term.
Audit Fees	Cost of audit; estimated at \$1,500, if we determine we need to hire an auditor.	Upon demand	Payable only if you fail to furnish reports or records or if the audit reveals you have understated your Gross Sales by more than 2%.

Type of Fee (Note 6)	Amount	Due Date	Remarks
Inspection Fees	Cost of inspection	Upon demand	Payable if we inspect your operations and find deficiencies.
Late Fee	\$100 for each notification, non-sufficient funds check or demand for payment.	As incurred	Applies to demand for payment, non-sufficient funds checks, violation of Franchise Agreement, and the failure to provide reports and financial statements in a timely manner.
Interest	The lesser of 2% per month or the maximum legal rate.	As incurred	Payable if payments to us are not paid on time.
Telephone Service Cost	Our direct costs and expenses	Monthly	Payable if we maintain telephone service at your Restaurant. See Note 3.
Lease Renewal Fee	Reimburse our costs, but currently not exceeding \$2,500.	As incurred	For our services relating to the new lease and evaluation of the condition of the leased premises.
Regional Advisory Council Assessments	None currently. Determined by Council.	As incurred	Payable if the Regional Advisory Council is established and fees are assessed by the Council.
Software Program Fee	Not yet charged.	As incurred	If we develop customized software you must use in operating your Restaurant. Fees may be payable to us or our designated supplier.
Evaluation of Suppliers	Currently \$250 per day, plus reasonable expenses.	As incurred	Applies only if you want us to evaluate unapproved items or suppliers for your Restaurant.
Management Fee	To be determined under circumstances. Currently \$250 per day, plus reasonable expenses.	As incurred	Payable during period that our appointed manager manages your Restaurant upon your default, death or disability.
Costs and Attorneys' Fees	Will vary under circumstances.	As incurred	Payable by you if we bring an action against you arising out of the Franchise Agreement or Developer Agreement and we prevail in such action.
Indemnification	Will vary under circumstances.	As incurred	Under the Franchise Agreement and the Developer Agreement, you must reimburse us if we are held liable for claims arising from your operations or incur costs in defending them.

Type of Fee (Note 6)	Amount	Due Date	Remarks
Reimbursement for Taxes Paid	Undetermined	Upon demand	Payable if we are required to pay taxes (other than income) on account of payments you make to us.
Lost Revenue Damages	(i) The lesser of 36 or the number of calendar months remaining in the term of the Franchise Agreement, multiplied by (ii) the Royalty Fee percentage, multiplied by (iii) the average Gross Sales of your Restaurant during the 12 full calendar months preceding termination (or, if your Restaurant has not been operating for at least 12 months, the average monthly Gross Sales of all ROSATI'S PIZZA restaurants during our previous fiscal year).	Upon termination of Franchise Agreement before it expires	Payable only if we terminate the Franchise Agreement for cause or you terminate the Franchise Agreement without cause.

- (1) "Gross Sales" means all sales or revenues, derived directly or indirectly from your Restaurant (including all food, beverage, liquor, catering and other sales), including on-premises sales, from selling food products and services from temporary locations (such as trucks, booths and handcarts) at special events, such as neighborhood festivals, carnivals, charitable events and the like ("Special Events") (these sales at Special Events are "Off-Premises Sales") and monies derived at or away from your Restaurant, whether from cash, check, credit and debit card, trade credit or credit transactions, or any other form of electronic payment, including business interruption insurance proceeds and service charges in lieu of gratuity, but excluding (i) sales taxes collected from customers and paid to the appropriate taxing authority, (ii) the amount of all coupons redeemed at the restaurant (but only if the coupons have been previously approved by us as provided in the Franchise Agreement and only if such coupons have been included in Gross Sales) and (iii) charges for delivery.
- (2) The Royalty Fee is due weekly. If you are operating your Restaurant pursuant to a Developer Agreement, and a ROSATI'S PIZZA franchise is granted, by RFSI or any other entity, for a location within the Development Area during the term of the Developer Agreement, the Royalty Fee being paid under any existing Franchise Agreements under the Developer Agreement will be reduced by 1% of Gross Sales during the period during which any such Restaurant is operating, and on the condition that you are in compliance with the Developer Agreement.
- (3) We may maintain one or more telephone number(s) for your Restaurant and, if we do maintain the number(s), including the applicable area code, you will be authorized and required to use the number(s) during the term of the Franchise Agreement. We will have the sole rights to and interest in all the telephone number(s). We will notify you monthly of the cost of the telephone service and you must, within five days of your receipt of the bill, reimburse us for our costs in maintaining

telephone number(s) for your Restaurant. In the event that you do not so reimburse us, we may instruct the telephone service provider to terminate the telephone number(s) or to transfer the number(s) to us or our designee.

- (4) All other fees are imposed by and payable to us and are non-refundable. Fees paid to third parties are typically non-refundable but would be determined by the third party vendor.
- (5) All Royalty Fees, Advertising Fund contributions and any other amounts which you owe to us must be paid by electronic transfer of funds as further described in the Franchise Operations Manual. You must sign any necessary documents authorizing us to make electronic transfers from your Restaurant's bank account, and we will then debit the account for the amounts due on their due dates. Funds must be available, and payments for all amounts due must be made in accordance with the procedures set forth in the Franchise Operations Manual.
- (6) Except as otherwise noted above, all fees are imposed by and payable to us or our affiliates and are non-refundable. These fees may not be uniform for franchisees signing the Franchise Agreement.

ITEM 7.

ESTIMATED INITIAL INVESTMENT

**YOUR ESTIMATED INITIAL INVESTMENT
FRANCHISE AGREEMENT
CARRYOUT/DELIVERY RESTAURANT**

Name of Expenditure (12)	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (1)	\$35,000	Lump Sum, certified or cashier's check	Due upon signing the Franchise Agreement	Us
Travel and Living Expenses During Training (2)	\$1,500 to \$10,000	As incurred	Prior to Opening	Other suppliers
Office Equipment and Supplies	\$500 to \$2,500	As incurred	Prior to Opening	Other suppliers
Insurance Premiums (3)	\$1,700 to \$3,000	As incurred	As Incurred	Approved Supplier
Professional Fees (4)	\$5,000 to \$20,000	As incurred	Prior to Opening	Other suppliers
Initial Inventory (5)	\$7,000 to \$15,000	As incurred	Prior to Opening	Approved and Designated Suppliers
Lease, Utility and Security Deposits	\$2,000 to \$10,000	As incurred	Prior to Opening	Landlord, Utilities
Initial Rent (6)	\$3,000 to \$15,000	As incurred	Prior to Opening	Landlord
Leasehold Improvements (7)	\$25,000 to \$175,000	As incurred	Prior to Opening	Other suppliers
Furniture, Fixtures, Equipment and Materials (8)	\$55,000 to \$150,000	As incurred	Prior to Opening	Other suppliers

Name of Expenditure (12)	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Signage (9)	\$5,000 to \$15,000	As incurred	Prior to Opening	Other suppliers
Business Licenses and Permits (10)	\$1,500 to \$20,000	As incurred	Prior to Opening	Other suppliers
Additional Funds for First 3 Months (11)	\$5,000 to \$30,000	As incurred	As incurred	Third Parties
TOTAL	\$147,200 to \$500,500	---	---	---

**YOUR ESTIMATED INITIAL INVESTMENT
FRANCHISE AGREEMENT
SPORTS PUB**

Name of Expenditure (12)	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (1)	\$35,000	Lump Sum, certified or cashier's check	Due upon signing the Franchise Agreement	Us
Travel and Living Expenses During Training (2)	\$1,500 to \$10,000	As incurred	Prior to Opening	Other suppliers
Office Equipment and Supplies	\$500 to \$3,000	As incurred	Prior to Opening	Other suppliers
Insurance Premiums (3)	\$2,500 to \$10,000	As incurred	As incurred	Approved supplier
Professional Fees (4)	\$10,000 to \$30,000	As incurred	Prior to Opening	Other suppliers
Initial Inventory (5)	\$12,000 to \$30,000	As incurred	Prior to Opening	Approved and Designated suppliers
Lease, Utility and Security Deposits	\$2,500 to \$20,000	As incurred	Prior to Opening	Landlord Utilities
Initial Rent (6)	\$12,000 to \$36,000	As incurred	Prior to Opening	Landlord
Leasehold Improvements (7)	\$50,000 to \$600,000	As incurred	Prior to Opening	Other suppliers
Furniture, Fixtures, Equipment and Materials (8)	\$125,000 to \$350,000	As incurred	Prior to Opening	Other suppliers

Name of Expenditure (12)	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Signage (9)	\$7,000 to \$25,000	As incurred	Prior to Opening	Other suppliers
Business Licenses and Permits (10)	\$2,000 to \$25,000	As incurred	Prior to Opening	Other suppliers
Additional Funds for First 3 Months (11)	\$15,000 to \$75,000	As incurred	As incurred	Third Parties
TOTAL	\$275,000 to \$1,249,000	---	---	---

Explanatory Notes:

(1) **Initial Franchise Fee.** As described in Item 5, for a first ROSATI'S PIZZA franchise, the initial franchise fee is \$35,000. The discounted initial franchise fee for veterans is \$26,500. For each subsequent ROSATI'S PIZZA restaurant, the initial franchise fee is \$17,500.

(2) **Training Expense.** Although there is no charge for the initial training program, you will be responsible for the associated costs and expenses that you and your manager incur during training including, but not limited to, lodging, meals, and transportation. The low estimate assumes you live close enough to the training location to drive from home each day. We will not charge initial training fees if you send more than 2 people to initial training.

(3) **Insurance.** You must obtain and maintain certain types and amounts of insurance by a supplier we have approved. Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross revenue, number of employees, square footage, location, business contents and other factors bearing on risk exposure. The estimate contemplates insurance costs for 3 to 6 months. For Sports Pubs, the estimate includes an amount for dram shop insurance that you will be required to obtain if you sell alcohol.

(4) **Professional Fees.** This estimate includes costs for accounting services, architectural design services and legal services. Costs for architectural design services can vary significantly based on the complexity of the design, the local municipality's requirements and restrictions and the duration of the local municipality's permitting, licensing and approval processes. Costs for legal services can vary significantly based on the complexity and duration of the lease and/or contract review processes.

(5) **Initial Inventory.** For Carryout/Delivery Restaurants, this estimate includes costs for food, non-alcoholic beverages, utensils, packaging and supplies for the first 3 months of operation. For Sports Pubs, this estimate includes costs for food, non-alcoholic beverages, alcoholic beverages (if applicable), utensils, packaging and supplies for the first 3 months of operation, with the low end of the estimate representing the estimated initial inventory expenses if you have seating for 30 customers and the high end of the estimate representing the estimated initial inventory expenses if you have seating for 350 customers.

(6) **Initial Rent.** The estimate includes rent payments for the first 3 months. For Carryout/Delivery Restaurants, the estimate is based on the typical Carryout/Delivery Restaurant which will occupy approximately 1,200 to 1,600 square feet and will generally be located in a shopping center. For Sports Pubs, the estimate is based on a typical Sports Pub which will occupy approximately 2,400 to 3,600 square feet and will generally be located in a shopping center. The amount that you will pay per square foot may vary greatly upon your location and local market conditions.

(7) Leasehold Improvements. Leasehold Improvements costs can vary greatly, but can be significantly reduced if you take over a space that has already been built out for a restaurant or if your landlord covers the cost of your build-out as part of your lease. In addition, lower square footage of your space will significantly reduce the leasehold improvement costs. The lower figure represents the estimated initial investment if your space is approximately 1,200 square feet (for Carryout/Delivery Restaurants) or 2,400 square feet (for Sports Pubs), with a large portion of the leasehold improvements already included and/or if your landlord does a large portion of your build-out as part of your lease. The higher figure represents the estimated initial investment if your space is approximately 1,600 square feet (for Carryout/Delivery Restaurants) or 3,600 square feet (for Sports Pubs), if you pay for all leasehold improvements and you purchase the leasehold improvements brand new. Required leasehold improvements for both Carryout/Delivery Restaurants and Sports Pubs include plumbing, electrical, HVAC unit(s), painting, flooring, ceiling and wall covering, trim and molding, prep and serving counters, chair rails, countertops and fans, and Sports Pubs additionally require built-in bar(s) and our required décor package.

(8) Furniture, Fixtures, Equipment and Materials. Furniture, fixtures and equipment costs can vary greatly, but can be significantly reduced if you take over a space with existing restaurant furniture, fixtures and equipment or if your landlord provides some or all of the furniture, fixtures and equipment as part of your lease. The lower figure represents the estimated initial investment if you take over a space that is already furnished with all or most of the required furniture, fixtures and equipment with the intention of converting the business to a ROSATI'S PIZZA restaurant. The higher figure represents the estimated initial investment if you pay the full purchase prices of all new furniture, fixtures and equipment. The estimated initial investment should be between the lower and higher figures if your landlord provides some of the furniture, fixtures and equipment as part of your lease and/or if you purchase some used furniture, fixtures and equipment. Required furniture, fixtures and equipment includes oven/range/hood, work tables, shelving, refrigerated prep tables, dough roller, food mixer, walk-in cooler/freezer, sinks, display cases and cabinets, prep and serving counters, convection oven, fryer, char broiler, holding hot boxes/plates, smallwares, wall décor, point-of-sale system and audio and video equipment, and (with respect to Sports Pubs), bar equipment. This estimate also includes initial materials such as front of house decor, menus, window decals and other items bearing the Marks. No additional furniture, fixtures, equipment or vehicles are needed for catering or off-site special events. You may, but are not required to purchase or lease delivery vehicles. The vehicles are owned by delivery drivers in accordance with System Standards contained in the Confidential Operations Manual. We expect that if you propose to lease or own a delivery vehicle, the decision will be made after your Restaurant is open and operating, in which event, must be in accordance with System Standards.

(9) Signage. Signage costs can vary based on the types and numbers of signs used and/or erected. Types of signage include façade store front signs, monument signs and interior signs. The lower figure represents the estimated initial investment if you pay for the paneling for a monument sign, and if you pay for the cost and installation of a façade store front sign and interior signs. The higher figure represents the estimated initial investment if you pay for the erection of a monument sign (usually associated with a free-standing building or an end cap of a retail shopping center) and the associated paneling costs, and if you pay for the cost and installation of multiple façade store front signs and interior signs.

(10) Business Licenses and Permits. Business license, liquor license and permit fees can vary significantly based on the state's and/or local municipality's requirements, restrictions and approval processes.

(11) Additional Funds. This item estimates your additional expenses during the first 3 months of operation. These expenses include payroll for employees, but not any draw or salary for you. We relied on the experience of our owners opening and operating ROSATI'S PIZZA restaurants to compile these estimates.

(12) Fees payable to us or our affiliates are not refundable. Whether any of the payments are refundable

will depend on the arrangement between you and the supplier.

Neither we nor our affiliates offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions. The estimate does not include any finance charge, interest, or debt service obligation.

**YOUR ESTIMATED INITIAL INVESTMENT
DEVELOPER AGREEMENT**

Name of Expenditure	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Development Fee (1)	\$35,000 to \$70,000	Lump Sum, certified or cashier's check	Due upon signing the Developer Agreement	Us
Additional Funds (3 months) (2)	\$0	Not applicable	Not applicable	Not applicable
TOTAL (3)	\$35,000 - \$70,000			

Explanatory Notes:

(1) The actual amount of the development fee will depend on the number of ROSATI'S PIZZA restaurants you agree to develop under the Developer Agreement as the development fee is equal to \$17,500 times the number of ROSATI'S PIZZA restaurants you agree to open, less one. For example, if you agree to open 3 ROSATI'S PIZZA restaurants, the development fee would be \$35,000; and if you agree to open 5 ROSATI'S PIZZA restaurants, the development fee would be \$70,000. We expect that most developers will acquire the right to develop 3 to 5 ROSATI'S PIZZA restaurants, and we have based our estimate above on a 3 to 5 restaurant commitment. We apply the development fee, in \$17,500 increments, towards the initial franchise fee due under each Franchise Agreement signed in accordance with the Developer Agreement, beginning with the second such Franchise Agreement.

(2) We estimate that you will not require any additional funds for the first three months of operating your development business; however, unexpected costs may occasionally arise, such as for office supplies and other variable expenses. Additionally, you will incur fees and expenses in opening each ROSATI'S PIZZA restaurant you commit to develop under the Developer Agreement. Those additional funds are reflected in the tables above for the initial investment necessary to commence operation of a ROSATI'S PIZZA restaurant.

(3) This investment is in addition to the fees and expenses you will incur in opening each ROSATI'S PIZZA restaurant you commit to develop under the Developer Agreement. You are required to sign your 1st Franchise Agreement when you sign the Developer Agreement, so see the preceding charts for an explanation of the estimated investment associated with that agreement. We do not offer financing directly or indirectly for any part of the initial investment.

**ITEM 8.
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Approved Products, Distributors and Suppliers.

The reputation and goodwill of ROSATI'S PIZZA restaurants is based upon, and can be maintained

only by, the sale of distinctive, high quality food products and the presentation, packaging, service and delivery of such products and beverages in an efficient and appealing manner. We have developed various food products, ingredients, spices, seasonings, coatings, beverages, and product mixes which will be prepared by or for us according to our secret recipes and formulas. We have developed, and may modify, standards and specifications for other food products, ingredients, spices, seasonings, coatings, mixes, beverages, materials, and supplies incorporated in or used in the preparation, cooking, serving, packaging and delivery of prepared food products authorized for sale at ROSATI'S PIZZA restaurants. We have and will periodically approve suppliers and distributors of these products that meet our standards and requirements, including standards and requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations and customer relations.

Currently, neither we nor any of our affiliates are an approved or designated supplier for any goods or services used in ROSATI'S PIZZA restaurant, but that may change in the future. Neither we nor our affiliates derived any revenue from purchases or leases by franchisees during the fiscal year ended December 31, 2022. Our officers do not own an interest in any supplier.

Currently, you must: (1) purchase proprietary product mixes, point-of-sale system, catering software, and software/services for online ordering, gift card, loyalty and reputation management programs only from us or a designated supplier licensed by us to prepare and sell such products (currently supplied to franchisees by a third party); and (2) purchase from distributors and other suppliers approved by us all other goods, food products, ingredients, spices, seasonings, mixes, beverages, materials and supplies used in the preparation of the food products, and equipment, menus, forms, paper and plastic products, packaging, marketing materials or other materials that meet our standards and specifications for the same.

We may periodically modify the list of approved brands and/or suppliers, and you must not, after 10 days from receipt in writing of the modification, reorder any brand or from any supplier which is no longer approved. We may approve a single distributor or other supplier for any product and may approve a distributor or other supplier only as to certain products. We may concentrate purchases with one or more distributors or suppliers to obtain lower prices and/or the best advertising support and/or services for any group of ROSATI'S PIZZA restaurants franchised or operated by us or our related companies.

Alternative Suppliers and Non-Approved Products.

If you wish to purchase any products or services from an alternative distributor or other supplier, we may condition our approval on requirements that we establish periodically, including frequency of delivery, standards of service, prompt attention to complaints, or other criteria. Our approval may be temporary pending a further evaluation of the distributor or other supplier by us. We do not currently share the criteria for approving alternative suppliers, but we may consider doing so on an individual basis. You must notify us and submit to us the information, specifications, and samples as we request if you propose to purchase any food products, ingredients, spices, seasonings, coatings, mixes, beverages, menus, equipment, forms, paper or plastic products, packaging or other materials from a distributor or other supplier who has not been previously approved by us or that does not meet our current specifications and standards. As we deem necessary for purposes of production, we will issue to you and approved suppliers these standards and specifications. Our standards and specifications for products and services, and criteria for suppliers, are not currently issued to franchisees or approved suppliers. We may also require on-site investigations of the proposed supplier. We will notify you 30 days of receiving all information we request whether you are authorized to purchase such products from the distributor or other supplier. If we do not provide an approval within 30 days your request will be deemed rejected. We will charge you a per diem fee plus reasonable expenses for evaluating your proposed supplier or product. We may revoke our approval of any supplier or product with notice to you if our requirements are not met. You will cease purchasing from the approved supplier or purchasing the unapproved product within 10 days of receiving our written notice of disapproval.

We estimate that 70% to 80% of your initial investment and 70% to 80% of your ongoing

expenditures will be directed to purchase products and services that will be restricted by us in some manner.

We currently negotiate purchasing arrangements with the food and beverage distribution companies from where you currently would purchase your restaurant inventory and supplies. The negotiations cover price terms, adequate supply, delivery, and other items. Certain suppliers currently pay us rebates based on franchisee purchases which range from less than 1% to 10% of the amount purchased. During the fiscal year ended December 31, 2022, we received \$1,332,210 from approved vendors based on purchases or leases by franchisees (22% of our total revenue of \$5,903,227 during our 2022 fiscal year). Our affiliates did not derive any revenue during the fiscal year ended December 31, 2022 from vendors based on franchisee purchases.

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements, with other franchises, with suppliers (including price terms), for the benefit of the franchise system. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products and services or use of particular suppliers.

Insurance.

You must at all times maintain insurance coverage for your Restaurant that meets our standards. Currently, we require the following insurance coverage and limits:

General Liability: \$1,000,000 per occurrence/\$2,000,000 aggregate

Hired and non-owned auto liability: \$1,000,000

Worker's Compensation: Minimum \$100,000 each accident/\$100,000 each employee/\$500,000 policy limit, and any other coverage required by law

Liquor liability: \$1,000,000 per occurrence/\$2,000,000 aggregate

Umbrella policy: \$1,000,000 per occurrence/\$1,000,000 aggregate

Employment Practices liability: \$100,000 each event/\$100,000 aggregate

We may periodically increase the minimum amount of coverage required under any policy, and require different or additional kinds of insurance to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies required hereunder must name us (and our officers, directors, shareholders and employees) as additional insureds, contain a waiver by the insurance carrier of all subrogation rights against us, and must provide that we will receive 30 days advance written notice of termination, expiration or cancellation or modification of any policy. Before you open your Restaurant, and annually thereafter, within 24 hours of a policy renewal, you must provide us a copy of the certificate, or other evidence of the insurance, renewal, or extension of each insurance policy, together with evidence of payment of premiums, evidencing the required limits. If you do not maintain insurance as required, we may obtain insurance and keep the same in full force and effect on your behalf, and you must reimburse us for all premiums and other expenses incurred by us in connection with obtaining insurance. In addition, you must indemnify and save us harmless (with counsel that we choose) from any liability or claim of any type that arises in connection with the operation of Restaurant.

ITEM 9.
FRANCHISEE'S OBLIGATIONS

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

“”

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 6.A, 6.C and 6.E of Franchise Agreement	Item 11
b. Pre-opening purchases/leases	Sections 6.B, 6.C, 6.E; 7.A and 7.B of Franchise Agreement	Items 5, 6, 7, 8 and 11
c. Site development and other pre-opening requirements	Sections 6.B, 6.E., 7.A. and 7.B. of Franchise Agreement	Items 5, 6, 7, 8 and 11
d. Initial and ongoing training	Section 5 of Franchise Agreement; Par. 3 of Renewal Addendum	Items 6 and 11
e. Opening	Section 6.B. of Franchise Agreement; Par. 4 of Renewal Addendum	Item 11
f. Fees	Sections 1, 2, 5.A, 5.C, 5.D, 5.F, 6.D, 7.L, 8.C, 9.A, 12.B, 14.E, 15.C and 16.C. of Franchise Agreement; Par. 1 of Renewal Addendum Section 2 of the Developer Agreement	Items 5, 6, 7, 8 and 11
g. Compliance with standards and policies/operations manual	Sections 7 and 11.A of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 10 and 11 of Franchise Agreement Section 5 of the Developer Agreement	Items 13 and 14
i. Restrictions on products/services offered	Section 7.A of Franchise Agreement	Items 8, 11 and 16
j. Warranty and customer service requirements	Section 7.C of Franchise Agreement	Item 8
k. Territorial development and sales quotas	Section 4 of Franchise Agreement Section 3 of the Developer Agreement	Item 11
l. On-going product/service purchases	Sections 7.A and 8.N of Franchise Agreement	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 7.A, 7.B, and 7.C of Franchise Agreement; Par. 6 of Renewal Addendum	Item 8
n. Insurance	Section 7.G of Franchise Agreement	Items 7 and 8

Obligation	Section in Agreement	Disclosure Document Item
o. Advertising	Section 9 of Franchise Agreement	Item 6, 7 and 11
p. Indemnification	Sections 17.C of Franchise Agreement	Items 6, 8 and 13
q. Owner's participation/management/staffing	Sections 7.E of Franchise Agreement	Item 15
r. Records and reports	Sections 8.A and 8.B of Franchise Agreement	Items 6 and 8
s. Inspections and audits	Sections 8.C and 8.D of Franchise Agreement	Item 6
t. Transfer	Section 15 of Franchise Agreement Sections 5.3 and 8.2 of the Developer Agreement	Items 6 and 17
u. Renewal	Section 12.B of Franchise Agreement; Par. 5 of Renewal Addendum	Items 6 and 17
v. Post-termination obligations	Section 14 of Franchise Agreement Section 8 of the Developer Agreement	Item 17
w. Non-competition covenants	Sections 7.H. and 14.C. of Franchise Agreement Section 9 of the Developer Agreement	Item 17
x. Dispute resolution	Section 16 of Franchise Agreement Section 12 of the Developer Agreement	Item 17
y. Other: Security Interest	Section 7.P of Franchise Agreement	Not applicable
z. Other: Guaranty of franchisee obligations	Section 20 of Franchise Agreement Section 14 of the Developer Agreement	Item 15

ITEM 10.
FINANCING

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

ITEM 11.

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

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

Our Pre-Opening Obligations

Before you open your Restaurant, we will:

- (1) Provide you our current site selection guidelines and criteria, and provide site selection counseling and assistance, including on-site evaluation, as we deem reasonably necessary; and we will review your selected site in order to evaluate and, if acceptable, approve the location of your Restaurant within 30 days after you provide us the information about the site. (Franchise Agreement – Section 6.A; Developer Agreement – Section 3).
- (2) Review and, if acceptable, approve your proposed lease. (Franchise Agreement – Section 6.C)
- (3) Review and, if acceptable, approve your proposed site survey and plans and specifications. (Franchise Agreement – Section 6.E)
- (4) Provide an initial training program for the operation of ROSATI'S PIZZA restaurants using the System. (Franchise Agreement - Section 5.A.)
- (5) Provide pre-opening and opening supervision and assistance by our personnel at your restaurant location. (Franchise Agreement – Section 5.B.)
- (6) Provide you with a list of approved and designated suppliers and specifications as necessary for you to make purchases required to establish and begin operating your Restaurant (Franchise Agreement – Section 7.A)
- (7) Provide one set of or access to our Franchise Operations Manual. (Franchise Agreement – Section 7.D)

Opening of your Restaurant

You must obtain and maintain a site acceptable to us for your Restaurant. We will review your selected site and approve or disapprove the location of your Restaurant within 30 days after you provide us the information about the site. You must obtain our approval of the site location before you sign any lease or begin construction. If you fail to obtain our approval of a site and either sign a lease or purchase such location within 120 days of signing the Franchise Agreement, we may terminate your Franchise Agreement (with no refund of any amount paid to us). The factors which we may consider for our approval include demographic radius characteristics and growth factors in the area, traffic patterns, ease of access, parking, visibility, allowed signage, competition from other businesses providing similar products and services, the proximity to other businesses, the nature of the businesses in proximity to the proposed site, and other commercial characteristics (including rental obligations and other lease terms for the proposed site) and the size, appearance and other physical characteristics of the proposed site location. We recommend that the size of the location be 1,200 to 1,600 square feet for a Carryout/Delivery Restaurant and 2,400 to 3,600 square feet for a Sports Pub. We do not provide assistance with confirming the approved site to local ordinances and building codes or in obtaining any required permits.

You are solely responsible for purchasing or leasing a suitable site for your Restaurant. We do not typically own the site where your Restaurant is located and lease it to you. If you are leasing the site, you must obtain our approval of the lease (the "Lease") before you execute it, and provide us a copy of the

Lease immediately after its signing. Your Lease must incorporate and include our then-current form of Addendum to Franchisee's Lease attached to the Franchise Agreement as Exhibit D. You must not sign or agree to any modification of the Lease without our prior approval.

If you want to relocate, you must notify us in writing 180 days before the relocation, and obtain our approval of the new site and lease on the same terms as described above. We may refuse to approve a proposed relocation if we believe that the proposed relocation is for any reason not acceptable to us. Our judgment may be based on factors such as the proximity to existing or proposed locations owned by other franchisees or us, the suitability of the proposed facilities, compliance with our then current franchise location requirements, the competitiveness within the marketplace or other factors.

Our Support Services During Operation.

During the operation of your Restaurant, we will:

(1) Provide you ongoing training if we require such training, subject to availability and scheduling, and subject to your payment of our then-current training fee (currently, \$250 per day, plus expenses) (Franchise Agreement - Section 5.C)

(2) Provide you, as we determine is necessary, with continuing advisory services by telephone or at our corporate office concerning the operation of your Restaurant. (Franchise Agreement - Section 5.E)

(3) Review and, if acceptable, approve any lease renewal. (Franchise Agreement – Section 6.F)

(4) Continue to make our Franchise Operations Manual available to you. (Franchise Agreement – Section 7.D)

(5) Administer the Advertising Fund and provide you with access to the advertising and marketing materials we may develop. (Franchise Agreement - Section 9.A.)

(6) Let you use our Marks and certain copyrighted and copyrightable materials. (Franchise Agreement – Section 10) (See Item 13)

Franchise Operations Manual

We will make our System Standards and other suggested specifications, standards and procedures, and information for the operation of ROSATI'S PIZZA restaurants available to you during the term of the Franchise Agreement, which may include one or more separate manuals as well as electronic files and software, information available on an internet site, and other media, bulletins and/or other written materials (collectively, the "Franchise Operations Manual"). We may modify the Franchise Operations Manual periodically, including changes in System Standards. The Franchise Operations Manual currently has 373 pages with appendices. The Table of Contents of our Franchise Operations Manual, as of the date of this disclosure document, is contained at Exhibit F.

Advertising Fund.

We administer an advertising and marketing fund (the "Advertising Fund") for the advertising and marketing programs as we may deem necessary or appropriate. We currently require franchisees to contribute the lesser of \$350 per month or 5% of Gross Sales for the preceding month to the Advertising Fee. We may increase required contributions up to 5% of the Gross Sales of your Restaurant. The Advertising Fund contribution is payable together with the Royalty Fee due under the Franchise Agreement. During the 2022 fiscal year, one hundred percent (100%) of the Advertising Fund was used for media production. We did not spend any portion of the Advertising Fund principally on solicitation of new

franchisees.

We will direct all advertising and marketing programs financed by the Advertising Fund, with sole discretion over the creative concepts, materials and endorsements used therein, and the geographic, market and media placement and allocation. Currently the source of our marketing and advertising programs is our in-house personnel and outside parties. The Advertising Fund may be used to pay the costs of preparing advertising materials and administering national, regional and local advertising programs and public relations activities including creating direct mail and media materials, formulating advertising and marketing programs, developing and maintaining website and internet based advertising and marketing programs, developing and maintaining other presence on the Internet, intranet development and ongoing operation, toll-free restaurant locator services and other customer services, employing advertising agencies, providing brochures and other advertising and marketing materials for ROSATI'S PIZZA restaurants, and participating in national or regional trade shows.

The Advertising Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for reasonable salaries of personnel who manage and administer the Advertising Fund, administrative costs and overhead as we may incur in activities reasonably related to the administration of the Advertising Fund and its advertising and marketing programs including conducting market research, public relations, preparing advertising and marketing materials and collecting and accounting for contributions to the Advertising Fund. We may spend in any fiscal year an amount greater or less than the aggregate contribution of all ROSATI'S PIZZA restaurants to the Advertising Fund in that year and the Advertising Fund may borrow from us or other lenders to cover deficits of the Advertising Fund or cause the Advertising Fund to invest any surplus for future use by the Advertising Fund. A report of receipts and disbursements of the Advertising Fund, which may be audited, will be prepared annually by us and will be furnished to you upon written request.

We will have the right to cause the Advertising Fund to be incorporated or operated through an entity separate from us at the time as we deem appropriate, and the entity will have the same rights and duties as we do. Although we will endeavor to utilize the Advertising Fund to develop advertising and marketing materials and programs, and to place advertising that will maximize recognition of the Marks and benefit all ROSATI'S PIZZA restaurants, we are not required to ensure that expenditures by the Advertising Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Advertising Fund by ROSATI'S PIZZA restaurants operating in that geographic area or that any ROSATI'S PIZZA restaurants will benefit directly or in proportion to its contribution to the Advertising Fund from the development of advertising and marketing materials or the placement of advertising. We do not have to spend any amount on advertising in your specific geographic area.

We may suspend contributions to and operation of the Advertising Fund for one or more periods that we determine to be appropriate and the right to terminate the Advertising Fund upon 30 days written notice to you. All unspent monies on the date of termination will be distributed to us, our affiliates and our franchisees in proportion to their respective contributions to the Advertising Fund during the preceding 12 month period. We will have the right to reinstate the Advertising Fund upon the same terms and conditions set forth in the Franchise Agreement upon 30 days prior written notice to you.

Currently, the ROSATI'S PIZZA restaurants owned by us or the companies related to us by common ownership contribute on the same basis to the Advertising Fund as franchisees.

Local Advertising and Promotion.

You must and advertise in any advertising medium we require using our standard forms of listing and advertisements.

All of your advertising, marketing, promotions and media relations, including print, directory advertising, television, radio, the Internet, and use of social media ("Franchisee Advertising"),

must be factual and conform to the highest standards of ethical advertising, be in compliance with all applicable laws, and consistent with our System Standards and any of our current policies, standards and specifications in the Franchise Operations Manual or other writing issued to franchisees. Before you use any Franchisee Advertising not prepared or previously approved by us, the content, design and images of all Franchisee Advertising must be submitted to use for approval. If written disapproval is not received by you within 14 days from the date we receive the materials, we will be deemed to have given the required approval. You must not use any advertising, marketing, promotion or public relations materials or content that we have disapproved.

There are currently no advertising councils. You are not required to participate in any local or regional advertising cooperatives.

Franchise System Website.

We may establish, acquire, or host any website(s) to advertise, market, and promote ROSATI'S PIZZA restaurants, the products and services that they offer and sell, and/or a ROSATI'S PIZZA franchise opportunity (a "Franchise System Website"). We may choose to provide you with a webpage on a Franchise System Website that references your Restaurant. We will own all intellectual property and other rights in all Franchise System Websites, including your webpage and all information it contains (including the domain name, any associated email address, any website analytical data, and any personal or business data that visitors supply). We will maintain each Franchise System Website and may use the Advertising Fund's assets to develop, maintain and update any Franchise System Website. We periodically may update and modify any Franchise System Website (including your webpage). We will have final approval rights over all information on each Franchise System Website (including your webpage). We may implement and periodically modify System Standards relating to Franchise System Websites.

We have the exclusive right to sell the products sold by ROSATI'S PIZZA restaurants through any Franchise System Website.

You may not develop, maintain, or authorize any website, domain name, email address, social media account, or other online presence or presence on any electronic medium ("Online Presence") that mentions your Restaurant, links to any Franchise System Website, or displays any of the Marks, or engage in any promotional or similar activities, whether directly or indirectly, through any Online Presence, except as approved by us. If we approve the use of any such Online Presence for your Restaurant, you will develop and maintain that Online Presence only in accordance with our guidelines, including our guidelines for posting any messages or commentary on other third-party websites. We will own the rights to each Online Presence. At our request, you must grant us access to each such Online Presence and take whatever action (including signing assignment or other documents) we request to evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence.

Computer.

You must obtain and install a point-of-sale system, computer system, web-based platform, and other technology systems, including a customer order processing and inventory system and/or cash register and credit/debit card system that we approve for ROSATI'S PIZZA restaurants (collectively, the "Computer System"). We may modify our System Standards for the Computer System periodically, and you must update your Computer System to comply with our modified System Standards promptly after you receive notice. There are no contractual limitations on the frequency and cost of this obligation, and we are not required to reimburse you for these costs. The Computer System currently consists of software, POS terminals, a POS server, cash drawers, printers, a personal computer including Microsoft Office, a managed switch, kitchen video monitors, remote printers, magnetic swipe-card, pin or chip readers, DSL or other high-speed connections.

We require that you use the Arrow point-of-sale (POS) system. This POS system also facilitates

the use of gift cards which you are required to offer and accept and online ordering which you are required to offer to customers. The estimated initial cost is \$15,000 to \$25,000 for a Carryout/Delivery Restaurant and \$20,000 to \$40,000 for a Sports Pub. These prices can be substantially reduced based on the number of stations required. Although we have used this POS system in the past, we do not guarantee their future performance and are not responsible for their service issues. The estimated annual cost for maintenance for the Computer System is \$1,428.

You must obtain high-speed access to the Internet for your Computer System. You must also maintain a functioning e-mail address for your Restaurant, and provide it to us promptly upon signing the Franchise Agreement and if your email address changes. We may require you use a system-wide area computer network, intranet system or extranet system that we implement. If such system is established for the franchise system, you must use it in strict compliance with the standards, protocols, and restrictions in the Franchise Operations Manual or otherwise provided to you in writing.

We will have independent access to your Computer System at all times and that we will have the right to collect and retain from the Computer System any and all data concerning your Restaurant.

Neither we, nor our affiliate or any third party are obligated to provide maintenance, repairs, upgrades, or updates to your Computer System. We recommend that you obtain a maintenance contract with a reputable organization for your Computer System. You may be required to upgrade or update any computer software program during the term of the Franchise Agreement, and have hardware that will support all required software programs. There are no contractual limitations on the frequency or costs associated with this obligation.

Time Until Commencement of Operation.

The typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant is 5 to 12 months. Some of the factors affecting this length of time include obtaining a satisfactory site, negotiating a lease, your financing arrangements, completion of leasehold improvements, delivery and installation of equipment and signage, weather conditions, employee hiring and training, and your own timetable. You must not open your Restaurant for business without our prior written approval. We may withhold our written approval if you have not satisfied your pre-opening obligations under the Franchise Agreement, including satisfactory completion of training, completion of build-out following our specifications and purchase and installation of required equipment, Computer System (including, but not limited to point-of-sale), and inventory. You must provide to us a copy of the fully signed Lease for your restaurant within 120 days after the date of the Franchise Agreement and commence operating the your Restaurant within 365 days after the date of the Franchise Agreement, otherwise we may terminate the Franchise Agreement immediately upon delivery of notice to you. We will have no obligation to refund any portion of the initial franchise fee.

Training Program.

Before the start of your Restaurant, we will provide up to 30 days of initial training on the operation of a ROSATI'S PIZZA restaurant to you and your manager. Although there are no additional fees for this training, you must pay for all travel and living expenses which you and any of your employees incur in connection with training. As part of the opening of your Restaurant, we will also provide you pre-opening and opening on-the-job supervision and assistance at your restaurant premises for approximately 2 weeks around the time of the opening of your restaurant. Prior to the time our representatives arrive at your Restaurant, you and your manager must have completed initial training. During pre-opening training, our representatives will assist you in establishing and standardizing procedures and techniques essential to the operation of a ROSATI'S PIZZA restaurant, including facilitating the opening of your Restaurant, supervising cooking procedures and assisting in training personnel, and as further described in the table above. Certain portions of the Training Program may be altered or eliminated based on your skill sets or if you are purchasing an existing ROSATI'S PIZZA restaurant. You and your manager must pass the training

program to our satisfaction. If you do not pass the training program, we can terminate your Franchise Agreement. We encourage you to begin training before incurring any costs or expenses related to the planned opening of your Restaurant. We will not be liable to return any franchise fee or pay any costs or expenses you incur if we terminate your Franchise Agreement because you do not pass the training program.

We expect that initial training will be conducted for you and your managers at a ROSATI'S PIZZA restaurant approximately 6 to 9 months after you sign your Franchise Agreement. You must complete the initial training at least 30 days prior to opening. We plan to be flexible in scheduling training to accommodate our personnel, you, and your personnel. The pre-opening training will be conducted at your store premises near the time of the opening of your restaurant. There currently are no fixed (i.e., monthly or bimonthly) training schedules. As of the date of this disclosure document, the training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training (Note 1)	Hours of On-the-Job Training	Location (Note 2)
Orientation Home Office	6	0	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Pizza Prep	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Pizza Prep Pizza Making	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Pizza Prep Pizza Making Pizza Oven	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Pizza Prep Pizza Making Pizza Oven	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Pizza Prep Pizza Making Pizza Oven	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
POS Training	0	15	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Kitchen Prep	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Kitchen Prep Kitchen Operations	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Kitchen Prep Kitchen Operations	0	15	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Kitchen Prep Kitchen Operations	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida

Subject	Hours of Classroom Training (Note 1)	Hours of On-the-Job Training	Location (Note 2)
Administrative Training Driver Schedule/Routing	0	14	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH POS Training Server/Bar Training	0	13	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH Shift Administrative Work	0	11	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Kitchen Operations	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Pizza Operations	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH Operations Closing Procedures	0	12	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
BOH Operations Closing Procedures	0	12	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Operate as Manager Expedite Orders	0	10	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Operate as Manager Expedite Orders	0	12	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
Opening Procedures Final Exam	2	6	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH Operations Administrative Training	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
BOH Operations	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH Operations Administrative Training	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
BOH Operations	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH Operations Administrative Training	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
BOH Operations	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida

Subject	Hours of Classroom Training (Note 1)	Hours of On-the-Job Training	Location (Note 2)
FOH Operations Administrative Training	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
BOH Operations	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida
FOH Operations Administrative Training	0	8	Chicago, Illinois area, Temecula, California, Phoenix, Arizona or Estero, Florida

Notes:

1. Currently hours of Classroom Training occur On-the-Job at a restaurant location.
2. Currently, the initial training is conducted at an operating ROSATI'S PIZZA restaurant in these areas. We may conduct training at other locations or virtually.
3. If you are purchasing an existing franchise the training will be conducted at your Restaurant.
4. Our franchise training program is currently led by the following individuals: (i) Thomas J. Banning II - Mr. Banning has over 20 years of experience with ROSATI'S PIZZA restaurants and with the subject matters taught; and (ii) Noel Catarina - Mr. Catarina has 3 years of experience with ROSATI'S PIZZA restaurants, and over 20 years of experience with the subject matters taught.

The Franchise Operations Manual will be used as the principal instructional manuals. Certain portions of the Training Program may be altered or eliminated based upon your skill sets.

Additional and Refresher Training/Conventions.

After completing the initial training program, if you request additional training for you or your managers, and if in our discretion we agree to provide it, you must pay our additional training fees. We can also require that you attend additional training and pay our additional training fees if you are not in compliance with the operational requirements under the Franchise Agreement and/or the Franchise Operations Manual. You are also responsible for your and your managers' travel and living expenses you incur while attending the additional training.

If we require, you must attend up to 5 days of refresher training each calendar year in the operations and marketing of your Restaurant. We may also require you to attend a national business meeting or convention for ROSATI'S PIZZA franchisees for up to 3 days each calendar year at a location we select. The refresher training may take place at the annual convention or business meeting of franchisees or at a different location. We may charge you a fee to attend refresher training and to attend an annual convention. You are responsible for the travel and living expenses you incur while attending refresher training or conventions.

ITEM 12.
TERRITORY

Franchise Agreement:

You must operate your Restaurant from one specific location that we have approved. If you do not have an approved location at the time you sign your Franchise Agreement, you must select a location that meets with our approval and sign a lease for such site within 120 days of the date of the Franchise Agreement. Once your location is approved, you are granted a protected area that will be described in an exhibit to the Franchise Agreement (“Protected Area”). For non-urban locations, the Protected Area will be the geographical area within 5 miles of the front door, by road, of your Restaurant location using the roads in existence at the time of the date of the Franchise Agreement. If your franchise location is in an urban area, the Protected Area will be the geographic area within up to 2 miles of the front door, by road, of your Restaurant location using the roads in existence at the time of the date of the Franchise Agreement. The size of the Protected Area will be determined by us based on population density, traffic flow, geographical barriers and other considerations. The Protected Area is not computed as a radius, as the crow flies, around your Restaurant’s location. It is computed front door to front door. The Protected Area does not prohibit or affect any locations existing before the date of the Franchise Agreement.

As long as the Franchise Agreement is in force and effect and you are not in default under any of the terms, including the Minimum Annual Gross Sales requirements described below, and except for Limited Use Facilities described below, we will not grant a franchise or operate ourselves or through an affiliate any other ROSATI’S PIZZA location within the Protected Area.

There are no limitations on our, our affiliates, and other ROSATI’S PIZZA restaurants rights to deliver food to customers in your Protected Area and/or conduct advertising or solicit orders from customers in your Protected Area. We and our affiliates may operate, own, or franchise any ROSATI’S PIZZA restaurant anywhere else outside of the Protected Area. We and our affiliates may offer and sell at wholesale, retail, or through any other distribution system, products and services which are part of the System, including, proprietary or branded products, which products may be resold at retail or through any other alternate distribution channel under the Marks or other trademarks or service marks, including food stores and other retail facilities, the Internet, and as menu items in other restaurants or food service units. If we sell products or services to customers in your Protected Area through alternate channels of distribution, we have no obligation to compensate you in any way. We may in the future sell proprietary ROSATI’S PIZZA food products and apparel on our website. We may use or license the Marks and System to engage in any other activities not expressly prohibited by the Franchise Agreement.

Enclosed malls, institutions (such as hospitals), highway toll plazas, airports, parks (including theme parks), sports arenas, convention centers and other facilities or venues where events are scheduled (“Limited Use Facilities”) are excluded from your Protected Area. We retain the right to open ourselves or through an affiliate, or to grant a license for others to open, a ROSATI’S PIZZA restaurant at any Limited Use Facilities in order to service the Limited Use Facility. If a Limited Use Facility is granted within your Protected Area, the delivery and service area of your Restaurant will be automatically adjusted to exclude the Limited Use Facility. Based on our right to establish restaurants in Limited Use Facilities in your Protected Area, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competition brands that we control.

We and our affiliates may also: (1) establish and operate, and allow others to establish and operate, any business under different trademarks; (2) conduct any business using the Marks or System on the Internet or distribute products and services by any other alternate channel of distribution, including but not limited to mobile food trucks; (3) offer and sell at wholesale, retail, or through any other distribution system, products and services which comprise, may in the future comprise or which do not comprise, a part of the System, including, but not limited to, the proprietary or branded products, which products may be resold at retail or through any other distribution channel under the Marks or other trademarks or service marks,

including but not limited to, food stores and other retail facilities, the Internet, and as menu items in other restaurants or food service units; (4) purchase, merge, acquire, be acquired or affiliate with one or more existing franchise networks, chains or any other business, regardless of the location of such chains' or businesses' facilities, and to operate, franchise or license those businesses under the Marks or any other marks following the purchase, merger, acquisition or affiliation, regardless of the location of those businesses (or the franchisees or licensees of those businesses); and (5) engage in any other activities that are not expressly prohibited by the Franchise Agreement. We are not required to grant you any rights to participate or pay you if we exercise any of these rights.

To preserve the protections described above in your Protected Area, you must maintain average monthly Gross Sales over each consecutive 3 calendar month period of at least \$25,000 ("Minimum Monthly Gross Sales"), beginning on the first anniversary of the opening date of your Restaurant. If you do not meet or exceed the Minimum Monthly Gross Sales during any such 3-month period, and you do not bring your Gross Sales up to the Minimum Monthly Gross Sales for the subsequent 3-month period following our notice to you, we may terminate the Franchise Agreement and/or may terminate all of your rights to the Protected Area. Thereafter, we may establish or franchise another ROSATI'S PIZZA restaurant in what was previously your Protected Area.

You must offer delivery and catering services in compliance with our System Standards. We may periodically establish boundaries beyond which you may not offer delivery service and the standards and specifications for delivery in order to preserve the quality and freshness of food products when delivered. There is no minimum delivery area.

You also have the right to sell food products and services from temporary locations (such as trucks, booths and handcarts) at Special Events, so long as you obtain our prior consent to conduct Off-Premises Sales at each Special Event and make these sales according to our standards and specifications to ensure quality and freshness. Immediately upon learning that a Special Event is scheduled to occur in the Protected Area, you must notify us of the time, place and nature of the Special Event and any other information that we may periodically require. Within 5 days of that notice, you must notify us that you wish to conduct the Off-Premises Sales at the Special Event. If you notify us that you wish to conduct the Off-Premises Sales, and if we do not notify you of our disapproval within 10 days of our receipt of your notice, we will be deemed to have given the required consent. If you fail to notify us within the 5 days provided, or if you notify us that you do not wish to conduct Off-Premises Sales at the Special Event, we will have the right to do so. If the Special Event is located in the Protected Area of more than one ROSATI'S PIZZA restaurant, then the ROSATI'S PIZZA restaurant with the highest Gross Sales during the prior twelve months will have a higher priority to conduct Off-Premises Sales at the Special Event.

You must focus your marketing efforts on the business in the Protected Area, but are not prohibited from advertising and promoting your Restaurant outside of the Protected Area. Similarly, other franchisees can advertise and promote their franchised business within your Protected Area. You are prohibited from selling products or services by the Internet, mail order or catalog without our approval. You may accept orders from consumers outside of your Protected Area. You do not have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing (including without limitation door to door hand delivery of menus and/or flyers), to make sales outside of your Protected Area.

Other Rosati's family members who have been granted a license to use the Marks by RFSI have established and operate franchise companies that grant franchisees the license to use these same Marks. However, the license agreement states that no ROSATI'S PIZZA restaurant can be less than 5 miles from another ROSATI'S PIZZA restaurant. Currently, our franchisees and the franchisees of our predecessor RFI share use of and are identified on the consumer website www.myrosatis.com. Whether any customer or possible customer is directed to a page of one of our franchisees or one of RFI's franchisees will depend on the restaurant location requested by the customer. Any customer related contacts will be directed to either us or RFI based on the restaurant location and whether the franchisee is a franchisee of ours or RFI.

Except as described below, neither the franchisor nor any affiliate operates, franchises, or has plans to operate or franchise a business under a different trademark which sells or will sell goods or services similar to those the franchisee will offer. Our affiliate Vive Bene offers franchises for pizza restaurants under the PAPA SAVERIO'S trademark, which could be located in your Protected Area, and which could solicit or accept orders within your Protected Area. The restaurants could be owned by Papa Saverio's franchisees, Vive Bene or other related companies. We will have sole discretion as to when and how to resolve any conflicts between the franchisors and franchisees and between franchisees of each system regarding territory, customers, and franchisor support. Vive Bene's principal business address is 425 N. Martingale Road, Suite 1150, Schaumburg, Illinois 60173. While we do not share a principal business address, we share offices and certain training facilities.

If you want to relocate the restaurant, you must notify us in writing 180 days before the relocation. We may refuse to approve a proposed relocation if we believe that the proposed relocation is for any reason not acceptable to us. Our judgment may be based on factors such as the proximity to existing or proposed locations for restaurants owned by other franchisees or us, the suitability of the proposed facilities, compliance with our then current franchise location requirements, the competitiveness within the marketplace or other factors.

On renewal or transfer of a franchise, the territory may be modified. Depending on the then-current demographics of the territory, and on our then-current standards for territories, if the territory is larger than our then-current standard territory, we may require you or the transferee to accept a renewal territory or transfer territory smaller than the then-current territory.

You do not receive options, rights of first refusal, or similar rights to acquire additional franchises under your Franchise Agreement.

Developer Agreement.

You will not receive an exclusive territory under the Developer Agreement. You may face competition from other franchisees, from outlets that we or our affiliates own, or from other channels of distribution or competitive brands that we control. RFI, or other entities or individuals licensed to use the Marks by RFSI may establish or license others the right to use the Marks within your Development Area.

However, while you are in compliance with the Developer Agreement and each of your Franchise Agreements, we will not establish or license others to establish a ROSATI'S PIZZA restaurant within your Development Area during the term of the Developer Agreement, except as described below. Under the Developer Agreement, you are not required to achieve certain sales volume, market penetration, or other contingencies in order to maintain such exclusivity for the Development Area. However, your failure to comply with the Development Schedule will be a material breach of the Developer Agreement, which may result in our terminating the Developer Agreement. Additionally, if we terminate any of your Franchise Agreements entered into under the Developer Agreement based on your failure to meet Minimum Monthly Gross Sales, we may also terminate the Developer Agreement.

The Developer Agreement grants you the right to acquire franchises to develop, own, and operate ROSATI'S PIZZA restaurants within the designated "Development Area" that will be described in Exhibit A to the Developer Agreement. The boundaries of the Development Area will typically be described as an area encompassed within definable boundaries, for example, by referring to a particular city, county or political boundary. The size of the Development Area will vary and will depend on the number of restaurants you intend to open, our analysis of the market potential and your financial and operational abilities. When the Developer Agreement expires or is terminated, the area protection conferred by the Developer Agreement terminates. Your right to use the System and Marks will be limited to those ROSATI'S PIZZA restaurants operating under Franchise Agreements you enter into prior to the expiration or termination of the Developer Agreement.

RFI and the other licensees of the Marks may establish or license others the right to establish restaurants under the Marks at any location outside of a 5-mile radius of any ROSATI'S PIZZA restaurant. If a ROSATI'S PIZZA franchise is granted, by RFI or any other entity, for a location within the Development Area during the term of the Developer Agreement, the royalties being paid by Developer under any existing Franchise Agreements will be reduced by 1% of Gross Sales during the period during which any such ROSATI'S PIZZA restaurant is operating, and on the condition that Developer is in compliance with the Development Schedule.

We and our affiliates reserve the right to: (1) use, and to license other persons to use, the Marks and the System for the operation of ROSATI'S PIZZA restaurants at any location other than in the Development Area; (2) use, license and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or otherwise, at any location, including a location or locations inside of the Development Area, in association with operations that are different from ROSATI'S PIZZA restaurants; (3) offer, and license others to offer the products authorized for ROSATI'S PIZZA restaurants under the Marks, or under other trademarks and service marks, through similar or dissimilar channels of distribution and on such terms and conditions as we deem appropriate; (4) maintain any websites utilizing a domain name incorporating the Marks or derivatives; (5) establish, operate and allow others to establish and operate businesses that may offer products and services which are identical or similar to the products and services offered by ROSATI'S PIZZA restaurants, under trade names, trademarks, service marks and commercial symbols which are different from the Marks at any location (including in the Development Area); (6) operate or grant any third party the right to operate any ROSATI'S PIZZA restaurant that we acquire as a result of the exercise of a right of first refusal, including inside the Development Area; (7) acquire, merge, or combine with businesses that are the same as or similar to ROSATI'S PIZZA restaurants and operate such businesses regardless of where such businesses are located, including inside the Development Area, and to be acquired by any third party which operates businesses that are the same as, or similar to, ROSATI'S PIZZA restaurants, regardless of where such businesses are located, including inside the Development Area; and (8) engage in any activities not expressly prohibited under the Developer Agreement.

We are not required to pay you if we exercise any of the rights specified above inside or outside of your Development Area.

You may not engage in any promotional or similar activities, directly or indirectly, through or on the Internet, catalog sales, telemarketing or other direct marketing campaigns, without our consent.

Other than as provided for in your Development Schedule, the Developer Agreement does not give you any options, rights of first refusal, or similar rights to acquire additional franchises.

ITEM 13.
TRADEMARKS

ROSATI'S PIZZA Service Marks.

You may use certain Marks in operating your Restaurant. The principal Marks to be licensed to you and registered on the Principal Register of the United States Patent and Trademark Office ("USPTO") as of the date of this disclosure document are as follows:

Description of Mark	Registration Number	Registration Date
ROSATI'S PIZZA	1,906,101	July 18, 1995
	1,934,683	November 14, 1995

The service marks above are owned by RFSI. Under a September 1998 license agreement between RFSI and 10 Rosati family members, RFSI granted such individuals a perpetual, nonexclusive license to use and sublicense the use of the Marks. Certain of those family members are our shareholders, and on February 28, 2022, our shareholders granted us a license to use the Marks and to sublicense them to our franchisees. All required affidavits and renewals have been filed. We and RFSI claim common law rights in other marks and logos developed by us or RFSI.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court; nor are there any pending infringement, opposition or cancellation action, nor any pending material federal or state court litigation regarding the franchisor's use or ownership rights in a trademark.

Other Rosati's family members who are a party to the license agreement with RFSI have established and operate franchise companies that grant franchisees the license to use these same Marks. However, the license agreement between RFSI and its shareholders holding the licenses states that no Rosati's Pizza can be less than 5 miles from another ROSATI'S PIZZA restaurant. This 5-mile geographical area is calculated as within 5 miles from your front door, by road, of your Restaurant. The license granted to us cannot be canceled or modified except by the agreement of all of the shareholders of RFSI which include our owners. If the license granted to us was cancelled or modified, you would no longer have the right to use the Marks or your right to use the Marks could be modified. The shareholders of RFSI are required to monitor the quality of the products and services offered under the Marks for the protection of the Marks, but there may be some variation in the operation of the restaurants, in menu items offered, and in promotions conducted. We do not have the ability to control any ROSATI'S PIZZA restaurants under licenses not granted by us.

Except for this license agreement, there are no agreements which significantly limit our right to use or license the use of the principal trademarks in any manner material to the franchise.

Use of Service Marks.

You must use the Marks as the sole identification of your Restaurant, provided that you must identify yourself as the independent owner of your Restaurant in the manner we prescribe. You may not use any Mark or any confusingly similar Mark as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs or symbols, or in any modified form, nor may you use any Marks in connection with the sale of any unauthorized service or product or in any other manner not expressly authorized in writing by us. You must prominently display the Marks on or in connection with, signs, posters, displays, service contracts, stationery, and other forms we designate. You must, in the manner we prescribe, give notices of trademark and service mark registrations and copyrights as we specify and to obtain such fictitious or assumed name registrations as may be required under applicable law. All bank accounts, licenses, permits or other similar documents must contain the actual name of the person or entity owning your Restaurant and may contain "d/b/a ROSATI'S PIZZA."

You must not obtain or register any domain names incorporating the Marks. You are prohibited from establishing your own independent website using the Marks. You must not use any of the Marks on the Internet in any directory listing, advertising or any other manner without our prior written consent. You must not make any reference to or any association with the Marks on any social media site, social network, blog, micro-blog, or other online venue or in any other manner on the Internet without our prior written consent. If any use of the Marks on the Internet is specifically permitted in the Franchise Operations Manual, you must conform your use completely to all of the applicable standards and procedures in the Franchise Operations Manual.

Infringements.

You must immediately notify us of any apparent infringement of or challenge to your use of any Mark, claim by any person of any rights in any Mark, or any confusingly similar trademark, and you may not communicate with any person other than us and our counsel in connection with the infringement,

challenge or claim. We and our affiliates will have sole discretion to take such action as we deem appropriate and the right to exclusively control any litigation or USPTO or other proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark and you must sign any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of our or our affiliates' counsel, be necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or to otherwise protect and maintain our interests in the Marks.

We may in our discretion, but we have no obligation to, indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding in which your use of any Mark, pursuant to and in compliance with the Franchise Agreement, is held to constitute trademark infringement, unfair competition or dilution, and for all costs reasonably incurred by you in the defense of any claim brought against you or in any proceeding in which you are named as a party, provided that you have timely notified us of such claim or proceeding and have otherwise complied with the Franchise Agreement. We, in our discretion, will be entitled to defend any proceeding arising out of your use of any Mark pursuant to this Franchise Agreement, and, if we undertake the defense of the proceeding, we will have no obligation to indemnify or reimburse you for any fees or disbursements of counsel you retain.

If it becomes advisable at any time in our sole discretion for us and/or you to modify or discontinue use of any Mark, and/or use one or more additional or substitute trade or service marks, you must comply with our instructions within a reasonable time after notice by us, and our sole obligation in any event will be to reimburse you for your out-of-pocket costs of complying with this obligation.

We do not know of either superior prior rights or infringing uses that could materially affect your use of our principal trademark.

Developer Agreement.

Under the Developer Agreement, you are not granted the right to use the Marks. All of the rights to use the Marks are derived solely by entering into a Franchise Agreement with us.

ITEM 14.

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or registered copyrights are material to the franchise. We do not have any pending patent applications that are material to the franchise. We and our affiliates claim copyright protection of our Franchise Operations Manual and advertising and marketing materials and related materials used in operating ROSATI'S PIZZA restaurants and the System. We have not registered these copyrights with the United States Copyright Office but need not do so at this time to protect them. The Franchise Operations Manual and related materials are considered proprietary and confidential and are considered the property of us and our affiliates and may be used by you only as provided in the Franchise Agreement. You may use the copyrighted works only as we specify while operating your Restaurant (and must stop using them if we direct you). There currently are no effective adverse determinations regarding the copyrighted materials. No agreement limits our right to use or allow others to use the Confidential Information (defined below) or copyrighted works. We know of no infringing uses of our copyrighted works which could materially affect your using the copyrighted works. We need not protect or defend our copyrighted works. We may control any action involving the copyrighted works, even if you voluntarily bring the matter to our attention. We need not participate in your defense nor indemnify you for damages or expenses in a proceeding involving the copyrighted works.

Our copyrighted works include the Franchise Operations Manual and other materials containing information that we and our affiliates deem confidential and proprietary (some of which constitutes trade secrets under applicable law) (the "Confidential Information"), including: (i) our customer service standards and other standards and procedures; (ii) recipes and product mixes; (iii) promotional and marketing strategies; (iv) business methods; (v) customer information; (vi) any other techniques and know-how

concerning the operation of ROSATI'S PIZZA restaurants that make up part of the System and which may be communicated to franchisees or which franchisees may be apprised of by virtue of the training provided by us, the Franchise Operations Manual, or otherwise by virtue of operation of your Restaurant.

All improvements, developments, derivative works, enhancements, or modifications to the System and any Confidential Information created by you, your owners or your employees (or for you, your owners or your employees), whether or not protectable intellectual property, must be promptly disclosed to us and will be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a "work made-for-hire" for us, you must assign ownership of that item, and all related rights to that item, to us and agree to take whatever action we request to evidence our ownership or to help us obtain intellectual property rights in the item.

You may not use our Confidential Information in an unauthorized manner. You must adopt and implement procedures to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to personnel of your Restaurant and certain other people and using non-disclosure and non-competition agreements with those having access to Confidential Information in a form determined by us. We may regulate the form of agreement that you use and be a third-party beneficiary of that agreement with enforcement rights. All Confidential Information is owned by us and you must only use Confidential Information for the promotion of your Restaurant. You may not use or sell Confidential Information to any third parties and you must comply with all laws governing the use and protection of Confidential Information.

We have the sole right to all telephone numbers, facsimile numbers, directory listings, and/or any other type of contact information or directory listing for your Restaurant or that you use in the operation or promotion of your Restaurant (the "Contact Information"). The Contact Information may be used only for your Restaurant in accordance with the Franchise Agreement and our System Standards. We may notify any telephone company, listing agencies, website hosting company, domain registrar, social network, and any other third-party owning or controlling any Contact Information, if any information relating to your Restaurant is inaccurate or violates our System Standards, and request that they modify such Contact Information, and/or remove such Contact Information until it can be corrected.

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

You must participate personally in the direct operation of your Restaurant. We strongly recommend your personal, on-premises supervision of your Restaurant. However, if you do not personally supervise the operation of your Restaurant, then you must employ a manager to assist you or your managing shareholder or member or partner in operating your Restaurant and provide us with the manager's name. All managers must pass the initial training program to our satisfaction and sign a confidentiality and non-competition agreement in the form we prescribe. We do not require the on-premises supervisor to have an equity interest in you.

If you are an entity, your direct and indirect owners must personally guarantee your obligations under the Franchise Agreement and the Developer Agreement, if applicable, and must agree to be bound by, and personally liable for the breach of, every provision in the Franchise Agreement and the Developer Agreement, if applicable, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the preservation of the confidentiality of our confidential information and compliance with the covenants not to compete. In addition, if these owners are married, their spouse may have to consent in writing to their signing of the guaranty. The Guaranty and Assumption of Obligations you must sign is attached as Exhibit C to both the Franchise Agreement and the Developer Agreement.

ITEM 16.

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell from your Restaurant all of the products and services that we periodically specify. You may not offer or sell at your Restaurant, its premises, or any other location any products or services we have not authorized. You must also discontinue selling and offering for sale any products or services that we at any time disapprove. You will offer for sale and sell at your Restaurant authorized products and services only in the manner (including, days and hours of operation) and at the locations we have prescribed and will not sell any products or services wholesale or through alternative channels of distribution, except as permitted by us. You must immediately bring your Restaurant into compliance with our System Standards for such products or services.

You can deliver food to customers outside of your Protected Area and other ROSATI'S PIZZA restaurants can deliver food to customers within your Protected Area.

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.

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Section 12.A	20 years
b. Renewal or extension of the term	Section 12.B	If you have substantially complied with the Franchise Agreement, you can renew for a successive additional 10 year term.
c. Requirements for franchisee to renew or extend	Section 12.B	Provide timely written notice of intent to renew, sign new franchise agreement and general release, pay renewal fee, be current in payments to us, prove right to maintain leased premises, attend additional training programs or refresher courses, refurbish or remodel the premises, and replace the vehicles and equipment to be in compliance with our then current standards, sign a new franchise agreement) that may contain terms and conditions materially different from those in your previous franchise agreement).
d. Termination by franchisee	Section 13.A	If you are in compliance and we breach a material provision of the Franchise Agreement, and do not cure within a reasonable time, which in no event will be less than 90 days, after your notice to us, you may terminate 10 days after delivery of notice of termination, subject to applicable state law.

Provision	Section in franchise or other agreement	Summary
e. Termination by franchisor without cause	None	Not applicable.
f. Termination by franchisor with cause	Sections 13.B, 13.C and 13.D	We can terminate only if you commit any one of several listed violations.
g. "Cause" defined – curable defaults	Sections 13.C	You have 10 days to cure for non-payment of sums to us, affiliates or suppliers; 30 days for failure to submit reports or financial data; 3 months to cure failure to meet Minimum Annual Gross Sales requirements; 30 days for all other curable breaches of the Franchise Agreement or the Franchise Operations Manual or other System standards.
h. "Cause" defined – non-curable defaults	Sections 13.A and 13.D	Misrepresentations on application; failure to pass the training program; failure to obtain our approval of a site and provide us an approved and signed lease within 120 days after signing Franchise Agreement; failure to commence operating within 365 days after signing the Franchise Agreement; insolvency; failure to maintain insurance; unauthorized use of Confidential Information; abandonment or ceasing operation for 3 or more consecutive days; termination of lease; under reporting Gross Sales twice in a two year period; conviction of a felony; failure to pay federal or state taxes; impairment or misuse of Marks or System; loss of business license; unsafe business operation; unauthorized transfer; breach of other agreements with us or our affiliates; breach of Franchise Agreement on 3 or more occasions within 12 consecutive months, whether or not cured; and violation of any anti-terrorism laws.

Provision	Section in franchise or other agreement	Summary
i. Franchisee’s obligations on termination/non-renewal	Section 14	Cease operating, pay amounts owed; return the Franchise Operations Manual and Software Program and return or destroy all other materials; stop using Marks, System and confidential information; de-identify yourself from us; cancel assumed names; return to us any ROSATI’S PIZZA signs; provide us with the available names, addresses, and telephone numbers of all customers; assign to us your telephone and facsimile numbers, and e-mail and internet addresses, websites, domain names and search engine identifiers; assign your lease to us at our option; adhere to non-competition provisions. (also see r, below)
j. Assignment of contract by franchisor	Section 15.A	No restriction on our right to assign.
k. “Transfer” by franchisee – defined	Section 15.B	Includes any type of transfer of the Franchise Agreement or assets of your Restaurant or any ownership change.
l. Franchisor approval of transfer by franchisee	Section 15.B	We have the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for franchisor approval of transfer	Section 15.C	Transferee qualifies and has no competing interest; you deliver all information or documents we request regarding the proposed transfer, the transferee, and its owners; all amounts due are paid in full; you are not in default under Franchise Agreement or other agreements with us; the transferee complies with and completes training requirements; then current form of Franchise Agreement signed; transferee assumes remaining obligations under your agreements; transfer fee paid; assets have been refurbished, remodeled or replaced; lessor consent to lease assignment, if necessary; general releases signed; you provide us evidence demonstrating appropriate measures have been taken to effect the transfer, including transfers of business licenses, insurance policies, and material agreements, or transferee obtaining such items; and right of first refusal declined by us. (Also see r below).
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 15.E	We can match any offer for your Restaurant, except broker’s fees are excluded. Cash may be substituted for any form of payment proposed.

Provision	Section in franchise or other agreement	Summary
o. Franchisor's option to purchase franchisee's business	Section 14.B	Option to purchase all equipment, supplies, inventory, advertising materials and any items with our logo, for cash at fair market value, exercisable up to 90 days after termination or expiration. If no agreement on fair market value, an appraiser appointed by mutual agreement will decide. We can set off amounts you owe us against the purchase price.
p. Death or disability of franchisee	Section 15.F	Franchisee must assign franchise to an approved buyer within 180 days. All transfer provisions of Section 8 apply.
q. Non-competition covenants during the term of the franchise	Section 7.H	Neither you, nor any of your owners, may have any involvement, directly or indirectly, in a "Competitive Business" during the term of your Franchise Agreement. "Competitive Business" means any business (excluding any ROSATI'S PIZZA restaurants) operating or granting franchises or licenses to others to operate any business featuring pizza or other food items on the ROSATI'S PIZZA restaurant menu when you sign the Franchise Agreement. Non-competition provisions are subject to state law.
r. Non-competition covenants after the franchise is terminated or expires	Section 14.C	For 2 years beginning on the effective date of termination expiration of the Franchise Agreement (or after transfers, for the transferor) or the date you and your owners begin to comply, you and your owners may not have any direct or indirect interest in a Competitive Business which is located or operating (a) at your Restaurant or within a 20-mile radius of your Restaurant, or (b) within a 20-mile radius of any other ROSATI'S PIZZA restaurant. Non-competition provisions are subject to state law.
s. Modification of the agreement	Sections 7.D and 18.M	Modification by written agreement signed by you and us. The Franchise Operations Manual can be revised and modified by us.
t. Integration/merger clause	Section 18.M	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.

Provision	Section in franchise or other agreement	Summary
u. Dispute resolution by arbitration or mediation	Section 16.B	All disputes must be submitted for binding arbitration to the American Arbitration Association. All proceedings will be at a location chosen by the arbitrator within 50 miles of our principal place of business (currently, Naples, Florida) (subject to state law). Arbitration may not be consolidated with any other parties.
v. Choice of forum	Section 16.C	Subject to obligation to arbitrate, you must commence actions arising in Florida. (subject to state law).
w. Choice of law	Section 16.C	Except for the federal law, and the jurisdictional scope of state laws, the law of the State of Florida governs (subject to state law).

Applicable state law might require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in the Exhibit H State Addendum.

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

Provision	Section in Developer Agreement	Summary
a. Length of term of the agreement	Section 1.1	Agreement expires on our acceptance and execution of the Franchise Agreement for the last franchise to be developed.
b. Renewal or extension of the term	Not applicable	Not applicable
c. Requirements for you to renew or extend	Not applicable	Not applicable
d. Termination by you	Not applicable	You may terminate the Developer Agreement under any grounds permitted by applicable state law.
e. Termination by us without cause	Not applicable	Not applicable
f. Termination by us with cause	Section 6	We can terminate if you commit a listed violation.
g. "Cause" defined - defaults which can be cured	Section 6	Not applicable
h. "Cause" defined - defaults which cannot be cured	Section 6	Bankruptcy or similar proceeding, conviction of a felony; failure to comply with development schedule, breach of the agreement, unauthorized transfer, breach of any Franchise Agreement.

Provision	Section in Developer Agreement	Summary
i. Your obligations on termination/non-renewal	Section 6.4 and 6.5	No further right to develop; however, termination does not affect existing franchise agreements.
j. Assignment of contract by us.	Section 7.1	We have an unrestricted right to assign.
k. "Transfer" by you – definition	Section 7.2	Include transfer of any interest in the Developer Agreement or in the Developer.
l. Our approval of transfer by you	Section 7.2	Only if consented to by us in writing in advance. We may withhold our consent in our sole discretion.
m. Conditions for our approval of transfer	Not applicable	Not applicable
n. Our right of first refusal to acquire your business	Not applicable	Not applicable
o. Our option to purchase your business	Not applicable	Not applicable
p. Your death or disability	Not applicable	Not applicable
q. Non-competition covenants during the term of the agreement	Section 5.3	Neither you, nor any of your owners, may have any involvement, directly or indirectly, in a "Competitive Business" during the term of your Franchise Agreement. "Competitive Business" means any business (excluding any ROSATI'S PIZZA restaurants) operating or granting franchises or licenses to others to operate any business featuring pizza or other food items on the ROSATI'S PIZZA restaurant menu when you sign the Developer Agreement. Non-competition provisions are subject to state law.
r. Non-competition covenants after the agreement is terminated or expires	Section 8.2	For 2 years beginning on the effective date of termination expiration of the Developer Agreement or the date you and your owners begin to comply, you and your owners may not have any direct or indirect interest in a Competitive Business which is located or operating (a) within a 20-mile radius of the any ROSATI'S PIZZA restaurant developed under the Developer Agreement, or (b) within a 20-mile radius of any other ROSATI'S PIZZA restaurant. Non-competition provisions are subject to state law.
s. Modification of the Agreement	Section 12.4	No modifications unless in writing and signed.

Provision	Section in Developer Agreement	Summary
t. Integration/merger clause	Section 12.4	Only the terms of the Developer Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Developer Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 12	All disputes must be submitted for binding arbitration to the American Arbitration Association. All proceedings will be at a location chosen by the arbitrator within 50 miles of our principal place of business (currently, Naples, Florida) (subject to state law). Arbitration may not be consolidated with any other parties.
v. Choice of forum	Section 11.3	Subject to obligation to arbitrate, you must commence actions arising in Florida. (subject to state law).
w. Choice of law	Section 11.3	Except for the federal law, and the jurisdictional scope of state laws, the law of the State of Florida governs (subject to state law).

ITEM 18.
PUBLIC FIGURES

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

ITEM 19.
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet 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.

METHODOLOGY

The financial performance representations provided include certain calculations of Gross Sales. All such calculations are based on Gross Sales reported by franchised restaurant owners on the web-based point of sale system to which we have access. Prior to February 2022, all franchised ROSATI’S PIZZA restaurants operated under franchise agreements with RFI.

“Gross Sales” as used in this Item 19 were determined in the same manner you will determine your Restaurant’s Gross Sales under your Franchise Agreement for purposes of calculating the Royalty Fee. The Franchise Agreement defines “Gross Sales” as follows: all sales or revenues, derived directly or indirectly from

the Franchised Business (including all food, beverage, liquor, catering and other sales), including on-premises sales, from selling food products and services from temporary locations (such as trucks, booths and handcarts) at special events, such as neighborhood festivals, carnivals, charitable events and the like (“Special Events”) (these sales at Special Events are “Off-Premises Sales”) and monies derived at or away from the Franchised Business, whether from cash, check, credit and debit card, trade credit or credit transactions, or any other form of electronic payment, including without limitation business interruption insurance proceeds and service charges in lieu of gratuity, but excluding (i) sales taxes collected from customers and paid to the appropriate taxing authority, (ii) the amount of all coupons redeemed at the restaurant (but only if the coupons have been previously approved by the us as provided in the Franchise Agreement and only if such coupons have been included in Gross Sales), and (iii) charges for delivery.

**AVERAGE GROSS SALES OF FRANCHISED
SPORTS PUBS FOR 2022**

The following table presents Gross Sales data for the 36 franchised Sports Pubs that were open and operating for all of the 2022 year. As of December 31, 2022, 41 franchised Sports Pubs were open and operating, but we have excluded 6 franchised Sports Pubs from the data presented below because they had not been in operation for all 12 months of 2022.

Average Gross Sales	Units Meeting or Exceeding Avg	Range of Gross Sales	Median Gross Sales
\$1,165,258	13 (36%)	\$512,665 - \$2,535,350	\$1,033,256

**AVERAGE GROSS SALES OF FRANCHISED
CARRYOUT/DELIVERY RESTAURANTS FOR 2022**

The following table presents Gross Sales data for the 77 franchised Carryout/Delivery Restaurants that were open and operating for all of the 2022 year. As of December 31, 2022, 82 franchised Carryout/Delivery Restaurants were open and operating, but we have excluded 5 franchised Carryout/Delivery Restaurants from the data presented below because they had not been in operation for all 12 months of 2022.

Average Gross Sales	Units Meeting or Exceeding Avg	Range of Gross Sales	Median Gross Sales
\$687,472	28 (36%)	\$90,304 - \$1,957,008	\$581,979

Some outlets have sold this amount. Your individual results may differ. There is no assurance you will sell as much.

Written substantiation of the data used in preparing this financial performance representation will be made available to prospective franchisees on reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Anthony Rosati, Rosati’s Pizza Enterprises, Inc., 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104, (847) 426-1414, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Years 2020 to 2022*

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	123	+123
Affiliate-Owned	2020	0	0	0
	2021	0	0	0
	2022	2	2	0
Total Outlets	2020	0	0	0
	2021	0	0	0
	2022	2	125	+123

*In February 2022, 123 franchise agreements for open Rosati's Pizza Restaurants were assigned from RFI to us.

Table 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor or an Affiliate)
For Years 2020 to 2022

State	Year	Number of Transfers
Arizona	2020	0
	2021	0
	2022	4
California	2020	0
	2021	0
	2022	1
Colorado	2020	0
	2021	0
	2022	1
Illinois	2020	0
	2021	0
	2022	2
Wisconsin	2020	0
	2021	0
	2022	2
Total	2020	0
	2021	0
	2022	10

**Table 3
Status of Franchise Outlets
For Years 2020 to 2022**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at the End of the Year
Arizona	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	20	0	0	0	1*	19
California	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	5	0	0	0	1	4
Colorado	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Florida	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	9	0	0	0	1	8**
Georgia	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
Illinois	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	62	0	0	0	1	61***
Indiana	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	6	0	0	0	1	5
Kansas	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Maryland	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Minnesota	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Mississippi	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Missouri	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Nebraska	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	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 the End of the Year
Nevada	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
North Carolina	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Oklahoma	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Texas	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	4	1	0	0	0	3
Wisconsin	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	11	1	0	0	0	10
Totals	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	130	2	0	0	5	123

* This outlet closed in 2022 and was reopened by a franchisee in 2023.

** Our owners hold a minority interest in the ultimate owner of two franchised outlets entities in Florida.

*** Our owners hold a minority interest in the ultimate owner of three franchised outlets in Illinois.

**Table 4
Status of Affiliate-Owned Outlets
For Years 2020 to 2022**

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Arizona	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	1	0	0	1	0
Illinois	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	2*	0	0	0	2
Totals	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	3	0	0	1	2

*Prior to February 2022, these affiliate-owned outlets operated under franchise agreements with RFI.

Table 5
Projected Openings
As of December 31, 2022

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Affiliate-Owned Outlets in the Next Fiscal Year
Arizona	4	5	0
California	0	1	0
Florida	5	6	0
Georgia	2	2	0
Illinois	3	3	0
Indiana	1	1	0
Kentucky	0	1	0
Nevada	1	1	0
New York	0	1	0
North Carolina	2	2	0
Texas	3	3	0
Virginia	1	1	0
Washington	1	1	0
Wisconsin	1	1	0
Total	24	29	0

Exhibit C-1 lists the names of all of our operating franchisees and the addresses and telephone numbers of their ROSATI'S PIZZA restaurants as of December 31, 2022. Exhibit C-2 lists the franchisees who have signed Franchise Agreements for ROSATI'S PIZZA restaurants which are not yet operational as of December 31, 2022. Exhibit C-3 lists the name, city and state and current business telephone number (or, if unknown, the last known home telephone number) of each franchisee who had an outlet terminated, cancelled, nor renewed, or who otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during our most recent fiscal year ending December 31, 2022, or who has not communicated with us within ten weeks of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, we have signed confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There is no trademark-specific franchisee organization associated with the franchise system.

ITEM 21.
FINANCIAL STATEMENTS

Exhibit D contains our audited financial statements for fiscal year end December 31, 2022. We have not included 3 years of audited financial statements since we have not been in business for 3 years or more. Our fiscal year end is December 31.

ITEM 22.
CONTRACTS

The following agreements are exhibits to this disclosure document:

Franchise Agreement – Exhibit E

Franchise Acknowledgment Questionnaire – Exhibit G
State Addendum – Exhibit H
Renewal Addendum – Exhibit I
Multi-Unit Developer Agreement – Exhibit J

ITEM 23.
RECEIPTS

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

EXHIBIT A

STATE ADMINISTRATORS

STATE ADMINISTRATORS

California

Department of Financial Protection
and Innovation
State of California
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
(866) 275-2677

Hawaii

Business Registration Division
Securities Compliance Branch
Department of Commerce
and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2722

Illinois

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

Indiana

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

Maryland

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

Michigan

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909
(517) 373-7177

Minnesota

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

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236 Phone
(212) 416-6042 Fax

North Dakota

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

Oregon

Department of Business Services
Division of Finance & Corporate Securities
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

Rhode Island

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

South Dakota

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

Virginia

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

Washington

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

Wisconsin

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

EXHIBIT B

AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

California

Commissioner of Financial Protection &
Innovation
State of California
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
(866) 275-2677

Hawaii

Commissioner of Securities of the State of
Hawaii
Department of Commerce and Consumer
Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

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

Indiana

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

Maryland

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

Michigan

Michigan Department of Commerce,
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

Minnesota

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

New York

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

North Dakota

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

Oregon

Department of Business Services
Division of Finance & Corporate Securities
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

Rhode Island

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

South Dakota

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

Virginia

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

Washington

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

Wisconsin

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

EXHIBIT C
LIST OF FRANCHISEES

EXHIBIT C-1: OPERATING FRANCHISES
EXHIBIT C-2: FRANCHISES NOT YET OPERATING
EXHIBIT C-3: FORMER FRANCHISEES

EXHIBIT C-1: OPERATING FRANCHISES AS OF 12/31/2022

	Franchisee	Address	City	State	Zip	Phone
1.	Bryon Elsberry and Shane Elsberry	3668 W. Anthem Way, #A128	Anthem	AZ	85086	(623) 551-8545
2.	Dennis Kindred	1729 N. Dysart Rd., Ste. B107	Avondale	AZ	85392	(602) 455-1000
3.	Jeffrey Nachtweih and Christopher Nachtweih	28325 N. Tatum Blvd., #7	Cave Creek	AZ	85331	(480) 538-5380
4.	Arturo Carlos and Sandra Carlos	3120 S. Gilbert Rd., #2	Chandler	AZ	85286	(480) 883-0333
5.	Nick Esposito and Michael Haley	1050 E. Ray Rd.	Chandler	AZ	85225	(480) 401-5555
6.	James Saris	53 N. Val Vista Dr., #106	Gilbert	AZ	85234	(480) 633-3000
7.	Sherry Robertson	6900 E. Highway 60, #115	Gold Canyon	AZ	85118	(480) 983-7400
8.	Arturo Carlos, Sandra Carlos and Cassandra Mendez	1035 N. Ellsworth Rd., Ste. C104	Mesa	AZ	85207	(480) 986-1600
9.	Tung Pham and Phi Le	1309 N. Greenfield Rd., #100	Mesa	AZ	85205	(480) 771-5555
10.	Patrick Bush and Jeanette Bush	12152 N. Rancho Vistoso Blvd., #C170	Oro Valley	AZ	85755	(520) 229-0083
11.	Rogelio Flores and Raquel Rubio	10651 W. Olive Ave., #105	Peoria	AZ	85345	(623) 878-8558
12.	John Stanley	2320 E. Baseline Rd., #158	Phoenix	AZ	85042	(602) 276-8200
13.	Michael Clark and Radford Clark	4010 E. Bell Rd., #101	Phoenix	AZ	85032	(602) 996-1110
14.	Khiyyam Fazal	4041 E. Thomas Rd., #110	Phoenix	AZ	85018	(602) 381-0009
15.	Vikas Gautam	602 W. Union Hills Dr., #1	Phoenix	AZ	85027	(623) 581-1112
16.	Sheri Stanford, Kyle Stanford and Lorissa Paige Stanford	10855 N. 116th St., #140	Scottsdale	AZ	85259	(480) 551-7000
17.	Thomas Trush	10989 E. Dynamite Blvd., #102	Scottsdale	AZ	85262	(480) 513-2552
18.	Jeff Arger	20343 N. Hayden Rd., Ste. 110	Scottsdale	AZ	85255	(480) 573-0737
19.	Patrick Bush and Jeanette Bush	2944 W. Ina Rd.	Tucson	AZ	85741	(520) 531-1100

	Franchisee	Address	City	State	Zip	Phone
20.	Melody Johnson	337 N. El Camino Real	Encinitas	CA	92024	(760) 452-2007
21.	Lorena Elchaarani	79630 Highway 111, Ste. M-2	La Quinta	CA	92253	(760) 775-8900
22.	Ossama Deeb and Rania Deeb	5855 Mission Gorge Rd.	San Diego	CA	92120	(619) 679-9300
23.	Steven Sillin ¹ and Daniel Sillin	30680 Rancho California Rd., Ste. #2	Temecula	CA	92591	(951) 587-2500
24.	Nikolas Bjork and Michelle Bjork	2055 W. 136th Ave., Ste. 100	Broomfield	CO	80023	(720) 547-0200
25.	Suleman Jiwani and Kamruddin Mithani	550 S. Hunt Club Blvd.	Apopka	FL	32703	(407) 410-8444
26.	Peter Economys	4320 N. State Road 7	Coral Springs	FL	33037	(754) 241-4320
27.	Kathleen Mayer ¹	21301 S. Tamiami Trl., Ste. 400	Estero	FL	33928	(239) 221-3706
28.	Jordan Lupella	9011 Daniels Pkwy., Ste. 104	Fort Myers	FL	33912	(239) 237-0000
29.	Joe Wendling	15245 S. Tamiami Trl., Ste. 1	Fort Myers	FL	33908	(239) 481-1110
30.	Dipeshkumar Patel	7051 Collins Rd., Ste. 402	Jacksonville	FL	32244	(904) 801-1200
31.	Peter Economys	1012 St. Lucie W. Blvd.	Port St. Lucie	FL	34986	(772) 340-0999
32.	Suleman Jiwani and Kamruddin Mithani	7756 University Blvd., #104	Winter Park	FL	32792	(407) 663-5300
33.	Matthew Smith ¹	415 Peachtree Pkwy., #200	Cumming	GA	30041	(678) 513-1113
34.	Tarlika Desai	1408 Hwy. 124	Hoschton	GA	30548	(470) 238-0000
35.	Gurdev Juneja and Vikas Kumar	2990 Ogden Ave.	Aurora	IL	60504	(630) 851-8100
36.	Anthony Rosati and Nan Lu ²	2539 Waukegan Rd., Ste. 122B	Bannockburn	IL	60015	(847) 943-9981
37.	Felipe Cervantes	186 E. Main St.	Braidwood	IL	60408	(815) 458-2100
38.	Sharon Rodriguez and Hemlata Patel	117 N. John F. Kennedy Dr.	Carpentersville	IL	60110	(847) 844-3400
39.	Anthony Imbrogno and Nicholas Imbrogno	23 E. Adams St.	Chicago	IL	60603	(312) 262-2100
40.	Sehul Patel, Arpit Patel, Kishan Patel and Soheli Ami	4863 N. Broadway St.	Chicago	IL	60640	(773) 334-3333

	Franchisee	Address	City	State	Zip	Phone
41.	Tejas Sheth	2218 N. California Ave.	Chicago	IL	60647	(773) 741-0001
42.	Mehulkumar Patel	953 W. Diversey Pkwy.	Chicago	IL	60614	(773) 570-9000
43.	Dipal Thakkar	1339 S. Halsted St.	Chicago	IL	60607	(312) 455-1211
44.	Salman Ukani and Dilshad Ukani	5544 N. Milwaukee Ave.	Chicago	IL	60630	(773) 792-2585
45.	Anthony Imbrogno and Nicholas Imbrogno	176 N. Wells St.	Chicago	IL	60606	(312) 332-7272
46.	Ruzica Radovanovic ⁵	3603 N. Western Ave.	Chicago	IL	60618	(873) 895-9888
47.	Mark Yokubonis	80 E. Division St.	Coal City	IL	60416	(815) 634-8111
48.	Meridiana Petani and Petraq Petani	1490 Cedarwood Dr.	Crest Hill	IL	60403	(815) 744-0800
49.	Eduardo Bartolo Silva and Roberto Bartolo Paredez	20590 Milwaukee Ave.	Deerfield	IL	60015	(847) 541-5558
50.	Tejas Amin, Sandipkumar Patel, Satish Patel and Sachinkumar Daji	2665 Mannheim Rd.	Des Plaines	IL	60018	(847) 635-6300
51.	Amin Kanchwala	860 N. Main St.	Elburn	IL	60119	(630) 365-3333
52.	Gurdev Juneja and Sonali Juneja	1168 Dodge Ave.	Evanston	IL	60202	(847) 424-1111
53.	Anthony Rosati and Shu Mei Chang ²	2725 IL Rte. 26 S., Unit A	Freeport	IL	61032	(815) 656-2296
54.	Sehul Patel, Michelle Gandhi, Kirankumar Patel and Rajendra Patel	1708 Milwaukee Ave.	Glenview	IL	60025	(847) 296-0260
55.	Sonali Juneja and Poonam Kumar	1866 E. Belvidere Rd.	Grayslake	IL	60030	(847) 543-8800
56.	Mehulkumar Patel and Smruti Madhiwala	360 S. Division St., #5	Harvard	IL	60033	(815) 943-8100
57.	Iyad Akel and Kristine Bueter	3061 N. Barrington Rd.	Hoffman Estates	IL	60192	(847) 648-9000
58.	Carrol Hornsby and Linda Weiler	630 N. Western Ave.	Lake Forest	IL	60045	(224) 271-1700
59.	Amin Kanchwala	148 Gooding St.	LaSalle	IL	61301	(815) 780-2780
60.	Kunal Desai and Ronak Desai	1243 State St.	Lemont	IL	60439	(630) 243-1500

	Franchisee	Address	City	State	Zip	Phone
61.	James Villarreal and Sonia Villarreal	1043 N. Milwaukee Ave.	Libertyville	IL	60048	(847) 816-9500
62.	Shawna Casey	1047 E. 9th St.	Lockport	IL	60441	(815) 588-2000
63.	Thanas Jano	705 E. Roosevelt Rd.	Lombard	IL	60148	(630) 620-1700
64.	Wayne Moll	6104 E. Riverside Blvd.	Loves Park	IL	61111	(815) 636-0600
65.	Mihir Patel and Binita Patel	530 W. North St., #107	Manhattan	IL	60442	(815) 478-7000
66.	Thomas Banning ¹ and David Allen	801 6th St.	Mendota	IL	61342	(815) 538-3838
67.	Dorian Hernandez	19608 S. La Grange Rd.	Mokena	IL	60448	(708) 479-9400
68.	Arturo Carlos and Sandra Carlos	2083 Orchard Rd.	Montgomery	IL	60538	(630) 264-4410
69.	Troy Jacobs and Marie Jacobs ¹	411 W. 9th St.	Mt. Carmel	IL	62863	(618) 262-0009
70.	Piyush Patel	3150 W. 111th St.	Mt. Greenwood	IL	60655	(773) 239-4900
71.	Johnny Lee, Alpesh Patel, Amit Patel, Kalpesh Patel, Mihir Patel and Feng Xiangchao ³	3110 W. IL Rte. 60	Mundelein	IL	60060	(847) 943-9931
72.	Abdul Jaffer and Minaz Jasani	406 W. 5th Ave.	Naperville	IL	60563	(630) 305-3500
73.	Ilirian Cobo and Agim Shehu	1935 95th St., #103	Naperville	IL	60564	(630) 428-0400
74.	Shawna Casey	108 W. Illinois Hwy.	New Lenox	IL	60451	(815) 485-1000
75.	Raj Patel and Jitendra Patel	8166 N. Milwaukee Ave.	Niles	IL	60714	(847) 825-5855
76.	Kalidoss Sivasamy and Mallika Kalidoss	2833 Dundee Rd.	Northbrook	IL	60062	(847) 498-4080
77.	Fareed Khowaja, Fayaz Khowaja, Ali Khowaja and Syed Shah	6230 W. 95th St., Ste. A	Oak Lawn	IL	60453	(708) 576-8777
78.	Arturo Carlos and Sandra Carlos	2751 Rte. 34	Oswego	IL	60543	(630) 551-1150
79.	Anthony Rosati and Zeng Pengyu ²	375 W. Stevenson Rd.	Ottawa	IL	61350	(815) 324-9559

	Franchisee	Address	City	State	Zip	Phone
80.	Amit Patel and Kalpesh Patel	12720 S. Rte. 59, #400	Plainfield	IL	60585	(815) 556-8575
81.	David Allen, Thomas Banning ¹ , Yonas Hagos, Brandon Partridge and Joseph Porretta	16108 S. Rte. 59, #136	Plainfield	IL	60586	(815) 254-4500
82.	Alpesh Patel, Amit Patel, Kalpesh Patel and Mihir Patel	10004 Main St.	Richmond	IL	60071	(815) 862-1191
83.	Sehul Patel	8342 W. Grand Ave.	River Grove	IL	60171	(708) 456-2000
84.	Marie Jacobs ¹ , Wei Yi Liao ⁴ , and Shih Cheng Ku ⁴	1302 E. Main St., Unit E	Robinson	IL	62454	(618) 469-1889
85.	Gurdev Juneja and Vikas Kumar	1233 N. Caron Rd., #100	Rochelle	IL	61068	(815) 562-5000
86.	Archana Patel	2221 S. Perryville Rd.	Rockford	IL	61108	(815) 398-5300
87.	Thomas Banning ¹	710 E. Railroad St., Unit A	Sandwich	IL	60548	(815) 786-1500
88.	Rahim Jagshi	707 W. Jefferson St., Unit C	Shorewood	IL	60404	(815) 725-8686
89.	Jignesh Patel and Nilesh Chauhan	1027 W. Main St.	Sleepy Hollow	IL	60118	(847) 426-5000
90.	Jignesh Patel	801 Illinois 32	Sullivan	IL	61951	(217) 728-2812
91.	Jeries Akkawi	15911 S. 76th Ave.	Tinley Park	IL	60477	(708) 468-8825
92.	Kevin Dellegrazio	2S610 State Rte. 59, #11	Warrenville	IL	60555	(630) 393-9393
93.	Gurdev Juneja and Sonali Juneja	531 W. Liberty St.	Wauconda	IL	60084	(847) 526-4343
94.	Vikram Patel	177 N. Neltnor Blvd.	West Chicago	IL	60185	(630) 876-0606
95.	Sehul Patel, Manhar Patel, Kirankumar Patel and Rajendra Patel	1515 Sheridan Rd., #137	Wilmette	IL	60091	(847) 906-3636
96.	Nancy Healy	13125 Lake Shore Dr.	Cedar Lake	IN	46300	(219) 267-8700
97.	Nancy Healy	10755 Broadway	Crown Point	IN	46307	(219) 281-4500

	Franchisee	Address	City	State	Zip	Phone
98.	Amit Patel and Kalpesh Patel	847 Joliet St.	Dyer	IN	46311	(219) 515-2730
99.	Nancy Healy	1411 S. Lake Park Ave.	Hobart	IN	46342	(219) 942-5678
100.	Nancy Healy	5504 W. Lincoln Hwy.	Schererville	IN	46375	(219) 864-1114
101.	Scott Fender and Chandra Fender	9928 College Blvd.	Overland Park	KS	66210	(913) 696-0400
102.	Saheda Rob	5807 Eastern Ave. NE	Hyattsville	MD	20782	(240) 539-3900
103.	Lance Patterson	1191 6 th St. NW, Ste. 101	Rochester	MN	55901	(507) 218-0070
104.	Scott Whitaker and Susan Whitaker	319 N. Lamar Blvd., Unit 101	Oxford	MS	38655	(662) 638-8999
105.	Jason Niswonger and Frank Dietiker, Jr.	2136 William St., Ste. 120	Cape Girardeau	MO	63703	(573) 803-5200
106.	Kent Au	14513 W. Maple Rd., #106	Omaha	NE	68116	(402) 502-4868
107.	Michelle Jensen	72 W. Horizon Ridge Pkwy., Ste. 140	Henderson	NV	89012	(702) 568-6000
108.	Michelle Jensen	8060 S. Rainbow Blvd., #130	Las Vegas	NV	89139	(702) 463-1777
109.	Erik Sundquist	9925 Rea Rd., Ste. 100	Waxhaw	NC	28173	(980) 556-7600
110.	Nasir Iqbal	7021 S. Memorial Dr., Room 0259	Tulsa	OK	74133	(918) 249-9128
111.	John Bartlik, Jr. and Shawn Bartlik	800 W. Whitestone Blvd., Ste. B	Cedar Park	TX	78613	(512) 767-1313
112.	Calvin Dodson and Darren Frankenberger	25661 Hwy. 59 N	Kingwood	TX	77339	(346) 345-4800
113.	Noel Catarina	824 Hewitt Dr., #900	Waco	TX	76712	(254) 666-6066
114.	Jose Aguilar, Patricia Aguilar and Eric Aguilar	17565 W. North Ave.	Brookfield	WI	53045	(262) 797-6466
115.	Prashant Dabhi, Pikesh Patel, Piyushbhai Patel and Satiskumar Patel	6900 N. Santa Monica Blvd.	Fox Point	WI	53217	(414) 228-8585
116.	Jane Andacht, Daniel Lent, Lauren Lent and Christopher Miller	6558 S. Lovers Lane Rd.	Franklin	WI	53132	(414) 529-1400
117.	Talat Mahmood and Mujtaba Khan	6644 Mineral Point Rd.	Madison	WI	53705	(608) 833-9300

	Franchisee	Address	City	State	Zip	Phone
118.	Neel Patel, Amita Patel and Devangini Patel	N81W15086 Appleton Ave.	Menomonee Falls	WI	53051	(262) 250-3333
119.	Gregg Griesemer, Norberto Ramos and Jose Sanchez	3648 S. Moorland Rd.	New Berlin	WI	53151	(262) 784-5700
120.	Brissa Urbina and John Sheck	343 W. Linnerud Dr.	Sun Prairie	WI	53590	(608) 318-3988
121.	Becky Iadicicco	1907 Market Way, Ste. F	Watertown	WI	53094	(920) 261-4222
122.	Michael Mecikalski	310 W. Saint Paul Ave., #2	Waukesha	WI	53188	(262) 574-1111
123.	Griffin Westerman, Tina Westerman, Natalie Westerman and Christopher Hobeika	75 Gasser Rd., Ste. C	Wisconsin Dells	WI	53965	(608) 253-0553

¹Provides franchise brokerage or training services for us to franchisees. See item 11 for further information.

²Franchise is owned by a LLC which is owned by a limited partnership with majority ownership by a foreign investor and minority ownership by Rosati's Westlead Holding, LLC, a company with some common ownership with Franchisor. Rosati's Westlead Holding, LLC is providing management services to the franchisee. Anthony Rosati is listed as Manager of Rosati's Westlead Holding, LLC.

³Franchise is owned by a LLC which is owned by a limited partnership with majority ownership by a foreign investor and minority ownership originally by Rosati's Westlead Holding, LLC, a company with some common ownership with Franchisor. Rosati's Westlead Holding, LLC transferred its minority interest in the limited partnership to an entity unrelated to the franchisor in 2017.

⁴Franchise is owned by a LLC which is owned by a limited partnership with majority ownership by a foreign investor and minority ownership originally by Rosati's Westlead Holding, LLC, a company with some common ownership with Franchisor. Rosati's Westlead Holding, LLC transferred its minority interest in the limited partnership to an entity unrelated to the franchisor in 2018.

⁵Multi-Unit Developers.

EXHIBIT C-2: FRANCHISES NOT YET OPERATING

	Franchisee	Address	City	State	Zip	Phone
1.	William Morrissey ¹ and Deena Kiefer ¹	12045 S. 183rd Dr.	Goodyear	AZ	85338	(630) 888-5863 (630) 253-5166
2.	Jaspal Sidhu	6077 E. Fire Grounds Rd.	Kingman	AZ	86401	(702) 429-7355
3.	Arturo Carlos and Sandra Carlos	2737 W. Thunderbird Rd., #102	Phoenix	AZ	85053	(815) 600-0123 (815) 600-0122
4.	Jeff Arger	17777 N. Scottsdale Rd., #1010	Scottsdale	AZ	85255	(602) 684-7429
5.	Michael Begler ¹	8951 Bonita Beach Rd. SE, #245	Bonita Springs	FL	34135	(262) 389-7002
6.	Michael Begler ¹	3015 SW Pine Island Rd., Unit 104	Cape Coral	FL	33991	(262) 389-7002
7.	David Allen, Thomas Banning, Yonas Hagos, Brandon Partridge and Joseph Porretta	10443 Ulmerton Rd., #7	Largo	FL	33771	(630) 890-4193, (630) 330-5635, (630) 303-1467, (815) 791-4039, (630) 800-0863
8.	Jordan Lupella	27450 Challenger Blvd.	Punta Gorda	FL	33982	(239) 771-3219
9.	Michael Begler ¹	3508 Roseau Dr.	Punta Gorda	FL	33950	(262) 389-7002
10.	Dhruvin Patel ¹ and Hitendra Patel ¹	3021 Willowstone Dr.	Duluth	GA	30096	(404) 513-3215
11.	Joanne Liu	7304 Spout Springs Rd.	Flowery Branch	GA	30542	(702) 686-8396
12.	Anthony Rosati and Han-Hsiang Chou ²	407 Sycamore Rd., Ste. 7	Genoa	IL	60135	(847) 980-2000 (630) 781-6688
13.	Anuja Sikri ¹ and Neeti Gupta ¹	2335 Willow Rd.	Glenview	IL	60025	(224) 829-6094 (224) 392-2466
14.	Jayesh Patel	5112 IL Rte. 111	Pontoon Beach	IL	62040	(630) 567-5155
15.	Fareed Khowaja and Fayaz Khowaja	5111 N. Main St., #400	Mishawaka	IN	46545	(847) 830-3770 (773) 456-1410
16.	Debra Brandonisio	9162 Branford Hills St.	Las Vegas	NV	89123	(702) 768-8817
17.	Iruka Iwuagwu and Ugochukwu Iwuagwu	76 Hunter St., Ste. 104	Apex	NC	27502	(907) 978-2671
18.	Nnamdi Kpaduwa	6615 Falls of Neuse Rd., Ste. 101	Raleigh	NC	27615	(919) 344-1639

	Franchisee	Address	City	State	Zip	Phone
19.	Dilon Jakupi ¹	2029 Yarborough Dr.	Anna	TX	75409	(630) 765-0862
20.	Rick Salinas and Adella Czochara	1100 Spruce Run Dr.	Keller	TX	76262	(630) 390-9800 (630) 696-2135
21.	Ayodeji Ayemere and Ome Ayemere	18802 University Blvd., Ste. 140	Sugar Land	TX	77479	(908) 512-1121 (832) 361-5982
22.	Renold Ranjit	25169 Crested Wheat Dr.	Aldie	VA	20105	(202) 236-6824
23.	Lawrence Davis and Maria Davis	31524 11th Place SW	Federal Way	WA	98023	(253) 948-6426 (206) 307-4463
24.	Khiyyam Fazal and Talat Mahmood	377 E. Campus Mall	Madison	WI	53703	(201) 294-1656

¹Multi-Unit Developers.

²Franchise is owned by a LLC which is owned by a limited partnership with majority ownership by a foreign investor and minority ownership by Rosati's Westlead Holding, LLC, a company with some common ownership with Franchisor. Rosati's Westlead Holding, LLC is providing management services to the franchisee. Anthony Rosati is listed as Manager of Rosati's Westlead Holding, LLC.

EXHIBIT C-3: FORMER FRANCHISEES IN 2022

	Franchisee	City	State	Last Known Telephone Number	Reason
1.	Jason Clouse	Cave Creek	AZ	(602) 550-5947	Transfer
2.	Tyler Pence	Chandler	AZ	(630) 809-5664	Transfer
3.	Timothy Thorley	Phoenix	AZ	(206) 795-2410	Ceased Operations – Other Reasons*
4.	Chris Rettkowski	Phoenix	AZ	(253) 508-6217	Transfer
5.	Merrick Okamoto and Peter Benz	Scottsdale	AZ	(949) 233-7888	Transfer
6.	Yun Dong Zhang	La Quinta	CA	(760) 851-8819	Transfer
7.	Christine Grau	Roseville	CA	(916) 847-7464	Ceased Operations – Other Reasons
8.	Jack Jones	Broomfield	CO	(661) 390-0642	Transfer
9.	Elizabeth Lupella and James Lupella	Bonita Springs	FL	(847) 431-7509	Ceased Operations – Other Reasons
10.	Ruzica Radovanovic	Chicago	IL	(612) 227-1131	Transfer
11.	Anthony Rosati and Han-Hsiang Chou	Genoa	IL	(847) 980-2000	Ceased Operations – Other Reasons
12.	Tejas Sheth	Chicago	IL	(847) 863-8579	Transfer
13.	Fareed Khowaja and Fayaz Khowaja	Mishawaka	IN	(847) 830-3770 (773) 456-1410	Ceased Operations – Other Reasons
14.	Eric Odling	Waco	TX	(254) 666-6062	Terminated
15.	Amy Osborne	Fox Point	WI	(262) 933-0530	Transfer
16.	James Davis, Jr. and Brandy Ewing Alderman	Sun Prairie	WI	(608) 354-4878	Transfer

	Franchisee	City	State	Last Known Telephone Number	Reason
17.	Muhammad Aslam	Watertown	WI	(609) 287-8887	Terminated

*This outlet opened and closed in 2022, and was thereafter purchased by another franchisee and opened in 2023.

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

EXHIBIT D

FINANCIAL STATEMENTS



Eder, Casella & Co.
815.344.1300
www.edercasella.com

ROSATI'S PIZZA ENTERPRISES, INC.

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2022

eder, casella & co

ROSATI'S PIZZA ENTERPRISES, INC.

TABLE OF CONTENTS

DECEMBER 31, 2022

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Balance Sheet	3
Income Statement	4
Statement of Changes in Stockholders' Equity	5
Statement of Cash Flows	6
NOTES TO FINANCIAL STATEMENTS	7



Eder, Casella & Co.
815.344.1300
www.edercasella.com

INDEPENDENT AUDITOR'S REPORT

To the Stockholders' of
Rosati's Pizza Enterprises, Inc.
South Barrington, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of

Rosati's Pizza Enterprises, Inc.

which comprises the balance sheet as of December 31, 2022, and the related statements of income, changes in stockholder's equity, and cash flows for the ten months then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Rosati's Pizza Enterprises, Inc. as of December 31, 2022, and the results of its operations and cash flows for the ten months then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Litigation Uncertainty

As discussed in Note 8 to the financial statements, the Company is a defendant in a lawsuit related to the assignment of the franchisees in exchange for relinquishing of shares under Rosati's Franchising Inc.'s Shareholder's Agreement. Our opinion is not modified with respect to this matter.

Change in Accounting Principle

As described in Note 7 to the financial statements, the Company adopted new accounting guidance ASU 2016-02, *Leases (Topic 842)*, as amended. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statements in accordance with accounting principles generally accepted in the United States of America, and

eder,
casella
&
co

for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
March 21, 2023

Rosati's Pizza Enterprises, Inc.
Balance Sheet
December 31, 2022

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 448,890
Accounts Receivable, Net of Allowance of \$0	1,547,730
Prepaid Expenses	<u>52,593</u>
Total Current Assets	<u>\$ 2,049,213</u>
FIXED ASSETS	
Office Equipment	\$ 28,768
Office Furniture	<u>36,317</u>
	\$ 65,085
Less: Accumulated Depreciation	<u>(25,381)</u>
Net Fixed Assets	<u>\$ 39,704</u>
OTHER ASSETS	
Due from Franchisees	\$ 1,765,887
Due from Affiliates	351,790
Due from Officers	97,669
Deposits and Advances	17,111
Deferred Tax Asset	67,134
Commission Contract Asset	<u>195,510</u>
Total Other Assets	<u>\$ 2,495,101</u>
TOTAL ASSETS	<u><u>\$ 4,584,018</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts Payable	\$ 890,155
Gift Card Payable	321,370
Accrued Expense	26,744
Federal and State Income Tax Liability	202,927
Notes Payable - Officers	<u>150,000</u>
Total Current Liabilities	<u>\$ 1,591,196</u>
OTHER LIABILITIES	
Due to Affiliates	\$ 73,036
License Contract Liability	<u>1,650,156</u>
Total Other Liabilities	<u>\$ 1,723,192</u>
Total Liabilities	<u>\$ 3,314,388</u>
STOCKHOLDERS' EQUITY	
Capital Stock	\$ 10,000
Additional Paid-In Capital	926,029
Retained Earnings	<u>333,601</u>
Total Stockholders' Equity	<u>\$ 1,269,630</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 4,584,018</u></u>

The accompanying notes are an integral part of these financial statements.

Rosati's Pizza Enterprises, Inc.
Income Statement
For the Ten Months Ended December 31, 2022

REVENUES	
Royalty Fees	\$ 4,214,254
License Fees	356,763
Marketing Co-op Income	<u>1,332,210</u>
Total Revenues	<u>\$ 5,903,227</u>
OPERATING EXPENSES	
Advertising and Promotion	\$ 189,645
Automobile Expenses	11,991
Bank Charges	1,140
Commission Expense	20,000
Consulting Fees	2,318,088
Dues and Subscriptions	32,135
Franchisee Expense	3,543
Insurance Expense	32,197
Legal and Professional Fees	1,324,647
Meals and Entertainment	11,025
Office Expenses	42,601
Outside Services	23,500
Pension Plan Contribution	9,577
Postage	28,864
Rent	104,027
Repairs and Maintenance	209
Royalty Fee Expense	193,866
Salaries	829,946
Taxes - Payroll	72,351
Taxes - State Franchise Fee	800
Telephone and Internet	18,874
Travel Expenses	162,827
Utilities	<u>3,338</u>
Total Operating Expenses	<u>\$ 5,435,191</u>
OPERATING INCOME/(LOSS)	<u>\$ 468,036</u>
OTHER INCOME/(EXPENSE)	
Interest Income	\$ 19,631
Gain/Loss on Life Insurance Policy	(7,331)
Depreciation	<u>(10,942)</u>
Total Other Income/(Expense)	<u>\$ 1,358</u>
NET INCOME/(LOSS) BEFORE TAXES	\$ 469,394
PROVISION FOR/(BENEFIT FROM) INCOME TAXES	<u>(135,793)</u>
NET INCOME/(LOSS)	<u><u>\$ 333,601</u></u>

The accompanying notes are an integral part of these financial statements.

Rosati's Pizza Enterprises, Inc.
Statement of Changes in Stockholders' Equity
For the Ten Months Ended December 31, 2022

	Common Stock	Additional Paid in Capital	Retained Earnings	Total Equity
Balance, February 28, 2022	\$ 10,000	\$ 858,228	\$ -	\$ 868,228
Additional Paid In Capital	-	67,801	-	67,801
Net Income/(Loss)	-	-	333,601	333,601
Balance, December 31, 2022	\$ 10,000	\$ 926,029	\$ 333,601	\$ 1,269,630

The accompanying notes are an integral part of these financial statements.

Rosati's Pizza Enterprises, Inc.
Statement of Cash Flows
For the Ten Months Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income/(Loss)	\$ 333,601
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	10,942
Unrealized Gain/Loss on Life Insurance Policy	7,331
Deferred Income Taxes	(67,134)
Change in Operating Assets and Liabilities:	
Accounts Receivable	(793,240)
Prepaid Expenses	(40,811)
Due to/from Affiliate	154,644
Due to/from Franchisees	(678,571)
Deposits and Advances	2,924
Commission Contract Asset	(41,941)
Accounts Payable	890,155
Credit Cards Payable	39,933
Accrued Expense	26,943
Federal and State Income Tax Liability	202,927
License Contract Liability	241,187
Net Cash Provided/(Used) by Operating Activities	\$ 288,890

CASH FLOWS FROM INVESTING ACTIVITIES:

Net Cash Provided/(Used) by Investing Activities	\$ -
--	------

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from Notes Payable	\$ 150,000
Payments on Notes Payable	(490,000)
Net Cash Provided/(Used) by Financing Activities	\$ (340,000)

NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (51,110)
--	-------------

CASH AND CASH EQUIVALENTS, beginning of year	500,000
--	---------

CASH AND CASH EQUIVALENTS, end of year	\$ 448,890
--	------------

SUPPLEMENTAL CASH FLOW INFORMATION:

Noncash Investing and Financing Activities:	
Assets and Liabilities assigned from shareholders through additional paid in capital:	
Property and Equipment	\$ 50,646
Due from Franchisees	3,900
Employee Advances	13,056
Wage Garnishment	199

The accompanying notes are an integral part of these financial statements.

ROSATI'S PIZZA ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Rosati's Pizza Enterprises, Inc. (Company) is a closely held, for-profit corporation. The Company is principally engaged as a franchisor of Rosati's Restaurants in the United States. The Company was incorporated on February 16, 2022. On February 28, 2022, two of the former shareholders of Rosati's Franchising Inc. (RFI) received an assignment of approximately 140 franchises sold by the shareholders pursuant to the Rosati's Franchising Inc. Shareholder Agreement in exchange for their shares of RFI stock. The Company took the assignment of these franchises and assume all related obligations.

Basis of Accounting

The Company follows accounting principles generally accepted in the United States of America in the preparation of the financial statements. Where there is a choice between two or more generally accepted principles, the principle that most fairly presents financial position and results of operations is chosen.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be checking accounts, savings accounts, and money market accounts with original maturities of three months or less. Cash equivalents are accounted for at cost, which approximates market value.

Accounts Receivable

Accounts receivable is recorded net of an allowance for expected losses. The Company makes estimates of the uncollectability of its accounts receivable related to the royalty income. The Company analyzes accounts receivable and historical bad debt levels, customer credit worthiness, and current economic trends when evaluating the adequacy of the allowance for doubtful accounts.

Fixed Assets

Fixed assets are carried at cost on the financial statements. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income or expense, respectively, for the period. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

	<u>YEARS</u>
Office Equipment	5
Office Furniture	7

Depreciation expense was \$10,942 for the ten months ended December 31, 2022. Maintenance, repairs, and renewals, which neither materially add to the value of property nor appreciably prolong its useful life, are expensed as incurred.

Due To/From Franchisees and Affiliates

At times throughout the fiscal year, the Company will engage in borrowing/lending transactions with other franchisees and affiliates. These monies are used for various start-up expenditures and will be paid back to the Company. As of December 31, 2022, \$351,790 was due from affiliates and \$73,036 due to affiliates.

NOTES TO FINANCIAL STATEMENT (Continued)

Leases

The Company determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the Balance Sheet. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also can include adjustments related to lease payments made and lease incentives received at or before the commencement date. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the institution will exercise that option. Operating lease expense is recognized on a straight-line basis over the lease term.

The Company made an election to not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less), to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments, and to not separate the lease and non-lease components of lease agreements. The Company also made an election of the package of practical expedients which include not reassessing whether any expired or existing contracts are or contain leases, not reassessing the lease classification for any expired or existing leases, and not reassess initial direct costs for any existing leases.

The Company evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Company's right to use underlying assets for the lease term, and the lease liabilities represent the Company's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The ROU assets resulting from operating leases are included in other assets and the related liabilities are included in accrued expenses in the Balance Sheet. Finance lease ROU assets are included in property, plant, and equipment, net, and the related liabilities are included in long-term debt in the Balance Sheet.

The Company adopted FASB ASC 842, with a date of initial application of March 1, 2022, by applying the modified retrospective transition approach and using the additional (and optional) transition method provided by ASU No. 2018-11, *Leases (Topic 842)*. The Company did not have any agreements that fell under this standard, therefore, there were no adjustments related to the implementation of this standard. See Note 10 related to an office lease agreement in Schaumburg, Illinois.

Revenue Recognition

The Company derives the majority of its revenue from the franchisee contracts, franchisee royalties, and rebates.

Each franchisee and transfer contract represent various obligations but none that meet the criteria of a specific distinct performance obligations, as defined in ASU 606 and later clarified by ASU 2021-02; therefore, each contract is considered one performance obligation. Franchisee contract revenues are recognized on a straight-line method, over the term of the contract (normally 20 years).

Revenues from franchisee royalties are recognized each month based on a percentage of sales from the individual franchisees.

As part of the Company's franchise agreements, the franchisee purchases products and supplies from designated vendors. The Company may receive various fees and rebates from the vendors and distributors on product purchases by franchisees. The Company does not possess control of the products prior to their transfer to the franchisee and products are delivered to franchisees directly from the vendor or their distributors. Under adoption of ASC 606 and ASU 2021-02, the revenue recognition will not change; the Company will recognize the rebates as franchisees purchase products and supplies from vendors or distributors.

NOTES TO FINANCIAL STATEMENT (Continued)

There are no significant financing components as payment is due and received at or shortly after the contract is signed. There is also not a variable consideration component as fees are set by the Company.

The franchisee revenue earned from performance obligations are satisfied over time.

Contract assets include amounts resulting from commission expenses related to franchisee and transfer agreements and contract liabilities consist of the unrecognized portions of the revenues related to franchisee and transfer agreements. Commission contract assets as of December 31, 2022 are \$195,510. License contract liabilities as of December 31, 2022 are \$1,650,156. The receivables related to franchisee contracts as of December 31, 2022 are \$129,100. The commission contract assets and license contract liabilities will be recognized/expensed over the term of the contract, which is normally 20 years.

Income Taxes

The Company files a tax return in the U.S. federal jurisdiction and six states. Deferred income tax assets and liabilities are computed annually for temporary differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. The most significant differences resulting in deferred tax assets and liabilities are differences due to tax return being prepared on the cash basis compared to the accrual basis audited balances. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the year plus or minus the change during the period in deferred tax assets and liabilities.

The Company has adopted guidance issued by Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 740 with respect to accounting for uncertainty in income taxes. A tax position is recognized as a benefit only if it is “more likely than not” that a tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no benefit is accrued. The adoption had no effect on the Company’s financial statements.

The Company’s evaluation on December 31, 2022 revealed no uncertain tax positions that would have a material impact on the financial statements. The 2022 tax year remains subject to examination by the IRS. The Company does not believe that any reasonable possible changes will occur within the next 12 months that will have a material impact on the financial statements.

Comprehensive Income

There were no items of other comprehensive income as of December 31, 2022 and, thus, net income is equal to comprehensive income for the fiscal years.

Estimates

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

Advertising Costs

Advertising costs are charged to expense as incurred. Advertising expense for the ten months ended December 31, 2022 was \$189,645.

NOTES TO FINANCIAL STATEMENT (Continued)

NOTE 2 - FINANCIAL INSTRUMENTS

The carrying value of cash and cash equivalents, receivables, and accounts payable are a reasonable estimate of their fair market value due to the short-term nature of these instruments.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains cash balances at various institutions. The Federal Deposit Insurance Corporation ("FDIC") insures a \$250,000 balance on transaction accounts (i.e., checking accounts). At various times during the year, the Company's cash in bank balances may have exceeded insured FDIC limits. At December 31, 2022 the Company's uninsured cash balance was \$198,890. The Company has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash.

NOTE 3 - NOTES PAYABLE

Notes payable consisted of one outstanding notes payable, as of December 31, 2022, to a related party, specifically, one of the Company's officers. The total balance of the notes payable account was \$150,000 as of December 31, 2022.

NOTE 4 - RELATED PARTY BALANCES

At times, the Company engages in lending/borrowing activities with companies and/or people that are affiliated through common ownership. As of December 31, 2022, the following balances are due to/from related parties:

Due from Officers	\$	97,669
Due (to)/from Affiliates		278,754
Notes Payable - Officers		150,000

NOTE 5 - STOCKHOLDERS' EQUITY

The Company is a closely held corporation with 10,000 shares of common stock authorized and issued for a total consideration of \$10,000 as follows:

Rosati Capital Inc.	10,000 shares
---------------------	---------------

In February 2022 and March 2022, additional amounts of \$858,228 and \$67,801, respectively, were contributed as paid-in capital.

NOTE 6 - RETIREMENT PLAN

The Company has adopted a 401K plan that covers all eligible employees. The plan allows for both employee and 3% matching Company contributions. Company contributions were \$9,577 for the ten months ended December 31, 2022.

NOTE 7 - CHANGE IN ACCOUNTING PRINCIPLE

The Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, as amended. This guidance is intended to improve financial reporting of lease transactions by requiring organizations that lease assets to recognize assets and liabilities for the rights and obligations created by leases that extend more than 12 months. Key provisions in this guidance include additional disclosures surrounding the amount, timing, and uncertainty of cash flows arising from leases. There have been no changes to the previously issued audited financial statements which would be required on a retrospective basis.

NOTES TO FINANCIAL STATEMENT (Continued)

NOTE 8 - CONTINGENCIES

On February 11, 2022, Anthony and David Rosati provided notice to the other shareholders of Rosati's Franchising, Inc. ("RFI") of their intent to exercise their option under RFI's Shareholder's Agreement to receive an assignment of the franchises they had sold on RFI's behalf in exchange for relinquishing their RFI shares. Also in February 2022, Anthony and David formed RPE to act as franchisor for their franchises and through which to conduct business following their separation from RFI. On February 28, 2022, Anthony and David relinquished their RFI shares, resigned from RFI, and assigned their franchises to themselves and ultimately to RPE. Anthony and David also retained certain assets that they had used during their tenure at RFI.

RFI filed a lawsuit on May 6, 2022 against RPE, Anthony, David, and Andrew Rosati, as well as Darren Schmitt and Timothy McCarthy, RPE's Director and Treasurer and Director of Franchise Development, respectively. In the complaint, RFI brings the following claims: (1) violations of the Illinois Uniform Deceptive Trade Practices Act against all defendants; (2) breach of fiduciary duties against all individual defendants; (3) conspiracy to breach fiduciary duties against all individual defendants; and (4) an equitable accounting. In June 2022, all defendants moved to dismiss RFI's complaint in its entirety, which are fully briefed and remain pending. RFI has also filed numerous motions seeking temporary restraining orders and preliminary injunctive relief. The Circuit Court has twice denied RFI's requests for a temporary restraining order, and on March 1, 2023, the Illinois Appellate Court Entered an order denying RFI's appeal.

On March 16, 2023, the Chancery Court entered an order on the defendants' motions to dismiss. The Court granted the motions to dismiss in full, without prejudice, filed by the Company, Andrew Rosati, Darren Schmitt, and Timothy McCarthy. The Chancery Court granted the motions to dismiss, without prejudice, filed by Anthony and David Rosati as to Counts I and III in the Complaint. The Chancery Court denied Anthony's and David's motions to dismiss as to Counts II (breach of fiduciary duty) and IV (equitable accounting) of the Complaint. The Chancery Court granted RFI leave to file an amended complaint on or before April 3, 2023. Discovery in the case is ongoing, and a status hearing is scheduled for May 2, 2023. As the outcome of this case is unknown, we are unable to determine whether it would have an affect, if any, on the Company.

NOTE 9 - INCOME TAXES

The Company has a deferred tax asset of \$67,134 (all current), which consists primarily of the differences due to the tax return being prepared on the cash basis compared to the accrual basis audited balances.

As of December 31, 2022, the Company has federal and state income tax liabilities as follows:

Federal	\$	146,506
Arizona		2,842
Florida		-
Georgia		972
Illinois		48,231
Indiana		1,398
Wisconsin		2,978
	\$	<u>202,927</u>

NOTES TO FINANCIAL STATEMENT (Continued)

NOTE 10 - SUBSEQUENT EVENTS

The Company has evaluated subsequent events through March 21, 2023, the date on which the financial statements were available to be issued.

During the fiscal year, the Company took possession of the Schaumburg office and planned to execute the assignment of RFI rights to the Company. However, no agreement was reached and on September 23, 2022, the Company provided written notice to RFI that they intended to vacate the office and RFI would continue to be responsible for all obligations under the office lease. On January 11, 2023, Martingale filed an eviction action against the Company and RFI. The Company and RFI have until April 13, 2023, and April 26, 2023, respectively, to respond to the complaint. Due to the uncertainty of the Company having further obligations to the landlord, and the lease agreement still in the name of RFI, the lease was not recorded under ASU 842 for the Company. If it is determined that the Company is obligated to the lease agreement, the lease agreement will be reevaluated under ASU 842 at that time.

EXHIBIT E

FRANCHISE AGREEMENT

FRANCHISE NUMBER _____

EFFECTIVE DATE _____

ROSATI'S PIZZA

FRANCHISE AGREEMENT

ROSATI'S PIZZA ENTERPRISES, INC.

with

Store Address:

TABLE OF CONTENTS

1.	Franchise Fee.....	1
2.	Royalty Fee.....	1
3.	Grant of Franchise.	2
4.	Protected Area; Company’s Reservation of Rights.	3
5.	Company Obligations; Training and Assistance.....	4
6.	Development and Opening of the Franchised Business.	5
7.	Franchisee Obligations.....	7
8.	Accounting Systems and Reporting; Inspections.	14
9.	Advertising.....	16
10.	Marks.	18
11.	Confidential Information; Manuals.....	19
12.	Term and Renewal.	20
13.	Termination.	22
14.	Rights and Duties Upon Termination or Expiration.	24
15.	Transferability of Interest.....	27
16.	Enforcement.	30
17.	Independent Contractor; Indemnification.....	33
18.	General Provisions.	34
19.	Acknowledgments.	37
20.	Entity as Franchisee; Guaranty and Assumption of Obligations.	37
21.	Electronic Signature and Delivery: Date of Agreement.....	37

EXHIBITS

Exhibit A	Franchise Location and Protected Area
Exhibit B	Statement of Ownership, Officers and Managers
Exhibit C	Guaranty and Assumption of Obligations
Exhibit D	Addendum to Franchisee’s Lease Agreement
Exhibit E	Electronic Funds Transfer Authorization Form

FRANCHISE AGREEMENT

This Agreement is by and between Rosati's Pizza Enterprises, Inc., a Florida corporation located at 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104 (hereinafter called the "**Company**") and _____ of _____ (hereinafter called the "**Franchisee**") for one (1) ROSATI'S PIZZA restaurant to be located in the State of _____.

RECITALS

A. The Company is in the business of offering and selling franchises for a restaurant featuring pizza and other food items (each, a "**ROSATI'S PIZZA restaurant**") under 'ROSATI'S PIZZA' trade name and service marks (the "**Marks**") using certain confidential and proprietary procedures, techniques, business methods, business forms, business policies and a body of knowledge pertaining to the establishment and operation of the Franchised Businesses (the "**System**").

B. Franchisee wishes to establish and operate a ROSATI'S PIZZA restaurant using the System and the Marks (the "**Franchised Business**"), and Franchisor has approved it to acquire a franchise for the Franchised Business on the terms of this Agreement. The Franchised Business may be a ROSATI'S PIZZA sports pub or a ROSATI'S PIZZA carryout/delivery restaurant, as indicated on the cover page of this Agreement.

AGREEMENT

Acknowledging the above recitals, the parties hereto agree as follows:

1. **Franchise Fee.** Franchisee agrees to pay Company a nonrecurring, nonrefundable initial franchise fee in the amount set forth in this Section 1 (the "**Franchise Fee**"). The Franchise Fee is due and fully earned by Company when Franchisee signs this Agreement. Franchisee must pay Company the Franchise Fee by wire transfer of immediately available funds to an account Company designates, or by any other method Company specifies.

Check either A, B, or C below, as applicable:

A. **First Franchise.** For a first franchise for Franchisee, Franchisee shall pay to Company a Franchise Fee of \$35,000.

B. **Additional Franchises.** If Franchisee is currently a ROSATI'S PIZZA franchisee purchasing an additional franchise, Franchisee shall pay to Company a Franchise Fee of \$17,500 (if Franchisee is a Developer and is signing this Agreement for the second or subsequent ROSATI'S PIZZA restaurant under a Multi-Unit Developer Agreement, a portion of the Development Fee previously paid by Franchisee under the Multi-Unit Developer Agreement shall be applied in payment of the Franchise Fee of \$17,500).

C. **Veteran Franchise Fee.** If Franchisee is an honorably discharged U.S. veteran, Franchisee will pay to Company a Franchise Fee of \$26,250.

2. **Royalty Fee.** The Franchisee shall also pay to the Company weekly a Royalty Fee equal to five percent (5%) of the Gross Sales from the Franchised Business which Franchisee operates throughout

the term of this Agreement. "Gross Sales" means all sales or revenues, derived directly or indirectly from the Franchised Business (including all food, beverage, liquor, catering and other sales), including on-premises sales, from selling food products and services from temporary locations (such as trucks, booths and handcarts) at special events, such as neighborhood festivals, carnivals, charitable events and the like ("**Special Events**") (these sales at Special Events are "**Off-Premises Sales**") and monies derived at or away from the Franchised Business, whether from cash, check, credit and debit card, trade credit or credit transactions, or any other form of electronic payment, including without limitation business interruption insurance proceeds and service charges in lieu of gratuity, but excluding (i) sales taxes collected from customers and paid to the appropriate taxing authority, (ii) the amount of all coupons redeemed at the restaurant (but only if the coupons have been previously approved by the Company as provided in this Agreement and only if such coupons have been included in Gross Sales), and (iii) charges for delivery. The Royalty Fee shall be paid in the manner provided in Section 7.L of this Agreement. The Royalty Fee is not refundable under any circumstances.

3. Grant of Franchise.

A. Subject to the terms and conditions of this Agreement, the Company hereby grants to the Franchisee a non-exclusive license to use the Marks and the System for the operation of the Franchised Business from the Franchised Location.

B. Franchisee shall at all times faithfully, honestly and diligently perform Franchisee's obligations under this Agreement, continuously exert Franchisee's best efforts to promote and enhance the Franchised Business and not engage in any other business or activity that conflicts with Franchisee's obligations to operate the Franchised Business in compliance with this Agreement. Franchisee shall focus Franchisee's marketing efforts on promoting the Marks and System within the Protected Area, as hereinafter defined.

C. The Franchisee shall also have the right to sell food products and services from temporary (but not permanent) locations in the Protected Area (such as trucks, booths and handcarts) at special events, such as neighborhood festivals, carnivals, charitable events and the like ("**Special Events**") (these sales at Special Events are referred to as "**Off-Premises Sales**"), provided that the Franchisee obtains Company's prior consent to conduct Off-Premises Sales at each such Special Event and makes such sales in compliance with Company's standards and specifications to ensure quality and freshness. Immediately upon learning of a Special Event scheduled to occur in the Protected Area, whether from Company or another source, the Franchisee shall notify Company of the time, place and nature of such Special Event and such other information which Company may require from time to time. Within five (5) days of such notice, the Franchisee must notify Company whether it wishes to conduct Off-Premises Sales at such Special Event. If the Franchisee notifies Company that it wishes to conduct such Off-Premises Sales, and if Company does not notify the Franchisee of its disapproval within ten (10) days of its receipt of such notice, Company shall be deemed to have given the required consent. If the Franchisee fails to notify Company within five (5) days as provided above, or if the Franchisee notifies Company that it does not wish to conduct Off-Premises Sales at such Special Event, Company shall have the right to do so. If the Special Event is located in the Protected Area of more than one (1) ROSATI'S PIZZA restaurant, then the restaurant with the highest Gross Sales during the prior twelve (12) months shall have a higher priority to conduct Off-Premises Sales at the Special Event.

D. Franchisee is not granted the right to operate any additional ROSATI'S PIZZA restaurants other than the Franchised Business at the location identified in Exhibit A to this Agreement (the "**Franchised Location**"). Franchisee shall not sell products or services through the Internet or otherwise

in e-commerce, by mail order or catalog, or through any other channel of distribution not specifically identified in this Agreement.

4. Protected Area; Company's Reservation of Rights.

A. Company will not, so long as this Agreement is in full force and effect and Franchisee is not in default under any of the terms hereof, and subject to the provisions of Section 4.B and 4.C. herein, grant a franchise for a ROSATI'S PIZZA restaurant to be located within the protected territory and will not operate itself or through an affiliate any other ROSATI'S PIZZA restaurant within the protected area described in Exhibit A attached hereto ("**Protected Area**").

The grant of a Protected Territory in this Section 4.A does not prohibit Company, any affiliate or another franchisee of Company from either (1) marketing and promoting their own ROSATI'S PIZZA restaurant within Franchisee's Protected Area or (2) delivering food to customers located in Franchisee's Protected Area. Franchisee hereby acknowledges that there are no protections granted to Franchisee herein from marketing or promotion of other ROSATI'S PIZZA restaurants or delivery of food within Franchisee's Protected Area:

Company may establish and operate, and allow others to establish and operate ROSATI'S PIZZA restaurants at any location outside of the Protected Area on such terms and conditions the Company deems appropriate. Company and its affiliates have the right to, within and outside the Protected Area: (1) establish and operate, and allow others to establish and operate, any business under different trademarks; (2) conduct any business using the Marks or System on the Internet or distribute products and services by any other alternate channel of distribution, including but not limited to mobile food trucks; (3) to offer and sell at wholesale, retail, or through any other distribution system, products and services which comprise, may in the future comprise or which do not comprise, a part of the System, including, but not limited to, the proprietary or branded products, which products may be resold at retail or through any other distribution channel under the Marks or other trademarks or service marks, including but not limited to, food stores and other retail facilities, the Internet, and as menu items in other restaurants or food service units; (4) purchase, merge, acquire, be acquired or affiliate with one or more existing franchise networks, chains or any other business, including Competitive Businesses (defined below), regardless of the location of such chains' or businesses' facilities, and to operate, franchise or license those businesses under the Marks or any other marks following the purchase, merger, acquisition or affiliation, regardless of the location of those businesses (or the franchisees or licensees of those businesses); and (5) engage in any other activities that are not expressly prohibited by this Agreement.

B. Notwithstanding the above provisions, enclosed malls, institutions (such as hospitals), highway toll plazas, airports, parks (including theme parks), sports arenas, convention centers and other facilities or venues where events are scheduled ("**Limited Use Facility**") shall be excluded from Franchisee's Protected Area. The Company retains the right to open a ROSATI'S PIZZA restaurant at any Limited Use Facility wherever located, in order to service the facility or venue, or grant licenses for others to do so. In the event the Company decides to open a ROSATI'S PIZZA restaurant at any Limited Use Facility, or grant a license for others to do so, the delivery and service area of Franchisee's Franchised Business shall be automatically adjusted to exclude such Limited Use Facility.

C. From and after the first anniversary of Franchisee's opening of the Franchised Business, in order for Franchisee to retain exclusive rights to the Protected Area as set forth in Section 4.A, Franchisee must maintain average monthly Gross Sales over each consecutive three (3) calendar month period of the term of the Franchise Agreement (each, a "**Measurement Period**") of at least \$25,000

("Minimum Monthly Gross Sales"). If Franchisee does not meet or exceed the Minimum Monthly Gross Sales for any Measurement Period, and thereafter fails to increase the Gross Sales to the Minimum Monthly Gross Sales for the Measurement Period following Company's notice to Franchisee of such failure, Company may terminate this Agreement and/or may terminate all of Franchisee's rights to the Protected Area.

D. Nothing in this Agreement grants to Franchisee the right to (1) conduct any of the activities reserved to Company herein or (2) share in any revenue generated by any of the Company's permitted activities.

5. Company Obligations; Training and Assistance.

A. Initial Training. Company shall provide to Franchisee an initial training program for the operation of the Franchised Business using the System at a location designated by Company. The Franchisee and Franchisee's managers, presently and in the future, must attend and pass the training program before operating Franchisee's Franchised Business. The Franchisee shall pay all transportation, lodging and other expenses incurred by the Franchisee and the Franchisee's manager, if any, in attending the initial training program. If the Company determines, in its sole discretion, that Franchisee does not pass the training program, the Company may require that Franchisee attend additional training for a fee and/or Company shall have the right to terminate this Agreement, effective upon delivery of written notice thereof to Franchisee. Company encourages Franchisee to begin training before incurring any costs or expenses related to the planned opening of the Franchised Business. Company will not be liable to return any Franchise Fee or pay any costs or expenses Franchisee incurs if Company terminates this Agreement because Franchisee does not pass the training program. Franchisee must satisfactorily complete the initial training at least thirty (30) days prior to the opening of the Franchised Business.

B. On-Site Assistance. Company shall provide a representative at the Franchise Location at times designated by Company around the time of the opening of the Franchised Business to provide pre-opening and opening supervision and assistance.

C. Ongoing Training. The Company may periodically require Franchisee, its managers, and other personnel to attend various training courses, ongoing education or certification programs, and/or webinars at the times and locations designated by Company, including courses and programs provided by third-parties the Company designates. In addition to such training courses, programs and events, Franchisee shall participate, if Company requires, in up to five (5) days per calendar year of refresher training in the operations and marketing of the Franchised Business. Company may charge Franchisee a fee for any such training. The refresher training shall be at a location which the Company selects and may or may not take place at an annual convention of franchisees. The Franchisee shall pay all transportation, lodging and other expenses incurred by the Franchisee in attending the refresher training.

D. Convention. Franchisee shall attend, if Company requires, a national business meeting or convention of franchisees for up to three (3) days once per calendar year. Company may charge Franchisee a fee for attending the meeting or convention. The convention shall be at a location which the Company selects. The Franchisee shall pay all transportation, lodging and other expenses incurred by the Franchisee in attending the convention. This provision shall not obligate Company to hold a national business meeting or convention.

E. Advisory Services. Throughout the term of this Agreement Company shall provide to Franchisee continuing advisory service concerning the operation of the Franchised Business as

Company in its discretion determines is reasonably necessary. This advisory service will, in Company's discretion, be furnished in the form of electronic communications, telephone consultations and/or personal consultation at Company's principal office, the Franchised Business, or other location designated by Company, including virtually, at Company's election.

F. Additional Assistance. Company may require that Franchisee or Franchisee's managers attend additional training if Company determines that the Franchised Business is not being operated in compliance with this Agreement, the mandatory provisions of the Franchise Operations Manual and/or System Standards. In each case, Franchisee will pay Company's then-current training fee, plus Company's expenses, for any additional training requested by it or required by Company.

6. Development and Opening of the Franchised Business. Franchisee obligations include:

A. Site Selection Assistance and Approval. If Franchisee has not located and the Company has not approved the Franchised Location as of the date of this Agreement, Franchisee agrees that, within one hundred twenty (120) days after the date of this Agreement, Franchisee must have obtained Company's approval of the Franchised Location and obtained lawful possession of it through a lease. Company shall furnish to Franchisee its then current site selection guidelines and criteria, and such site selection counseling and assistance, including on-site evaluation, as Company may deem reasonably necessary in its sole discretion. Franchisee is entirely responsible, at its expense, for doing everything necessary to develop and open the Franchised Business in accordance with this Agreement, including, subject to Franchisor's prior written acceptance, locating, selecting, and securing possession of the premises at the Franchised Location. The Company's acceptance or approval of any Franchised Location is not a warranty of any kind, express or implied, as to the success or profitability of the Franchised Business. The Company does not guaranty the sales, profits or success of the Franchised Business.

B. Commence Operation Within 365 Days. Franchisee shall complete the requirements set forth in Section 6.E of this Agreement and commence operating a ROSATI'S PIZZA restaurant within three hundred sixty-five (365) days of the date of this Agreement. If Franchisee has either (i) not provided Company with a copy of the fully executed lease for Franchisee's restaurant location within one hundred twenty (120) days of the date of this Agreement or (ii) not commenced operating a ROSATI'S PIZZA restaurant within three hundred sixty-five (365) days after the date of this Agreement, Company has the right to terminate this Agreement upon delivery of written notice to Franchisee.

C. Lease the Premises. Franchisee is solely responsible for purchasing or leasing a suitable site for the Franchised Business. If Franchisee is leasing the location, Franchisee must submit the lease for the Franchised Business (the "**Lease**") to the Company for its written consent before Franchisee executes the Lease. Franchisee agrees that the Lease shall incorporate and include the Addendum to Franchisee's Lease which is attached to this Agreement as Exhibit D. The Franchisee shall not execute or agree to any modification of the Lease without the prior approval of the Company. The Franchisee agrees that any new, amended, restated, extended or renewed Lease for the restaurant will include the above terms and conditions required to be included in a Lease for a restaurant, as specified in this Agreement. Company's approval of the location and the Lease does not constitute a guaranty or a representation of the likelihood of success of the location or the viability of the Lease terms.

D. Relocation. If the Franchisee wants to relocate the restaurant, the Franchisee must notify Company in writing at least one hundred eight (180) days prior to the relocation. Company reserves the right to refuse to approve a proposed relocation in its sole discretion. Company's judgment may be based on factors such as the proximity to existing or proposed locations for restaurants owned by other

franchisees or Company, the suitability of the proposed facilities, compliance with Company's then-current franchise location requirements, the competitiveness within the marketplace or other factors.

E. Construct and Equip the Restaurant. Franchisee shall promptly after obtaining possession of the site for the Franchised Business: (i) cause to be prepared and submit for approval by Company a site survey and any modifications to Company's basic plans and specifications (not for construction) for a ROSATI'S PIZZA restaurant (including requirements for dimensions, exterior design, materials, interior design and layout, equipment, fixtures, furniture, signs and decorating) required for the development of a ROSATI'S PIZZA restaurant at the site leased or purchased therefore, provided that Franchisee may modify Company's basic plans and specifications only to the extent required to comply with all applicable ordinances, building codes and permit requirements and with prior notification to and approval by Company (such approval shall not be construed as a guarantee or representation concerning the likelihood of success of such location); (ii) obtain all required zoning changes, building, utility, health, sanitation and sign permits and licenses and any other required permits and licenses; (iii) purchase or lease equipment, Off-Premises Sales vehicles, fixtures, furniture and signs in full and strict compliance with Company's purchasing standards and specifications; (iv) purchase and install each component of the Computer System pursuant to Section 7.Q of this Agreement; (v) complete the construction and/or remodeling, equipment, furniture and sign installation and decorating of the Franchised Business in full and strict compliance with plans and specifications theretofore approved by Company and all applicable ordinances, building codes and permit requirements; (vi) obtain all customary contractors' sworn statements and partial and final lien waivers for construction, remodeling, decorating and installation services; (vii) purchase in accordance with the Company's specifications and requirements, an opening inventory of food and beverages and the other products and supplies required for the Franchised Business; (viii) establish filing, accounting and inventory control systems conforming to the requirements presented by the Company; and (ix) otherwise complete development of and have the Franchised Business ready to open and commence the conduct of its business in accordance with the terms of this Agreement. Nothing in this Section shall create any responsibility or liability on the part of the Company for delays in obtaining permits, work of independent contractors, delays or losses in the construction phase, or loss sustained because of building design or construction. The Franchisee agrees it will not open the Franchised Business for business until it is in full compliance with this Section 6.E and until it has obtained Company's prior written approval.

F. Lease Renewal. Prior to renewal of the Lease, Company must review and approve the lease renewal. Company's approval of the lease renewal shall be conditioned upon the inclusion of terms in the lease acceptable to Company, including but not limited to those provisions required to be included in a lease for a location as specified in this Agreement. Company's approval of the lease renewal does not constitute a guaranty or a representation of the likelihood of success of the location or of the viability of the lease terms. Franchisee is encouraged to employ the services of a real estate attorney for legal advice regarding the terms of the lease. As a condition to approving the lease renewal, Franchisee may be required to remodel, modernize, and redecorate the premises of the Franchised Business so that the Franchised Business reflects the then-current image intended to be portrayed by ROSATI'S PIZZA restaurants. Upon receiving a request for a lease renewal, Company shall furnish Franchisee with a written notice of any deficiencies which require correction and a schedule for corrections by Franchisee relating to the image, appearance, decoration, furnishings, equipment and stocking of the Franchised Business and a schedule for effecting upgrading or modifications in order to bring the Franchised Business in compliance with ROSATI'S PIZZA's then-current standards. The fee for Company's services in connection with the lease renewal and the process for evaluating the necessary upgrades is based upon the costs incurred by the Company, but currently does not exceed Two Thousand Five Hundred Dollars (\$2,500), and is due and payable to Company upon the execution of the lease renewal by the landlord for the Franchised Business premises. Company reserves the right to increase this fee during the term of the Agreement.

G. Remodel the Premises. Franchisee shall be required to periodically make reasonable capital expenditures to re-equip, remodel, modernize and redecorate the premises of the Franchised Business so that the Franchised Business will reflect the then-current image intended to be portrayed by ROSATI'S PIZZA restaurants. All remodeling, modernization, or redecoration of the premises of the Franchised Business and all re-equipping and replacing of vehicles, equipment, signs or other assets of the Franchised Business must be done in accordance with the standards and specifications as prescribed by Company from time to time and with the prior written approval of Company. All replacements must conform to Company's then-current quality standards and specifications and must be approved by Company in writing.

7. Franchisee Obligations.

A. Conduct the Franchised Business According to System Standards. Franchisee shall conduct the Franchised Business offering only such services and products as Company authorizes from time to time. During the development and operation of the Franchised Business, Franchisee agrees to follow Company's mandatory specifications, standards, methods, operating procedures and rules (the "**System Standards**") contained in the Franchise Operations Manual. Franchisee agrees to develop and operate the Franchised Business in accordance with each and every System Standard, as periodically modified or supplemented by the Company. System Standards may govern all aspects of the development and operation of the Franchised Business, including without limitation, the following: (1) performance, quality and other relevant characteristics of the services and products offered by the Franchised Business; (2) use of the Marks and protection of Confidential Information; (3) types of authorized equipment, Off-Premises Sales vehicles, supplies and products; (4) designated and approved suppliers including, without limitation, Company or Company's designated supplier for the purchase of Company's proprietary food products and certain services; (5) minimum daily and specific hours of operation; (6) participation in market research and testing and product and service development programs prescribed by Company; (7) qualifications, training, and appearance of the Franchised Business' employees; (8) use and retention of standard forms; (9) participation in loyalty, gift card, and similar customer programs; (10) use of computer and web-based software and applications; (11) adoption of technological developments or advances; (12) third-party delivery and catering operating procedures and platforms; and (13) the addition or deletion of new products and/or services. All products shall be sold only in the weights, sizes, forms and packaging approved by the Company. Franchisee shall bear all costs and expenses pertaining to the development, operation, and maintenance of the Franchised Business and Franchisee's compliance with the System Standards as periodically modified or supplemented by Company.

B. Operating and Maintaining the Franchised Business. All costs and expenses pertaining to operating and maintaining the Franchised Business shall be borne solely by the Franchisee. If the Franchisee proposes to purchase, lease, or otherwise use any architect, equipment, Off-Premises Sales vehicles, inventory, decor, supply, apparel or sign which is not then approved by the Company or from a supplier not then approved by the Company, the Franchisee shall first notify the Company in writing and shall submit to the Company sufficient specifications, photographs, drawings, samples, and information, along with the Company's then-current daily fee for each person which the Company provides for this determination plus reasonable expenses, for a determination by the Company of whether such architect, equipment, Off-Premises Sales vehicles, inventory, decor, supply, apparel or sign or proposed supplier complies with its specifications and standards relating to among other factors quality, price, consistency, reliability, financial capability, and customer relations, which determination shall be made and communicated in writing to the Franchisee within a reasonable time. Franchisee acknowledges, agrees and accepts that Company and its affiliates may be making a profit on Franchisee's purchases when Franchisee purchases any goods or services from the Company or its affiliates or a designated supplier or an approved

supplier. The Franchisee shall maintain the Franchised Business, equipment, Off-Premises Sales vehicles, and furnishings in good repair, attractive appearance, and sound operating condition in accordance with the System Standards. The Franchisee, at Franchisee's expense, shall make the repairs, re-equipping, and remodeling requested by Company. The Franchisee shall make no material replacements of or alterations to the Off-Premises Sales vehicles, equipment, signs or other assets of the Franchised Business without prior written approval by the Company.

C. Operate in Compliance with Law and Good Practices. Franchisee shall operate the Franchised Business in compliance with applicable laws and governmental regulations, including without limitation, laws and government regulations, relating to labor and employment, occupational hazards, health, worker's compensation and unemployment insurance, and the withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. The Franchisee will obtain at Franchisee's expense, and keep in force, any permits, licenses or other consents required for the leasing, construction or operation of his business. Franchisee agrees that in all dealings with Company, Franchisee's customers and suppliers, and with public officials, Franchisee will adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee further agrees to refrain from any business or advertising practice which may be harmful to Company, the goodwill associated with the Marks, and/or other ROSATI'S PIZZA restaurants. Franchisee must notify Company in writing within five (5) days of (i) the commencement of any action, suit, or proceeding relating to the Franchised Business, or any audit, investigation, or similar proceeding with respect to pending or threatened actions, suits or proceedings relating to the Franchised Business, (ii) the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental unit relating to the Franchised Business, or (iii) or of any notice that Franchisee or the Franchised Business may have violated any law, ordinance, or regulation relating to the Franchised Business.

D. Operate in Compliance with the Manual. During the Term, the Company will provide Franchisee with access to its operations manual for the operation of ROSATI'S PIZZA restaurants (the "**Franchise Operations Manual**"), which may include one or more separate manuals as well as electronic files and software, information available on an internet site, and other media, bulletins and/or other written materials. The Franchise Operations Manual contains the System Standards that the Company periodically prescribes, and other information on suggested and recommended procedures, and Franchisee's other obligations under this Agreement. Franchisee shall operate the Franchised Business in accordance with the mandatory provisions of the Franchise Operations Manual, which the Company may amend from time to time to reflect changes in the System Standards, including in the form of newsletters, notices, and other communication. The Franchisee agrees to conform to such amendments, even though Franchisee may not agree with or benefit from the change, and to make all reasonable expenditures necessitated by the amendments, within the time periods reasonably established by the Company. The Franchisee shall refrain from conducting any business or selling any services or products other than those approved by the Company. The Franchisee shall use Franchisee's best efforts to promote and enhance the Franchised Business for the full term of this Agreement. Franchisee agrees that the Franchise Operations Manual's contents are confidential and that Franchisee will not disclose the Franchise Operations Manual to any person other than its employees who need to know its contents. Franchisee may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual.

E. Management of the Franchised Business. The Franchised Business shall at all times be under the direct on-premises supervision of Franchisee or Franchisee's manager who meets the Company's minimum qualifications the Company specifies periodically, including completing training regarding management of a ROSATI'S PIZZA restaurant. If any manager ceases to act as the Franchisee's manager, Franchisee must manage the Franchised Business until such time as a replacement manager has

satisfactorily completed the initial training program and meets the Company's then-current minimum qualifications. Franchisee agrees that Company may direct communications to such manager designated by Company concerning the operation of the Franchised Business. Company may establish minimum qualifications for any such person, agent, or company in Company's discretion, which may include the completion of training, confirmation that they will have no competitive businesses activities, and/or execution of a non-disclosure agreement or other covenants Company requires.

F. Staffing. Franchisee agrees to staff the Franchised Business with the number of managers, assistant managers and employees sufficient to operate the Franchised Business in compliance with this Agreement. Franchisee shall be exclusively responsible for all employment decisions and functions related to the operation of the Franchised Business, including hiring, retaining, disciplining, and firing all employees of the Franchised Business; employees' wages, benefits, vacations, scheduling, performance evaluations, promotions, demotions, work assignments, time off and other terms of employment and compensation; and proper training of the employees in the operation of a ROSATI'S PIZZA restaurant that meets Company's standards. Franchisee agrees to require all employees to maintain a neat and clean appearance, and to wear uniforms as Company requires for promotion of the Marks. Franchisee and Company acknowledge that the employees are employees of Franchisee and not employees of Company, and should not be held out to third parties to be Company's employees. Franchisee shall notify and communicate clearly with its employees in all dealings, including without limitation, Franchisee's employment applications, written and electronic correspondence, paychecks, employee handbooks, employment policies and procedures, and other written materials used by Franchisee with its employees that Franchisee (and only Franchisee) is their employer and that Company is not their employer. Franchisee shall have the sole right to control personnel policies and to manage the day-to-day operations of the Franchised Business.

G. Purchase and Maintain Insurance. Franchisee shall purchase and maintain at all times during the term of this Agreement at Franchisee's sole expense such insurance coverage as Company may, in its sole discretion, prescribe from time to time, from a supplier approved by Company. Required coverage shall include but not be limited to workers' compensation and other employee insurance as required by law, comprehensive public liability and property damage, vehicle liability, including owned, hired and non-owned vehicle coverage, business interruption, general and umbrella coverages, and any insurance as required by the Lease for the Franchised Business. Franchisee must purchase and maintain dram shop insurance during all times that Franchisee is selling alcohol at the Franchised Business. Such insurance coverage shall be maintained under one (1) or more policies of insurance of the types and containing such terms and conditions and minimum liability protection in such amounts, as are specified from time to time by Company and issued by insurance carriers rated 'AAA' by A.M. Best Company. Company may from time to time increase the minimum amount of coverage required under any policy, and require different or additional kinds of insurance to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies required hereunder shall name Company (and its officers, directors, shareholders, members and employees) as additional named insureds using a form of endorsement Company has approved, shall contain a waiver by the insurance carrier of all subrogation rights against Company and shall provide that Company will receive thirty (30) days advance written notice of termination, expiration or cancellation or modification of any such policy. Prior to Franchisee's commencement of operations, and each year thereafter prior to the expiration date of each annual policy, Franchisee shall furnish to Company a copy of the certificate, or other evidence of the insurance, renewal, or extension of each such insurance policy, together with evidence of payment of premiums, evidencing the required limits. If Franchisee does not maintain such insurance as required, the Company may, at its option and in addition to its other rights and remedies hereunder, but shall not be obligated to, obtain such insurance and keep the same in full force

and effect on Franchisee's behalf, and Franchisee shall reimburse the Company for all premiums and other expenses incurred by the Company in connection with obtaining such insurance. In addition, the Franchisee shall indemnify and save the Company harmless (with counsel acceptable to the Company) from any liability or claim of any type that arises in connection with the operation of Franchisee's business.

H. Refrain from Owning Conflicting or Competing Interests. Franchisee acknowledges that the Company has entered into this Agreement in consideration of and reliance upon Franchisee's agreement to deal exclusively with the Company. Therefore, during the term of this Agreement, Franchisee and its owners each agree, during the term of this Agreement, not to (and to use each of their best efforts to cause each of their current and former affiliates, owners, officers, directors, representatives, family members, spouses, successors and assigns not to):

1. have any direct or indirect controlling or non-controlling interest as an owner—whether of record, beneficially, or otherwise—in a Competitive Business (as defined in Section 14.C(1)), wherever located or operating (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph;
2. perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;
3. divert or attempt to divert any actual or potential business or member of the Franchised Business to a Competitive Business; or
4. engage in any other activity which might injure the goodwill of the Marks and Franchise System.

Franchisee shall operate the Franchised Business in a manner which maximizes Franchisee's Gross Sales consistent with sound marketing and business practices, and Franchisee shall not engage in any business practice which diverts or reduces Franchisee's Gross Sales.

I. Non-Disparagement. Franchisee and its owners agree, during and after the term of this Agreement, not to (and to use each of their best efforts to cause each of their current and former affiliates, owners, officers, directors, representatives, family members, spouses, successors and assigns not to): (i) disparage or otherwise speak or write negatively, directly or indirectly, of the Company, its affiliates, any of the Company's or its affiliates' directors, officers, employees, representatives or affiliates, the System, any ROSATI'S PIZZA restaurant, or any business using the Marks, or (ii) take any other action which would, directly or indirectly, subject any of the foregoing to ridicule, scandal, reproach, scorn, or indignity, which would negatively impact the goodwill of the Company or the Marks, or which would constitute an act of moral turpitude.

J. Customer Payment Methods. Franchisee shall make arrangements for and accept payments systems which Company designates from time to time, as part of the operation of the Franchised Business, including but not limited to credit card payments through Visa, MasterCard, and other credit card and debit card issuers and sponsors, check verification services, electronic funds transfer systems, mobile payment systems, and system-wide gift card programs.

K. Information Security. Franchisee must implement all administrative, physical and technical safeguards necessary to protect any information that can be used to identify an individual,

including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, biometric or health data, government-issued identification numbers and credit-report information (“**Personal Information**”) in accordance with applicable law and industry best practices. It is entirely Franchisee’s responsibility (even if the Company provides Franchisee any assistance or guidance in that regard) to confirm that the safeguards Franchisee uses to protect Personal Information comply with all applicable laws and industry best practices related to the collection, access, use, storage, disposal and disclosure of Personal Information. If Franchisee becomes aware of a suspected or actual breach of security or unauthorized access involving Personal Information, Franchisee will notify the Company immediately and specify the extent to which Personal Information was compromised or disclosed. Franchisee also agrees to follow the Company’s instructions regarding curative actions and public statements relating to the breach.

Franchisee agrees to comply with the Company’s privacy policy, as it may be modified from time to time, including by returning or deleting Personal Information upon request, whether requested by the Company or directly by the consumer, as required by applicable data sharing and privacy laws.

L. Time and Manner of Payment of All Amounts Due.

1. Franchisee shall make prompt payment of all amounts due to the Company and its affiliates and to suppliers, vendors, lessors, utility companies and any landlord of the Franchised Business. Royalty Fees, Advertising Fund contributions, and any other amounts Franchisee owes to the Company or its affiliates shall bear interest, compounded from the date due until fully paid, at the rate of two percent (2%) per month; provided however, that in the event such rate exceeds the maximum rate allowable by applicable law, such amounts will bear interest at such maximum rate. Franchisee shall also pay the Company and its affiliates a late fee of One Hundred Dollars (\$100) for every notification or demand for payment, or for non-sufficient funds notices, or for violation of this Agreement, or for failure to timely provide required reports and financial statements. Franchisee acknowledges that the interest and late fee do not constitute the Company’s agreement to accept payments or reports after they are due. Time is of the essence of this Agreement.

2. All Royalty Fees, Advertising Fund contributions, interest, late fees, and any other amounts which Franchisee owes to the Company or its affiliates shall be paid by or through an electronic transfer of funds as further described in the Franchise Operations Manual or in any other manner prescribed by the Company. Franchisee shall execute and deliver to Company the Electronic Funds Transfer Authorization form attached to this Agreement as Exhibit E or any other documents necessary to authorize Company to make electronic transfers from Franchisee’s bank account prior to opening the Franchised Business and upon any change in Franchisee’s bank account. Payments for all amounts shall be in accordance with the procedures set forth in the Franchise Operations Manual. The Company shall have sole discretion to apply any payments made by Franchisee to any of Franchisee’s amounts due to the Company or its affiliates, including, without limitation, any amounts Franchisee may owe as Advertising Fund contributions or other advertising fees. Franchisee’s failure to have sufficient funds in its bank account at the time any transfer is to be made by Company is a material breach of this Agreement. If Franchisee fails to submit a report of the Gross Sales of the Franchised Business for the most recent reporting period before the date for the transfer or debit from Franchisee’s account of Royalties and Advertising Fund contributions due, Company shall have the right to estimate the Gross Sales for the period based on information available to Company and to then transfer or debit an amount based on such estimated Gross Sales. If the Company later determines that the amount of the Royalty and Advertising Fund contribution transferred or debited is less than the amount that was actually due based on actual Gross Sales, Company shall have the right to transfer or debit the balance. If the Company later determines from reports

of Gross Sales submitted by Franchisee that the amount transferred or debited from Franchisee's account is greater than the Royalties and Advertising Fund contributions actually owed, Company will credit the excess against the next transfer or debit for Royalties and Advertising Fund contributions due.

3. Despite any designation Franchisee makes, the Company may apply any of Franchisee's payments to any of its past due indebtedness to the Company. The Company may set off any amounts Franchisee or its owners owe the Company or its affiliates against any amounts the Company or its affiliates owe Franchisee or its owners. Franchisee agrees that Franchisee may not, for any reason whatsoever, including without limitation on grounds of the alleged nonperformance by the Company or its affiliates of any obligations hereunder, set off against or withhold payment of any Royalty Fee, Advertising Fund contribution, or any other amounts due to the Company or its affiliates.

M. Advisory Council. The company may establish regional organizations to facilitate communication between the Company and franchisees operating under the Marks and the System (the "**Councils**"). If the Company establishes a Council for the geographic area in which Franchisee's Franchised Business operates, Franchisee shall participate actively in such Council and its programs approved by Company. Such Council may be formed by Company, in its sole discretion, at any time that more than one (1) franchisee conducts a Franchised Business in any given region, the boundaries of which will be determined by Company in its sole discretion. Franchisee shall pay all assessments levied by the Council, and Company has the right to enforce this obligation. Amounts and expenditures may vary from time to time due to variations in Council participation and costs as determined by a particular Council and as approved by Company. The Company may terminate or reinstate any Council at any time in its sole discretion.

N. Approved Products, Distributors and Suppliers. The reputation and goodwill of ROSATI'S PIZZA restaurants is based upon, and can be maintained only by, the sale of distinctive, high quality food products and beverages and the presentation, packaging, service and delivery of such products in an efficient and appealing manner. Company has developed various food products, ingredients, spices, seasonings, coatings, beverages and product mixes which will be prepared by or for Company according to Company's secret recipes and formulas. Company has developed standards and specifications for other food products, ingredients, spices, seasonings, coatings, mixes, beverages, materials and supplies incorporated in or used in the preparation, cooking, serving, packaging and delivery of prepared food products authorized for sale at ROSATI'S PIZZA restaurants. Company has and will periodically designate and/or approve suppliers and distributors of the foregoing products that meet its standards and requirements, including, without limitation, standards and requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations and customer relations. Franchisee agrees that the Franchised Business will: (1) purchase Company's product mixes and other products developed by Company pursuant to a secret recipe or formula, only from Company or a third party licensed by Company to prepare and sell such products; and (2) purchase from distributors and other suppliers approved by Company all other goods, food products, ingredients, spices, seasonings, mixes, beverages, materials and supplies used in the preparation of the food products, and equipment, menus, forms, paper and plastic products, packaging or other materials that meet Company's standards and specifications for the same.

Company may from time to time modify the list of designated and approved suppliers and/or list of approved brands and other purchasing standards and specifications, and Franchisee shall not, after ten (10) days from receipt in writing of such modification, purchase from a supplier which is no longer designated or approved or purchase any brand of item no longer approved or any item following specifications that have been modified. Company may approve a single distributor or other supplier for any product and may approve a distributor or other supplier only as to certain products. Company may

concentrate purchases with one (1) or more distributors or suppliers to obtain lower prices and/or the best advertising support and/or services for any group of ROSATI'S PIZZA restaurants franchised or operated by Company. Approval of a distributor or other supplier may be conditioned on requirements relating to the frequency of delivery, standards of service, including prompt attention to complaints, or other criteria, and concentration of purchases, as set forth above, and may be temporary pending a further evaluation of such distributor or other supplier by Company.

Franchisee shall notify Company and submit to Company such information, specifications, and samples as Company requests if Franchisee proposes to purchase any food products, ingredients, spices, seasonings, coatings, mixes, beverages, menus, equipment, forms, paper or plastic products, packaging or other materials, or utensils or services from a distributor or other supplier who has not been previously approved by Company. Company reserves the right to make an on-site inspection of a proposed distributor or supplier's facility. Company shall notify Franchisee within a reasonable time of receipt of all information required to make a determination whether such distributor or supplier is approved or whether such brand or product is approved for use by the Franchised Business. In the event Franchisee has not received a response to request for supplier or product approval from Company within thirty (30) days of submission of such request, the supplier and/or product shall be deemed disapproved. Franchisee (or the proposed supplier) shall pay Company a per diem fee and reasonable expenses incurred by Company in making such determination.

O. Delivery and Catering Services. Franchisee agrees that the Franchised Business shall offer delivery and catering services in compliance with Company's System Standards. Company shall have the right to prescribe from time to time the boundaries beyond which the Franchised Business may not offer delivery service and the standards and specifications for delivery in order to preserve the quality and freshness of food products when delivered.

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

Q. Technology Requirements.

1. The Company may require the Franchisee to obtain, use and maintain a point-of-sale system, computer system, web-based platform, or other technology systems ("**Computer System**"), including a customer order processing and inventory control system and/or cash register and credit/debit card system, as specified by Company in the Franchise Operations Manual or otherwise in writing. Franchisee is responsible for becoming proficient in the use of each component of the Computer System. Company shall have the right to access, for any purpose or use related to Company's operation, management and/or monitoring of the System, any information or reports generated or stored by the

Computer System. Company shall have the right to require Franchisee to replace any of the components of the Computer System if Company deems the component to be (a) undersized or otherwise insufficient for the efficient operation and management of the Franchised Business, or (b) incompatible with Company's computer system or the System Standards. Throughout the term of this Agreement, Franchisee shall be responsible for maintaining and upgrading as necessary all computer hardware and software required to be used in the operation of the Franchised Business and shall be solely responsible for any and all consequences of not doing so.

2. The Company may require the Franchisee to purchase certain services, software and web-based applications for online ordering, gift card programs, loyalty rewards programs, and similar system-wide programs from suppliers designated by the Company.

3. If Company develops and custom designs a software program and hardware system for conducting accounting, inventory or point-of-sale functions and/or other activities related to the Franchised Business (hereinafter "**Software Program**"), Franchisee agrees to implement the Software Program into the Franchised Business, and to comply with all specifications and standards prescribed by Company regarding the Software Program. At such time as Company requires the implementation of such Software Program, Franchisee shall only utilize the Software Program as prescribed by Company. At such time as Company requires the implementation of such Software Program, Franchisee shall be required to purchase, lease or license the designated Software Program, to purchase or lease specified computer hardware compatible with Company's Software Program requirements and contract for on-going service, maintenance and support for such hardware and Software Program at terms designated by Company or its suppliers.

4. Throughout the term of this Agreement, Franchisee must maintain an active e-mail account and use the e-mail address provided by Company for promoting and operating the business and for communicating with the Company. Franchisee must have and maintain high-speed access to the Internet for promoting and operating the business and for communicating with and receiving information from the Company in the manner Company designates, including but not limited to system-wide area computer networks, intranet system or extranet system. Franchisee shall use any system-wide computer network or intranet or extranet system in compliance with the Franchise Operations Manual.

8. Accounting Systems and Reporting; Inspections.

A. Accounting and Record Keeping. Franchisee shall use the bookkeeping, accounting, and record keeping system prescribed by the Company and submit to the Company such periodic reports, forms, and records as specified, and in the manner and at the time specified, in the Franchise Operations Manual. To ensure uniform financial statements are submitted by Franchisee, Company reserves the right to require Franchisee to use a standard Chart of Accounts for tracking income and expense items for the Franchised Business and the right to require Franchisee to have a fiscal year-end of December 31. For a period of five (5) years from their date of preparation, the Franchisee will keep on file at the Franchisee's principal office and make available to the Company all such records, including, without limitation, the following: receipts, invoices, payroll records, check stubs, bank deposit receipts, sales tax records and returns, business and personal tax returns, and such journals and transactions which properly summarize the transactions of the Franchised Business. The Franchisee hereby grants permission to the Company to examine all records of any supplier pertaining to Franchisee's purchases.

B. Reporting. The Franchisee shall furnish to the Company the following reports among others: (i) by the third (3rd) day after the end of the business week (currently Sunday), a report of

the Gross Sales of the Franchised Business for the preceding week; (ii) by the third (3rd) day after the end of the business week, a written report of the Gross Sales of the Franchised Business for the preceding week; (iii) by the fifteenth (15th) day after each calendar month, a profit and loss statement for the preceding calendar month and a year-to-date profit and loss statement and balance sheet; (iv) within seventy-five (75) days after the end of each calendar year, a calendar year-end balance sheet and an annual profit and loss statement for the calendar year reflecting all year-end adjustments; (v) within thirty (30) days of filing due dates, all state and local sales tax returns and all federal, state and local income tax returns; and (vi) such other reports as Company may require from time to time. The Franchisee must verify and sign all reports submitted to the Company. Franchisee shall submit all reports in the manner prescribed by Company from time to time. If the Franchisee fails to report Franchisee's weekly Gross Sales on a timely basis, the Company may estimate Franchisee's Gross Sales; the Company may then withdraw any unpaid Royalty Fee, advertising contribution or other amount due by use of the electronic funds transfer system. The Franchisee authorizes the Company to utilize the data supplied by Franchisee in such manner and for such purposes as the Company may desire, including but not limited to, operations reports, advertising reports, other business reports and in any publication, disclosure statement, franchise disclosure document, or advertisement related to the sale of franchised businesses or related entities by Company, anywhere, at any time, without specific compensation therefore. Such data will not include any records or information relating to Franchisee's employees, as Franchisee exclusively controls its employment matters and practices.

C. Company's Right to Audit. The Franchisee shall allow the Company's representatives to enter, without prior notice, Franchisee's business premises during business hours to inspect and audit Franchisee's business operations, records, and reports. For purposes of this inspection and audit, records and reports exclude Franchisee's employment records for its employees. In the event any such inspection or audit shall disclose an understatement of the Gross Sales of the Franchised Business for any period, the Franchisee shall pay to the Company within ten (10) days after receipt of the inspection or the audit report, the royalty fee, the Advertising Fund contribution, and other fees plus interest and late fees due on the amount of the understatement. Further, in the event such audit is made necessary by the failure of the Franchisee to furnish reports, financial statements, tax returns or schedules as herein required, or if an understatement of Gross Sales for any period is determined by any such inspection or audit to be greater than two percent (2%), the Franchisee shall reimburse the Company for the cost of such inspection or audit including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of employees or agents of the Company, and the Company shall have the right to require the Franchisee to furnish, at the Franchisee's sole cost and expense, audited financial statements thereafter. In addition, the Franchisee shall pay for all costs, as specified above, of the inspection and audit if Franchisee's books and records are not produced at the time of the inspection and audit, provided that the Company notified the Franchisee at least five (5) days prior to the scheduled inspection and audit date. The Company shall have the right to review the operation and administration of the Franchised Business by quality control testing, periodic field reviews and such other tests, reviews and inspections and other reasonable actions deemed desirable by the Company.

D. Inspections. The Franchisee acknowledges that to assure Franchisee's compliance with this Agreement, the mandatory provisions of the Franchise Operations Manual, and System Standards, Company shall have the unrestricted right to enter the Franchised Business to examine the operations and facilities including, but not limited to, testing, sampling, inspecting and observing the rendering of the services and products sold by Franchisee in order to ascertain compliance or noncompliance with this Agreement. Franchisee shall be under an affirmative duty to cooperate with Company or its duly authorized representatives in any such inspection by rendering any assistance as may be reasonably requested. Company shall have the right to observe, photograph and video tape the

Franchisee's business's operations for such consecutive or intermittent periods as Company deems necessary. Company shall have the right to interview personnel and customers of the Franchised Business and to implement a mystery shopper program.

In the event the premises and/or the operation of Franchisee's Franchised Location are rated unacceptable by Company or a qualified third party agent designated by Company according to published standards for ROSATI'S PIZZA restaurants based on such inspection, or if Company or its designated agent were for any reason prevented from properly inspecting any or all of the Franchised Business (including because Franchisee or its personnel refuse entry to the Franchised Business), Franchisee shall reimburse Company for any and all costs and expenses connected with the inspection (including, without limitation, reasonable compensation for the third party designated agent). Thereafter, Company may conduct additional inspections every thirty (30) days itself or through a designated third party agent and Franchisee must reimburse Company for any and all costs and expenses connected with any and all inspections that result in an unacceptable rating for Franchisee's restaurant premises or business operations. The foregoing remedies shall be in addition to any other remedies Company may have for Franchisee's failure to comply with the terms of this Agreement.

9. Advertising.

A. Advertising Fund. The Company currently administers a system-wide advertising fund into which all franchisees contribute ("**Advertising Fund**"). Company shall direct all advertising and marketing programs financed by the Advertising Fund, and shall have sole discretion over the creative concepts, advertising and marketing programs, and materials used therein, and the geographic, market and media placement and allocation thereof.

1. Franchisee shall contribute to the Advertising Fund an amount up to five percent (5%) of Franchisee's Gross Sales, as herein defined. Such amount shall be determined by Company from time to time. Company will give the Franchisee at least sixty (60) days' written notice before increasing or decreasing the amount Franchisee is required to contribute to the Advertising Fund. Advertising Fund contributions shall be paid together with and in the same manner as payments made for the Royalty Fee due hereunder.

2. Franchisee agrees that the Advertising Fund may be used to pay the costs of preparing advertising and promotional materials and administering national, regional and local advertising programs and public relations activities as determined by the Company in its sole discretion. These programs and activities may include, without limitation, creating direct mail, advertising and media materials, formulating advertising and marketing programs, developing and maintaining website and internet-based advertising and marketing programs, developing and maintaining other presence on the Internet, including reputation management and system-wide online programs for customer ordering, gift card and loyalty rewards program, intranet development and ongoing operation, toll-free restaurant locator and other customer services, employing advertising agencies to assist therewith, creating sample advertising and promotional materials for ROSATI'S PIZZA restaurants, and participating in any national or regional trade shows that Company, in its sole discretion, deems appropriate.

3. The Advertising Fund shall be accounted for separately from the other funds of the Company and shall not be used to defray the Company's general operating expenses, except for such reasonable salaries of personnel who provide marketing assistance and/or who manage and administer the Advertising Fund, administrative costs and overhead as the Company may incur in activities reasonably related to the administration of the Advertising Fund and its advertising and marketing programs

(including, without limitation, conducting market research, public relations, preparing advertising and marketing materials and collecting and accounting for contributions to the Advertising Fund). The Company shall be authorized to spend in any fiscal year an amount greater or less than the aggregate contribution of all ROSATI'S PIZZA restaurants to the Advertising Fund in that year; and the Advertising Fund may borrow from the Company or other lenders to cover deficits of the Advertising Fund or cause the Advertising Fund to invest any surplus for future use by the Advertising Fund. A report of the receipts and disbursements of the Advertising Fund, which may be audited, shall be prepared annually and shall be made available to Franchisee upon written request. The cost of preparing the report shall be paid by the Advertising Fund.

4. Franchisee understands and acknowledges that the Advertising Fund is intended to maximize general public recognition and patronage of the Marks and ROSATI'S PIZZA restaurants for the benefit of all ROSATI'S PIZZA restaurants and that the Company undertakes no obligation in administering the Advertising Fund to ensure that expenditures which are proportionate or equivalent to Franchisee's contributions are made for the market area of the Franchised Business or that any ROSATI'S PIZZA restaurant benefits directly or pro rata from the conduct of marketing programs or the placement of advertising. Except as expressly provided in this Section, the Company assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Advertising Fund. Company, may, in its sole discretion, rebate some or all of the contributions made to the Advertising Fund to Franchisee and other franchisees for use in local advertising and marketing, subject to Company's prior approval as required in Section 9.C herein.

5. The Company shall also be allowed to cause the Advertising Fund to be incorporated or operated through an entity separate from the Company at such time as the Company deems appropriate; such entity shall have the same rights and duties as the Company does pursuant to this Section. Upon sixty (60) days prior written notice to Franchisee, the Company shall have the right, in its sole discretion, (i) to suspend contributions to and operation of the Advertising Fund for one (1) or more periods that Company determines to be appropriate or (ii) to terminate the Advertising Fund. The Company shall distribute all unspent monies of the Advertising Fund which was terminated to the Company, its affiliates and ROSATI'S PIZZA franchisees in proportion to their respective contributions to the Advertising Fund during the preceding twelve (12) month period. The Company shall have the right to reinstate the Advertising Fund upon the same terms and conditions as set forth in this Agreement, upon sixty (60) days prior written notice to Franchisee.

B. Directory Listings. Franchisee agrees to list and advertise continually the Franchised Business in any advertising medium the Company determines, utilizing the Company's standard forms of listing and advertisements. Franchisee must also list the Franchised Business with online directories and subscriptions the Company periodically prescribes (such as Yelp and Google) and/or establish any other Online Presence the Company requires. Upon termination or expiration of this Agreement, Franchisee shall assign the right to all directory listings to Franchisor in conjunction with the assignment of the telephone numbers of the Franchised Business.

C. Advertising by Franchisee. All of Franchisee's advertising, marketing, promotions and media relations, including but not limited to print, directory advertising, television, radio, the Internet, and use of social media ("**Franchisee Advertising**"), must be factual and conform to the highest standards of ethical advertising, be in compliance with all applicable laws, and consistent with the System Standards and any of the Company's then current policies, standards and specifications. Prior to the use by Franchisee of any Franchisee Advertising not prepared or previously approved by Company, the content, design and images of all Franchisee Advertising shall be submitted to the Company for approval,

which shall not be unreasonably withheld. If written disapproval is not received by Franchisee within fourteen (14) 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, marketing, promotion or public relations materials or content that the Company has disapproved. Company reserves the right to subsequently determine in its sole discretion that any Franchisee Advertising in use is in appropriate or objectionable, and Franchisee shall immediately terminate or remove such advertising upon receipt of written notice from the Company.

D. Websites and Internet Promotion. Franchisee shall not develop, establish, maintain, or authorize any Online Presence that mentions the Franchised Business, links to any of the Company's websites or displays any of the Marks, or engage in any promotional or similar activities, whether directly or indirectly, through any Online Presence, except as set forth in this Agreement or as approved by the Company in writing or in the Franchise Operations Manual. If the Company approves the use of any such Online Presence in the operation of the Franchised Business, Franchisee will develop and maintain such Online Presence only in accordance with the Company's guidelines, including its guidelines for posting any messages or commentary on other third-party websites. The Company will own the rights to each such Online Presence. At the Company's request, Franchisee agrees to grant the Company access to each such Online Presence, and to take whatever action (including signing assignments or other documents) the Company requests to evidence the Company's ownership of such Online Presence, or to help the Company obtain exclusive rights in such Online Presence. Upon the expiration of this Agreement, Franchisee shall cease using and, at the Company's direction, either disable or transfer, assign or otherwise convey to the Company full control of any Online Presence used in connection with the operation of the Franchised Business. Company's website as it may be developed and changed from time to time is the sole property of the Company. Company may provide to Franchisee a page or page linked to the Company's Rosati's Pizza website. The specifications, standards and procedures Franchisee must follow for developing and maintaining a page on the Rosati's Pizza web site shall be set forth in the Franchise Operations Manual or otherwise in writing. All content on Franchisee's page on Rosati's Pizza Website is subject to Company's prior written approval.

10. Marks.

A. Use the Marks Properly. Franchisee shall use the Marks as the sole identification of the Franchised Business, provided that Franchisee shall identify itself or himself as the independent owner thereof in the manner prescribed by the Company. Franchisee shall not use any Marks as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form, nor may Franchisee use any Marks in connection with the sale of any unauthorized service or product; in advertising any prospective transfer that would require Company's consent under Section 15; as part of any website, domain name, email address, social media account, or other online presence or presence on any electronic medium of any kind ("**Online Presence**") except in accordance with the System Standards; or in any other manner not expressly authorized in writing by the Company. Franchisee agrees to display the Marks prominently and in the manner prescribed by the Company on or in connection with signs, posters, displays, service contracts, stationery and other forms Company designates. Further, Franchisee agrees to give such notices of trademark or service mark registrations and copyrights as the Company specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law. All bank accounts, licenses, permits or other similar documents shall contain the actual name of the person or entity owning the Franchised Business and may contain 'd/b/a 'ROSATI'S PIZZA.' Any sign face bearing the ROSATI'S PIZZA name shall remain the property of the Company even though the Franchisee may have paid a third-party provider to make the sign faces.

B. Infringing Uses. Franchisee shall immediately notify the Company in writing of any apparent infringement of or challenge to Franchisee's use of any Marks, or claim by any person of any rights in any Marks or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee shall not communicate with any person other than the Company and its counsel in connection with any such infringement, challenge or claim. The Company and its affiliates shall have sole discretion to take such action as they deem 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 Marks. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of the Company's counsel, or the counsel of the Company's affiliates, be necessary or advisable to protect and maintain the interests of the Company and its affiliates in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or to otherwise protect and maintain the interests of the Company and its affiliates in the Marks.

C. Indemnification for Use of Marks. The Company may in its discretion but shall not be obligated to indemnify or defend Franchisee against, and to reimburse Franchisee for, all damages for which Franchisee is held liable in any proceeding in which Franchisee's use of any Marks, pursuant to and in compliance with this Agreement, is held to constitute trademark infringement, unfair competition or dilution, and for all costs reasonably incurred by Franchisee in the defense of any such claim brought against Franchisee or in any such proceeding in which Franchisee is named as a party, provided that Franchisee has timely notified the Company of such claim or proceeding and has otherwise complied with this Agreement and that the Company shall have the right to defend any such claim.

D. Modification, Discontinuance or Substitution of Marks. If it becomes advisable at any time, in the Company's sole discretion, for the Company and/or Franchisee to modify or discontinue use of any Marks, and/or use one (1) or more additional or substitute trademarks or service marks, Franchisee agrees to comply therewith a reasonable time after notice thereof by the Company, and the sole liability and obligation of the Company in any such event shall be to reimburse Franchisee for the out-of-pocket costs of complying with this obligation.

E. Ownership of the Marks. Franchisee's right to use the Marks and the System is derived solely from this Agreement, does not give Franchisee any ownership interest therein, and is limited to the conduct of the Franchised Business pursuant to and in compliance with this Agreement and the System Standards. Any unauthorized use of the Marks or the System by Franchisee shall constitute an infringement of the Company's intellectual property rights. Franchisee agrees that all usage of the Marks by Franchisee and any goodwill established thereby shall inure to the exclusive benefit of the Company, and Franchisee acknowledges that this Agreement does not confer any goodwill or other interest in the Marks upon Franchisee. All provisions of this Agreement applicable to the Marks shall apply to any additional trademarks, service marks, logo forms and commercial symbols hereafter authorized for use by and licensed to Franchisee pursuant to this Agreement. All products, services, and any sales, marketing or promotional programs concerning same, which are developed presently or in the future by or on behalf of Franchisee in conjunction with, for use in, or arising from or related to the Franchised Business are irrevocably and permanently licensed to the Company for no additional charge to become part of the System and for subsequent use by the Company and its affiliates and, if the Company determines, other ROSATI'S PIZZA franchisees.

11. Confidential Information.

In connection with Franchisee's franchise under this Agreement, Franchisee and its owners

and personnel may from time to time be provided and/or have access to non-public information about the System and the operation of Franchised Businesses (including the Franchised Business) some of which constitutes the Company's trade secrets under applicable law, regardless of whether it is marked confidential (the "**Confidential Information**"), including: the Company's customer service standards and other standards and procedures, recipes and product mixes, promotional and marketing strategies, business methods, customer information and any other techniques and know-how concerning the operation of a ROSATI'S PIZZA restaurant business that make up part of the System and which may be communicated to Franchisee or which Franchisee may be apprised of by virtue of the training provided by Company, the Franchise Operations Manual, or otherwise by virtue of Franchisee's operation of the Franchised Business. Further, Franchisee acknowledges that any and all information, knowledge, know-how, techniques, and other data which Company designates as confidential shall be Confidential Information for purposes of this Franchise Agreement. Franchisee acknowledges that if Franchisee disclosed any Confidential Information that it could substantially harm the Company, Franchisee and other ROSATI'S PIZZA franchisees. Franchisee agrees to secure, keep secret, and lock away the Franchise Operations Manual and any other System confidential materials. Franchisee agrees that Franchisee will maintain the absolute confidentiality of all, and not disclose any, Confidential Information during and after the term of this Agreement and that Franchisee will not use any Confidential Information in any other business or in any manner not specifically authorized or approved in writing by the Company. Franchisee agrees to adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including requiring all of Franchisee's personnel that have access to the Confidential Information in carrying out his or her duties to sign a confidentiality and non-competition agreement in the form approved by the Company. Company has the right to review and approve the form or terms of the confidentiality and non-competition agreement that Franchisee uses. Confidential Information does not include information, knowledge, or know-how, which is lawfully known to the public without violation of applicable law or an obligation to Company or its affiliates.

In addition, in the course of the operation of the Franchised Business, and for six (6) months after the termination or non-renewal of this Agreement, Franchisee, Franchisee's owners, managers or employees may develop ideas, recipes, inventions, formulas, concepts, methods, techniques or improvements relating to the Franchised Business, which Franchisee agrees to disclose immediately to Company and which Company may then authorize Franchisee and other ROSATI'S PIZZA franchisees to use. Franchisee will also assure that any corresponding intellectual property rights (including without limitation any rights in utility or design patents, know-how, trade secrets, trademark, service mark and copyrights) in such ideas, recipes, inventions, formulas, concepts, methods, techniques or improvements will be Company's property and the title and rights to which shall be legally assigned to Company immediately in writing by Franchisee, Franchisee's owners, managers, and employees. All of such information developed by Franchisee, Franchisee's owners, managers and employees will be included in the term "Confidential Information," as defined above.

12. Term and Renewal.

A. Term. Commencing upon the date of this Agreement, the term of this Agreement is twenty (20) years unless terminated prior thereto pursuant to the provisions hereof.

B. Renewal. Franchisee may, at Franchisee's option, renew this franchise term for a successive additional ten (10) year term, subject to the following conditions which must be met prior to each renewal:

1. Franchisee shall have delivered to the Company written notice of

Franchisee's desire to exercise Franchisee's option to renew at least six (6) months, but no more than twelve (12) months prior to the expiration of the term of this Agreement;

2. Franchisee shall have during the entire term of this Agreement substantially complied with all of its provisions and the provisions of any other agreement between Franchisee and the Company and/or its affiliates;

3. Company and Franchisee (and Franchisee's shareholders or partners or members, if Franchisee is a corporation or partnership or limited liability company) shall execute the form of franchise agreement and such ancillary agreements as are then customarily used by Company in the grant of ROSATI'S PIZZA franchises (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise);

4. Franchisee shall pay a renewal fee to Company upon the execution of the renewal franchise agreement in the amount of Five Thousand Dollars (\$5,000);

5. Franchisee shall have satisfied all monetary obligations owed to Company and its subsidiaries and affiliates and to Company's designated suppliers;

6. Franchisee shall have presented satisfactory evidence to Company that Franchisee has the right to remain in possession of the Franchise Location for the duration of the renewal term;

7. Franchisee shall refurbish and remodel the premises of the Franchise Business and replace the equipment of the Franchised Business to be in compliance with the then-current standards and specifications utilized in the granting of ROSATI'S PIZZA franchises;

8. Franchisee shall comply with Company's then-current qualification and training requirement; and

9. Franchisee (and Franchisee's shareholders or partners or members, if Franchisee is a corporation or partnership or limited liability company) shall execute general releases, in form satisfactory to Company of any and all claims against the Company and its affiliates, and their officers, directors, shareholders, members, employees and agents.

The franchise agreement and ancillary agreements at the time of renewal may contain materially different terms from those contained in this Agreement. Failure by Franchisee (and Franchisee's shareholders or partners or members, if Franchisee is a corporation or partnership or limited liability company) to sign such agreement(s) and releases within thirty (30) days after delivery thereof to Franchisee shall be deemed an election by Franchisee not to renew. If Franchisee, for any reason, abandons, surrenders, or suffers revocation or non-renewal of all or part of Franchisee's rights and privileges under this Agreement, then all such rights and privileges shall revert to the Company.

C. Continued Operation Following Expiration. Franchisee has no right to continue to operate the Franchised Business after the expiration of the initial term of this Agreement unless Franchisee is granted a renewal Franchise in accordance with Section 12.B. If Company permits Franchisee to continue to operate the Franchised Business after the expiration of the initial term of this Agreement but before the execution of a renewal Franchise Agreement as required by Section 12.B, then the temporary continuation of the Franchised Business will be on a month-to-month basis, and will be terminable at the

will of Company by giving Franchisee written notice of termination at least thirty (30) days before the termination is effective. If the laws of the jurisdiction in which the Franchisee or the Franchised Business are located require a longer notice period, the thirty-day period will be deemed modified to be the shortest notice period required by the laws of such jurisdiction.

13. Termination.

A. Termination 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 a reasonable time, which in no event shall be less than ninety (90) days, after written notice thereof is delivered to the Company, Franchisee may terminate this Agreement. Such termination shall be effective ten (10) days after delivery to the Company of notice that such breach has not been cured and Franchisee elects to terminate this Agreement. Except as described in this Section, Franchisee has no right to terminate this Agreement.

B. Termination by Company without Opportunity to Cure. In addition to the other provisions of this Agreement allowing termination, the Company may terminate this Agreement effective upon delivery of notice of termination to Franchisee in the following circumstances:

1. Franchisee becomes insolvent; makes an assignment for the benefit of creditors; files a voluntary petition in bankruptcy; files any pleading seeking any reorganization, liquidation or dissolution under any law; admits or fails to contest the material allegations of any such pleading filed against Franchisee; is adjudicated a bankrupt; a receiver is appointed for a substantial part of Franchisee's assets; or the claims of creditors of Franchisee or the Franchised Business are abated or subject to a moratorium under any law;

2. Franchisee fails to pass the training program for franchisees, or if Franchisee fails to provide Company with a copy of the fully executed Lease for Franchisee's restaurant within ninety (90) days after the date of this Agreement, or if Franchisee fails to commence operating ROSATI'S PIZZA restaurant within three hundred sixty-five (365) days after the date of this Agreement;

3. Franchisee abandons, or surrenders control of the operation of the Franchised Business, or ceases operating the Franchised Business for three (3) or more consecutive days, each without the Company's prior written consent;

4. Franchisee loses possession of the Franchised Business premises, or fails to make rental payments when due, or suffers termination of the Lease;

5. Franchisee submits to the Company on two (2) or more separate occasions at any time during any two (2) year period during the term of this Agreement a report, financial statement, tax return, schedule or other information or supporting record which understates the Gross Sales of the Franchised Business for any period by more than two percent (2%);

6. Franchisee (or any of its owners) is convicted of or pleads guilty to or no contest to a felony or other crime which substantially impairs the goodwill associated with the Marks or the System or engages in any misconduct which affects the reputation of the Franchised Business or the goodwill associated with the Marks or the System, as determined by the Company;

7. Franchisee loses any permit or license which is a prerequisite to the

operation of the Franchised Business, or if Franchisee operates the Franchised Business in a manner that presents a health or safety hazard to customers, employees, or the public;

8. Franchisee makes a transfer or assignment of this Agreement, the assets of the Franchised Business, or Franchisee's ownership interest, which is not authorized as provided in Section 15 of this Agreement;

9. Franchisee fails to maintain the insurance the Company requires and does not correct the failure within ten (10) days after the Company delivers written notice of that failure to Franchisee;

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

11. Franchisee fails to pay when due any federal or state income, service, sales, or other taxes due on the Franchised Business's operation, unless Franchisee is in good faith contesting its liability for these taxes;

12. Franchisee (or any of its owners) use the Marks in any way prohibited by Section 10, or otherwise misuse the Marks;

13. Franchisee fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not Franchisor notifies Franchisee of the failures, and, if Franchisor does notify Franchisee of the failures, whether or not Franchisee corrects the failures after Franchisor's delivery of notice to Franchisee; or

14. Franchisee made any material misrepresentation or omission in its acquiring the franchise or operating the Franchised Business.

C. Termination by Company with Opportunity to Cure. In addition to the other provisions of this Agreement allowing termination, the Company may terminate this Agreement effective upon delivery of notice of termination to Franchisee in the following circumstances:

1. Franchisee fails to pay any amount owed to the Company or its affiliates or to Franchisee's suppliers, providers or vendors, when the same is due and payable and does not correct such failure within ten (10) days after written notice of such failure to comply is delivered to the Franchisee;

2. Franchisee fails to submit reports or financial data which Company requires under this Agreement, when the same are due and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee;

3. Franchisee fails to meet the Minimum Annual Gross Sales requirements set forth in Section 4.C within three (3) months after written notice of such failure is delivered to Franchisee; and

4. Franchisee fails to perform any other of the terms and conditions in this Agreement, any mandatory specification, standard or operating procedure prescribed by the Company in the Franchise Operations Manual, or otherwise in writing, and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee.

Upon the occurrence of any of the above events of default which would allow the Company to terminate this Agreement (which termination Company may or may not choose to do), Company may authorize its suppliers to withhold shipment to the Franchisee of the Company's proprietary products and services and approved products and services until such time as Franchisee has cured the event of default.

D. Cross Default. Any default by Franchisee of any other agreement between the Company and Franchisee shall be deemed a default under this Agreement, and any default by Franchisee of this Agreement shall be deemed a default under any and all other agreements between Company and Franchisee. If the nature of such default under any other agreement would have permitted the Company to terminate this Agreement had said default occurred hereunder, the Company shall have the right to terminate this Agreement as if such default has occurred hereunder. For purposes of this Section, an agreement between the Company or an affiliate of the Company and Franchisee or Franchisee's partner, shareholder, member, manager, executive officer or affiliate shall be deemed an agreement between the Company and Franchisee.

E. Appointment of Manager. Notwithstanding the provisions of Sections 13.B and 13.C. above, in the event that Franchisee does not comply with any provision of this Agreement, the Company may, at its sole option, assign a manager to the Franchised Business on a daily basis for a continuous period of at least up to ninety (90) days, which may be extended by Company at its election for up to one (1) year, whose function will be to ensure compliance by Franchisee, Franchisee's employees and agents with the provisions of this Agreement, including without limitation, adherence to the standards, methods, procedures and specifications of the System and the rights and duties upon termination or expiration of this Agreement. During this time, the Company agrees to utilize reasonable efforts to periodically consult with Franchisee to discuss the return of management to the Franchisee. Franchisee shall pay the Company for the services of such manager at such reasonable rate as may be established by the Company. Franchisee agrees to indemnify and hold harmless the Company and its agents and employees who may act hereunder. Nothing in this Section shall affect the Company's other rights and remedies under this Agreement.

14. Rights and Duties Upon Termination or Expiration.

A. Upon termination or expiration of this Agreement, all of Franchisee's rights hereunder shall terminate, and Franchisee shall cease operating the Franchised Business. Franchisee complies with the following: Franchisee shall forthwith discontinue use of the Marks, the System, and all trade names, trademarks, service marks, trade dress, signs, colors, structures, interior and exterior decor, business methods, Confidential Information, printed goods and forms of advertising indicative of the Franchised Business.

2. Franchisee shall return the Franchise Operations Manual, any proprietary Software Program and any and all other materials containing Company's Confidential Information.

3. Franchisee shall pay all amounts due the Company and its affiliates.

4. Franchisee shall cancel any assumed name registration it obtained containing the Marks.

5. Franchisee shall return to the Company any ROSATI'S PIZZA signs and sign faces.

6. Franchisee shall not represent that Franchisee formerly did business under the ROSATI'S PIZZA name or that it is a current or former franchisee of Company.

7. Franchisee shall provide the Company with the names, addresses and telephone numbers of Franchisee's customers during the preceding three (3) years and any other customer data Company requests.

8. Franchisee shall promptly notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone number and any regular, classified or other telephone directory listings associated with the Marks and to authorize transfer of same to or at the direction of the Company. Franchisee agrees to promptly transfer, assign, or otherwise convey to Company or its designee all of Franchisee's rights in and to any telephone numbers, directory listings, and/or any other type of contact information or directory listing for the Franchised Business or that Franchisee uses in the operation or promotion of the Franchised Business (the "**Contact Information**") and Online Presences, including passwords and account manager access, and shall notify the necessary parties of the termination of the Franchisee's right to use any such Contact Information or Online Presences to authorize an assignment of same at the direction of the Company. Franchisee acknowledges that as between the Company and Franchisee, the Company has the sole rights to and interest in all Contact Information and Online Presences. Franchisee authorizes the Company, and hereby appoints the Company and any officer of the Company as Franchisee's attorney-in-fact, to direct the telephone company, internet service providers, domain name registrars, social media platforms and networks, and all listing agencies to transfer same to the Company or at its direction, should Franchisee fail or refuse to do so, and the telephone company, internet service providers, domain name registrars, social media platforms and networks, and all listing agencies may accept such direction or this Agreement as conclusive of the exclusive rights of the Company in such Contact Information and its authority to direct their transfer. Notwithstanding the foregoing, Franchisee agrees that all liabilities and obligations arising from such Contact Information or Online Presences prior to the date of the transfer, assignment or conveyance to Company will remain Franchisee's sole responsibility in all respects, and any costs the Company incurs in connection therewith will be indemnifiable under Section 17.C.

9. Should Company exercise its option to assume the Lease for the Franchise Location pursuant to the Exhibit D Addendum to Franchisee's Lease, Franchisee shall promptly cooperate with Company in delivering possession of the leased premises to Company. If Company does not opt to take assignment of the Lease for the Franchise Location upon the expiration or termination of this Agreement, Franchisee shall immediately make such modifications or alterations to the leased premises as may be necessary to prevent any association between Company or the System and any business thereon subsequently operated, and shall make such specific additional changes thereto as Company may reasonably request for that purpose, including, without limitation, removal of all distinctive physical and structural features identifying the System. In the event Franchisee fails or refuses to comply with the requirements of this paragraph, Company shall have the right to enter upon the premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at Franchisee's expense, which expense Franchisee agrees to pay upon demand.

10. Franchisee shall furnish to the Company within thirty (30) days after the effective date of the termination or expiration evidence satisfactory to the Company of Franchisee's compliance with the foregoing obligations.

A. Option to Purchase Assets. Upon the termination or expiration of this Agreement, the Company shall have a ninety (90) day option to purchase from Franchisee all of the

equipment, supplies, inventory, advertising materials and any items with Company's Marks for cash at fair market value. If the Company and Franchisee do not agree upon the amount of the fair market value within a reasonable amount of time, then a business appraiser selected by mutual agreement shall determine the fair market value. The cost of the business appraiser shall be borne equally by the Company and Franchisee. The Company has an unrestricted right to assign this option to a third party. If the Company and Franchisee cannot mutually agree on one (1) appraiser, then the Company and Franchisee shall select separate appraisers, and the average of the determinations will be binding. In the event of separate appraisers, the Company and Franchisee shall bear costs separately. If Company elects to exercise any option to purchase herein provided, Company shall have the right to set off all amounts due from Franchisee under this Agreement, and the cost of the appraisal, if any, against any payment therefore.

B. Post-Termination Covenant Not to Compete. Upon termination or expiration of this Agreement, Franchisee and each of its owners agrees not to (and to use each of their best efforts to cause each of Franchisee's current and former affiliates, owners, officers, directors, representatives, family members, spouses, successors and assigns not to), for a period of two (2) years:

1. be associated as an employee, proprietor, stockholder, partner, member, agent, officer, director, consultant, representative, manager, spouse, parent, or in any other capacity with, or operate, engage, own, invest in, or participate in, (i) any Competitive Business located within twenty (20) miles of Franchisee's former restaurant location, or (ii) any Competitive Business within twenty (20) miles of any other ROSATI'S PIZZA restaurant. "Competitive Business" as used herein shall mean any business (excluding ROSATI'S PIZZA restaurants operated under a franchise agreement with the Company) operating, or granting franchises or licenses to others to operate, any restaurant featuring pizza or other food items currently on the ROSATI'S PIZZA restaurant menu. Competitive Business shall include a restaurant licensed to use the "Rosati's Pizza" Mark from any licensor other than the Company; or

2. interfere or attempt to interfere with the Company's or its affiliates' relationships with any vendors or consultants, or engage in any other activity which might injure the goodwill of the Marks or the System, or divert or attempt to divert any former business or customer of the Franchised Business to any Competitive Business.

The two (2) year period referred to above shall be tolled during any period of Franchisee's noncompliance with the terms of this Agreement. In the event the duration, scope and/or geographic area set forth in this paragraph and Agreement are held to be unreasonable and therefore unenforceable by any court of competent jurisdiction, then the duration, scope and/or geographic area of the foregoing restrictions and agreements shall remain in full force and effect as to such maximum duration, scope and/or geographic area as the court shall allow.

Franchisee agrees that the covenants contained herein are prepared for use in many jurisdictions with differing public policies and that such public policies change. Accordingly, Franchisee agrees that the prevailing non-competition restrictions set forth above may be modified by a Court to the extent necessary to make the non-competition agreements valid and enforceable against Franchisee.

Franchisee acknowledges that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company for which no adequate remedy at law will be available. Accordingly, Franchisee hereby acknowledge that Company may seek to obtain the entry of an injunction prohibiting any conduct by Franchisee or Franchisee's owners in violation of the terms of the covenants not to compete set forth in this Agreement. Franchisee expressly agrees that it may

conclusively be presumed that any violation of the terms of said covenants not to compete was accomplished by and through Franchisee's unlawful use of the Company's Confidential Information. Further, Franchisee expressly agrees that the existence of any claims Franchisee may have against Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Company of the covenants not to compete set forth in this Agreement. Franchisee further agrees to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by the Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.

C. 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 subsequent to and notwithstanding the expiration or termination of this Agreement and until they are satisfied in full or by their nature expire.

D. Lost Revenue Damages. If the Company terminates this Agreement because of Franchisee's breach or if Franchisee terminates this Agreement without cause, the Company and Franchisee agree that it would be difficult, if not impossible, to determine the amount of damages that the Company would suffer due to the loss or interruption of the revenue stream the Company otherwise would have derived from Franchisee's continued payment of the Royalty Fee that the Company would have otherwise derived from Franchisee through the remainder of the term of this Agreement. Therefore, the Company and Franchisee agree that a reasonable estimate of such damages, which are damages for the future profits lost to the Company due to the premature termination of this Agreement, and not as a penalty or as damages for breaching this Agreement, or in lieu of any other payment, less any cost savings the Company might have experienced (the "**Lost Revenue Damages**"), is an amount equal to the net present value of the Royalty Fee that would have become due had this Agreement not been terminated, from the date of termination to the scheduled expiration of the term of this Agreement. For the purposes of this Section, Lost Revenue Damages shall be calculated as follows: (1) the lesser of 36 or the number of full and partial calendar months remaining in the Term, multiplied by (2) the Royalty Fee percentage, multiplied by (3) the average monthly Gross Sales of the Franchised Business during the 36 full calendar months immediately preceding the termination date; provided, that if as of the termination date the Franchised Business has not been operating for at least 36 months, the average monthly Gross Sales shall be based on the average Gross Sales, for the calendar year preceding such termination, of all ROSATI'S PIZZA restaurants in operation for the full calendar year immediately preceding the date of termination.

Franchisee agrees to pay the Company Lost Revenue Damages, as calculated in accordance with this Section, within fifteen (15) days after this Agreement is terminated, or on any later date that the Company determines. Franchisee and the Company agree that the calculation described in this Section is a calculation only of the Lost Revenue Damages and that nothing herein shall preclude the Company or limit it from proving and recovering any other damages caused by Franchisee's breach of this Agreement.

15. Transferability of Interest.

A. Transfer by the Company. The Company shall have the right, in its sole discretion, to transfer or assign this Agreement and all or any part of its rights or obligations to any person or legal entity without restriction, and any designated assignee of Company shall become solely responsible for all obligations of Company under this Agreement from the date of assignment.

B. Transfer by Franchisee. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Company has granted this franchise in reliance on Franchisee's business skill, financial capacity, and personal character. Accordingly,

neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement, nor any individual, partnership, corporation, limited liability company, or other legal entity which directly or indirectly owns any interest in Franchisee or in the Franchised Business shall sell, assign, transfer, convey, pledge, encumber, merge, or give (collectively "**transfer**") away any direct or indirect interest in this Agreement, in Franchisee, or in all or substantially all of the assets of the Franchised Business without the prior written consent, as set forth below, of Company. Any purported assignment or transfer not having the written consent of Company required by this Section shall be null and void and shall constitute a material breach of this Agreement, for which Company may immediately terminate without opportunity to cure pursuant to the terms of this Agreement.

C. Conditions to Transfer. The Company shall not unreasonably withhold its written approval of an assignment or transfer, provided Franchisee and the assignee or transferee have met all of the following conditions as determined by Company in its sole discretion:

1. Franchisee has properly offered the Company the opportunity to exercise the right of first refusal as provided in Section 15.E, and the Company declined to exercise it;

2. The assignee or transferee has sufficient business experience, aptitude, financial resources, meets the Company's then-applicable standards for franchisees, is of good moral character, and does not operate a Competitive Business;

3. Franchisee has delivered all information or documents Company requests regarding the proposed transfer, the transferee, and its owners, including, but not limited to, a copy of the purchase agreement and related documents. Company shall have the right to communicate with and confer with both Franchisee and the proposed assignee on any aspect of the proposed transfer and to furnish the proposed assignee with financial and other information regarding the Franchised Business in Company's possession;

4. The assignee or transferee completes the initial training program required of new franchisees to Company's satisfaction;

5. The assignee or transferee executes the then-current form of franchise agreement and other agreements (which may contain materially different terms than those set forth herein) being used by the Company; or at Company's option, the assignee or transferee agrees in a form approved by the Company to be personally bound jointly and severally by all the provisions of this Agreement and assume and guarantee all of Franchisee's obligations hereunder and all other agreements between Franchisee and the Company or its affiliates to the same extent as if they had been original parties to the original agreements;

6. All of Franchisee's money obligations owed to the Company, its affiliates, and the Advertising Fund are fully paid;

7. Franchisee is not in default under this Agreement or any other agreement between Franchisee and Company or its affiliates;

8. The assets of the Franchised Business must be refurbished, remodeled or replaced in order to be in compliance with the then-current standards and specification utilized in the granting of ROSATI'S PIZZA franchises;

9. The lessor has consented to the assignment of the Lease for the restaurant premises to the assignee or transferee if the Lease requires such a consent;

10. Franchisee pays the Company a non-refundable transfer fee in the amount of one-half (1/2) of the then-current initial franchise fee for a first franchise;

11. Franchisee (and each of Franchisee's shareholders or partners or members, if Franchisee is a corporation or a partnership or limited liability company) shall execute general releases of all claims against the Company, its affiliates, and their officers, directors, shareholders, members, employees and agents;

12. Company approves the material terms and conditions of the assignment from Franchisee to the proposed assignee and must have determined that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Franchised Business by the assignee;

13. Franchisee provides Company the evidence Company reasonably requests to show that appropriate measures have been taken to effect the transfer as it relates to the operation of the Franchised Business, including, by transferring all necessary and appropriate business licenses, insurance policies, and material agreements, or obtaining new business licenses, insurance policies and material agreements; and

14. Franchisee must comply with all of the post-termination obligations under this Agreement.

D. Assignment to Partnership, Corporation or Limited Liability Company. If Franchisee is in full compliance with this Agreement, the Company shall not unreasonably withhold its consent to a transfer of this Agreement and the assets of the Franchised Business to a partnership or corporation or limited liability company, provided: (1) the partnership or corporation or limited liability company name does not include the word 'ROSATI'S' and its activities are confined exclusively to operating Franchisee's Franchised Business; (2) Franchisee owns and controls all of the general partnership interests, stock, membership interests, or the equity and voting power, and provided that, in a form approved by the Company, the partnership or corporation or limited liability company assumes all of Franchisee's obligations hereunder and the partners or shareholders or members agree to be personally bound jointly and severally by all the provisions of this Agreement and assume and guarantee all of Franchisee's obligations hereunder and all other agreements to the same extent as if they had been parties to the original agreements; (3) any subsequent transfer or issuance of partnerships interests or of shares of the corporation or membership interests in the limited liability company shall be subject to Company's consent and agreement; (4) the partnership's Partnership Agreement and each partnership interest certificate, or the corporation's Articles of Incorporation and Bylaws and each stock certificate, or the limited liability company's Articles of Organization and Operating Agreement and each membership certificate shall clearly indicate that any transfer of partnership interests, shares of stock or membership interests is restricted and may be transferred subject to Company's consent and agreement only in accordance with the terms of this Agreement; and (5) Franchisee shall pay to the Company all legal expenses and other charges incurred by the Company in connection with such transfer.

E. Right of First Refusal. If Franchisee shall at any time determine to sell Franchisee's rights under this Agreement, or the assets of the Franchised Business, or Franchisee's ownership interest, in whole or part, Franchisee shall obtain a bona fide, executed written offer from a

responsible and fully disclosed purchaser and shall submit an exact copy of such offer to the Company. The Company or its designee shall, for a period of thirty (30) days from the date of delivery of such offer to the Company, have the right, exercisable by written notice to Franchisee, to purchase the interest for the price and on the terms and conditions contained in the offer, provided that any brokers', agents', or finders' fees shall be deducted from the purchase price and the Company or its designee may substitute cash for any form of payment proposed in such offer. If the Company or its designee does not exercise this right of first refusal, Franchisee may, subject to the same conditions for transfers contained in this Agreement, complete the sale to such purchaser on the terms of the bona fide offer. If the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such offer to the Company, or if there is a material change in the terms of the sale, the Company or its designee shall again have the right of first refusal herein provided.

F. Death or Disability. Upon the death or permanent disability of Franchisee (or Franchisee's managing shareholder or partner, or member, if Franchisee is a corporation or partnership or limited liability company), the executor, administrator, conservator, or other personal representative of such person shall transfer his interest to the heirs or beneficiaries of such person or to a third party approved by the Company within a period of one hundred eighty (180) days, so long as arrangements satisfactory to the Company are made for the continued active management of the Franchised Business. Such transfers, including without limitation, transfers by devise or inheritance or trust provisions, shall be subject to the same conditions for transfers contained in this Agreement. Franchisee shall be deemed to have a "permanent disability" if Franchisee's ability to operate or oversee the operation of the Franchised Business on a regular basis is for any reason curtailed for a continuous period of six (6) months. In addition to the foregoing, in order to prevent any interruption of the Franchised Business and to protect the goodwill associated with the Marks and System, if Franchisee dies or becomes disabled so that Franchisee is not able to operate or oversee the operation of the Franchised Business on a regular basis, the Company may at its option, but not obligation, operate the Franchised Business on Franchisee's behalf for a continuous period of at least up to ninety (90) days, which may be extended by Company at its election through the end of the one hundred eighty (180) day period, during which time the Company agrees to utilize reasonable efforts to periodically consult with Franchisee to discuss the status of the Franchised Business. All revenues received from the operation of the Franchised Business during such period of operation by the Company shall be kept in a separate account by the Company and the expenses of the Franchised Business including, without limitation, reasonable compensation and expenses of the Company and its agents and employees in operating the Franchised Business, shall be charged to such account. If, as herein provided, the Company elects to temporarily operate the Franchised Business on behalf of the Franchisee, the Franchisee agrees to indemnify and hold harmless the Company and its agents and employees who may act hereunder.

16. Enforcement.

A. Specific Performance; Injunctive Relief. Nothing in this Agreement bars the Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against conduct that threatens to injure or harm the Company, the Marks or the System, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. Franchisee agrees that the Company may obtain such injunctive relief. Franchisee agrees that the Company will not be required to post a bond to obtain injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon due hearing, and Franchisee hereby expressly waives any claim for damages caused by such injunction.

B. Arbitration. The Company and Franchisee agree that all controversies, disputes, or claims between Company or any of its affiliates, and its and their respective owners, officers, directors,

agents, and employees, on the one hand, and Franchisee (and its owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to: (1) this Agreement or any other agreement between Franchisee (or any of its owners) and the Company (or any of its affiliates); (2) the Company's relationship with Franchisee; (3) the scope or validity of this Agreement or any other agreement between Franchisee (or any of its owners) and the Company (or any of its affiliates) or any provision of any of such agreement (including the validity and scope of the arbitration provision under this Section, which the Company and Franchisee acknowledge is to be determined by an arbitrator, not a court); or (4) any System Standard, must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (the "AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of the Company's, or as applicable, its successor's or assign's then-current principal place of business (currently, Naples, Florida). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by the Company or its affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (the Company and Franchisee hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

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

The Company and Franchisee agree that arbitration will be conducted on an individual basis and that an arbitration proceeding between the Company and any of its affiliates, or the Company's and their respective owners, officers, directors, agents, and employees, on the one hand, and Franchisee (or its owners, guarantors, affiliates, and employees), on the other hand, may not be: (i) conducted on a class-wide basis, (ii) commenced, conducted or consolidated with any other arbitration proceeding, (iii) joined with any separate claim of an unaffiliated third-party, or (iv) brought on Franchisee's behalf by any association or agent. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories. The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

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

C. Governing Law/Consent to Jurisdiction. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act 15 U.S.C. Section 1051 et. seq.), and except that all issues relating to arbitrability or the enforcement or interpretation of the agreement to arbitrate set forth in this Section shall be governed by the United States Arbitration Act (9 U.S.C. Section 1 et seq) and the federal common law relating to arbitration, this Agreement, any related agreements, the franchise, or otherwise as a result of the relationship between Company (or any of Company's affiliates, and Company's and their respective owners, officers, directors, agents, representatives, and employees) and Franchisee (and its owners, guarantors, affiliates, and employees) shall be governed by the internal laws of the State of Florida (without reference to its choice of law and conflict of law rules), except that the provisions of any franchise law of such state shall not apply unless the jurisdictional requirements of said law have been met independently of this provision. Franchisee agrees that the Company may institute any action against Franchisee arising out of or relating to this Agreement, which is not required to be arbitrated under this Agreement, in any state or federal court of jurisdiction located in the State of Florida and Franchisee irrevocably submits to the exclusive jurisdiction or venue of such courts.

D. Costs and Attorneys' Fees. If either party initiates an arbitration, judicial or other proceeding, or appeal thereof, the prevailing party will be entitled to reasonable costs and expenses (including attorneys' fees incurred in connection with such judicial or other proceeding. If the Company is required to engage a collection agency or legal counsel in connection with any failure by Franchisee to pay when due amounts due the Company, or to submit when due any reports, information, or supporting records, or in connection with any failure to otherwise comply with this Agreement, Franchisee shall reimburse the Company for any of the above listed costs and expenses incurred by it.

E. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL. EXCEPT FOR FRANCHISEE'S OBLIGATION TO INDEMNIFY THE COMPANY FOR THIRD-PARTY CLAIMS UNDER SECTION 17.C, AND EXCEPT FOR PUNITIVE, EXEMPLARY OR MULTIPLE DAMAGES AVAILABLE TO EITHER PARTY UNDER UNITED STATES FEDERAL LAW, THE COMPANY AND FRANCHISEE (AND ITS OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY OR MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THE COMPANY AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

THE COMPANY AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER THE COMPANY OR FRANCHISEE (OR ITS OWNERS).

F. Limitation of Claims. Except for claims arising from underreporting of Gross Sales by Franchisee or nonpayment of amounts owed by Franchisee to the Company or its affiliates pursuant to this Agreement, any and all claims arising out of or relating to this Agreement, any related agreements, or the relationship of the Company and Franchisee in connection with Franchisee's operation of the Franchised Business shall be barred unless an action or proceeding is commenced within one (1) year from the date of the occurrence of the facts giving rise to such claims.

G. Cumulative Remedies. The rights and remedies specifically granted to either Company or Franchisee by this Agreement will not be deemed to prohibit either party from exercising any other right or remedy provided under this Agreement or permitted by law or equity.

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

17. Independent Contractor; Indemnification. The Company and Franchisee are independent contractors. This Agreement does not create a fiduciary relationship between the Company and Franchisee.

A. Independent Contractor. Franchisee is not and shall not represent itself or himself to be the agent, joint venturer, partner or employee of the Company, or to be related to the Company other than as its independent franchisee. Franchisee shall conspicuously identify itself or himself at the Franchised Business and on the vehicles of the Franchised Business and in all dealings with suppliers, customers, employees, public officials and others as the owner of the Franchised Business. Franchisee shall place notices of independent ownership at the Franchised Business and on business cards, stationery, advertising and other materials as Company requires from time to time. Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Company's behalf or to incur any debt or other obligation in Company's name. No representations shall be made or acts taken by Franchisee which could establish any apparent relationship of agency, joint venture, partnership or employment, and the Company shall not be bound in any manner whatsoever by any agreements, warranties or representations made by Franchisee to any other person nor with respect to any other action of Franchisee. The Company shall have no liability for any sales, use, excise, income, property or other taxes levied upon Franchisee, the Franchised Business or its assets, or on Company in connection with the business Franchisee conducts, or on any payments Franchisee makes to Company pursuant to this Agreement or any franchise agreement (except for Company's own income taxes). If any such taxes are assessed against Company, Franchisee shall reimburse Company the actual amount of the taxes upon demand and upon receipt of proof of tax assessment. All royalty fees, advertising fees and other charges referred to in this Agreement are quoted exclusive of any value added, sales or other tax chargeable thereon, and Franchisee shall pay any such tax as required by law. The Company shall not be obligated or liable for any injury or death of any person or damage to any property caused by Franchisee's action, failure to act, negligence or willful conduct, nor for any liability of Franchisee.

B. No Employer Relationship. Franchisee expressly acknowledges that Company is not Franchisee's employer or an employer of any of Franchisee's employees. In addition, Company is not a joint employer with Franchisee. Franchisee acknowledges that the Company's training, guidance, advice and assistance, the Franchisee's obligations under this Agreement and the standards and specifications required by Company hereunder and in the Operations Manual are imposed not for the purpose of exercising control over Franchisee but rather for the limited purpose of protecting the Marks and System, goodwill and brand consistency. Franchisee is solely responsible for the management of the Franchised Business as an independent franchise owner/operator.

C. Indemnification. Franchisee and its owners shall indemnify and save the Company and its affiliates and their shareholders, members, managers, directors, officers, employees and agents (“**Indemnitees**”) harmless (with counsel acceptable to the Company) from all fines, taxes, suits, proceedings, claims, demands or actions of any nature or kind whatsoever, directly or indirectly arising out of, or in any manner whatsoever associated or connected with Franchisee’s operation of the Franchised Business, Franchisee’s acts or omissions (including Franchisee’s noncompliance or alleged noncompliance with any law, ordinance, rule or regulation and including any allegation that Company is a joint employer or otherwise responsible for Franchisee’s acts or omissions relating to Franchisee’s employees), or the breach by Franchisee of any provision of this Agreement. Further, Franchisee and its owners shall indemnify and save the Company and its Indemnitees harmless from and against any and all damages, costs, expenses and fees (including without limitation, attorneys’, accountants’, and experts’ fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses and travel and living expenses) incurred by or on behalf of any of the foregoing in the investigation or defense of any and all such fines, taxes, suits, proceedings, claims, demands or actions. Each of the Indemnitees may defend any claim against it at Franchisee’s expense (including choosing and retaining its own legal counsel). This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Franchisee agrees to give the Company notice of any such action, suit, proceeding, claim, inquiry or investigation. At the expense and risk of the Franchisee, the Company may elect to assume (but under no circumstance is obligated to undertake) the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation, provided that the Company will seek the advice and counsel of the Franchisee, and shall keep the Franchisee informed, with regard to any such proposed or contemplated settlement(s). Such an undertaking by the Company shall in no manner or form diminish the Franchisee’s obligation to indemnify the Company and to hold it harmless.

In order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, the Company and each Indemnitee may, at any time and without notice as it in its judgment deems appropriate, offer, order, consent or agree to settlements or take such other remedial or corrective actions as it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation.

All losses and expenses incurred under this Section 17.C shall be chargeable to and paid by the Franchisee pursuant to its obligations of indemnity regardless of any actions, activity or defense undertaken by the Company or the subsequent success or failure of such actions, activity or defense. Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against the Franchisee. The Franchisee agrees that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable by the Indemnitees from the Franchisee.

The Indemnitees and assumptions of liabilities and obligations set forth in this Agreement shall continue in full force and effect subsequent to, and notwithstanding the expiration or termination of, this Agreement.

18. General Provisions.

A. This Agreement shall be binding upon the parties and their respective executors, administrators, heirs, assigns and successors in interest.

B. All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (a) when tendered for delivery if delivered by hand; (b) at the time of transmission if delivered by email; (c) one (1) day after the date of deposit if deposited with a commercial delivery service which guarantees next day delivery; or (d) two (2) days after deposit if mailed certified mail, return receipt requested, postage prepaid, addressed to the appropriate party at their respective addresses above or at such other place as the party entitled to notice may designate by notice given in the same manner to the other.

C. Time is of the essence of this Agreement and all provisions shall be so interpreted.

D. If any applicable law or rule requires a greater prior notice of the termination of or election not to renew this Agreement, or the taking of some other action than is required under this Agreement, the prior notice or other requirements required by this law or rule shall be substituted for the requirements of this Agreement.

E. If two or more persons are at any time the owners of Franchisee's Franchised Business, whether as partners or joint venturers, their obligations and liabilities to the Company will be joint and several.

F. The invalidity of any provision of this Agreement shall not impair the validity of any other provision. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, that provision will be deemed severable and this Agreement may be enforced with that provision severed or as modified by the court. In the case of any questions of ambiguity relating to any provisions contained herein, there shall not be any construction against the drafter of the document.

G. The preamble and recitals set forth above are hereby incorporated into and made a contractual part of the covenants of this Agreement. The exhibits referred to in this Agreement are attached hereto, made a part hereof, and are incorporated herein by reference.

H. The headings and captions in this Agreement are inserted for convenience only and shall not constitute a part hereof or affect the construction or interpretation of any provision of this Agreement. Whenever required by context, the masculine pronouns shall include the feminine and neuter genders and the singular shall include the plural and vice versa.

I. No waiver of or failure to enforce any of the provisions, terms, conditions, or obligations herein by any party shall be construed as a waiver of any subsequent breach of such provision, term, condition, or obligation of this Agreement or of any other provision, term, condition, or obligation hereunder, whether the same or different nature. Subsequent acceptance by the Company of the payments due it hereunder shall not be deemed to be a waiver by the Company of a preceding breach by Franchisee. If there develops a custom or practice which is at variance with the terms of this Agreement, the Company will not be deemed to have waived its right to demand exact compliance with any of the terms of this Agreement at a later time.

The following provision applies if Franchisee or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any

statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

J. Franchisee acknowledges that the Company has, and will in the future, enter into license or franchise agreements with third parties pursuant to which such third parties are licensed to use the Marks and otherwise receive the benefits of the System (the “**Other Agreements**”). Franchisee acknowledges that the provisions of the Other Agreements have or may vary substantially from those contained in this Agreement. No action taken by Company with respect to any one (1) or more of the Other Agreements or any party thereto shall create a course of conduct which may be relied upon or asserted by Franchisee under this Agreement as a modification to this Agreement or otherwise. Company shall not bear any liability whatsoever to Franchisee under this Agreement by reason of Company’s failure to waive any of the provisions of this Agreement, or to give a consent or approval hereunder even though Company may have waived such provisions or similar provisions or given similar consents or approvals under any one (1) or more of the Other Agreements.

K. No implied covenant of good faith and fair dealing shall be used to alter the express terms of this Agreement. The parties agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent.

L. If by virtue of the community property laws of any state, Franchisee’s spouse is deemed to have any property interest in this Agreement, Franchisee’s ownership interest, or the Franchised Business, the Company will have the right to require Franchisee’s spouse to consent and join in all of the terms and conditions of this Agreement, any related agreements and any amendments thereto.

M. This Agreement and all exhibits to this Agreement constitute the entire understanding and agreement between the parties and there are no other oral or written understandings or agreements between the parties, and no oral or written representations by the Company relating to the subject matter of this Agreement, the franchise relationship, or the Franchised Business. Nothing in this or any related agreement, however, is intended to disclaim the representations the Company made in the franchise disclosure document that the Company furnished to Franchisee. This Agreement may be executed in more than one (1) counterpart, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same instrument.

N. The terms and conditions of any State Law Addendum attached hereto are incorporated herein.

O. Franchisee and Franchisee’s owners agree to comply with and/or to assist Company to the fullest extent possible in Company’s efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee, and Franchisee’s owners certify, represent, and warrant that none of Franchisee’s property or interest is subject to being “blocked” under any of the Anti-Terrorism Laws and that Franchisee and Franchisee’s Owners are not otherwise in violation of any of the Anti-Terrorism Laws. “Anti-Terrorism Laws” means 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 any other requirements of any governmental authority addressing in or in any way relating to terrorist acts and acts of war. Franchisee and Franchisee’s owners acknowledge and agree that any violation of the Anti-Terrorism Laws by Franchisee or Franchisee’s owners or employees or any “blocking” of any of Franchisee’s assets under the Anti-Terrorism laws shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee shall have entered with Company or its affiliates, in accordance with the termination provisions of this Agreement.

19. Acknowledgments. Franchisee acknowledges each of the following:

A. Franchisee acknowledges and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Company's high standards of quality and service and the uniformity of those standards at all ROSATI'S PIZZA restaurants in order to protect and preserve the goodwill of the Marks.

B. In all of Franchisee's dealings with Company, the officers, directors, employees and agents of Company act only in a representative capacity, not in an individual capacity, and that this Agreement and all business dealings between Franchisee and such persons as a result of this Agreement are solely between Franchisee and Company.

C. Company reserves the right, without accountability to Franchisee, to receive and retain commissions, rebates, allowances and other similar amounts received by Company from any supplier who has been approved by Company from time to time in connection with the supply of goods, fixtures, furnishings, equipment, signs, supplies, and other products or services for the Franchised Business.

D. Franchisee affirms that all information set forth in any and all applications, financial statements and submissions to Company is true, complete and accurate in all respects, with Franchisee expressly acknowledging that Company is relying upon the truthfulness, completeness and accuracy of such information.

20. Entity as Franchisee; Guaranty and Assumption of Obligations. If Franchisee is an entity, the Exhibit B Statement of Ownership, Officers and Managers must be completed concurrently with the execution of this Agreement, and Franchisee hereby represents that the information provided in Exhibit B is true, complete and accurate. Franchisee shall promptly provide Company with written notification if any of the information contained in Exhibit B changes at any time during the term of this Agreement and will comply with the applicable transfer provisions contained herein prior to making any change in ownership. If Franchisee is an entity, this Agreement must be personally guaranteed and the obligations hereunder assumed by the Owners of the Franchisee, and all such Owners must execute the Guaranty and Assumption of Obligations which is attached hereto as Exhibit C concurrently with the execution of this Agreement by Franchisee.

21. Electronic Signature and Delivery: Date of Agreement. This Agreement may be signed with full legal force and effect using electronic signatures and records. Delivery of this Agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery. The effective date of the Agreement is the date as of which all parties have signed this Agreement and related exhibits.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the dates set forth below each signature.

COMPANY:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

FRANCHISEE:

By: _____
Darren Schmitt, Treasurer

Franchisee

Date: _____

Date: _____

Franchisee

Date: _____

or if Franchisee is an entity

A _____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT

BETWEEN THE UNDERSIGNED PARTIES

FRANCHISE LOCATION AND PROTECTED AREA

As provided in the above franchise agreement, the following information is now available and is hereby specified for inclusion in the franchise agreement.

Franchise Location: The franchise location approved by the Company for operation of the ROSATI'S PIZZA restaurant is _____

_____ (“Franchise Location”).

Protected Area: Before signing this Exhibit A, initial one (1) below as applicable, and fill in number of miles if in an Urban Location.

All Protected Areas Other than an Urban Location. The Protected Area is the geographical area within four (4) miles of the front door, by road, of the Franchise Location using the roads in existence as of the date of this Agreement. The Protected Area is not computed as a radius as the crow flies around the Franchise Location. It is computed from front door to front door. The Protected Area does not prohibit or affect any locations existing before the date of this Agreement.

Protected Area in an Urban Location. The Protected Area is the geographical area within _____ (____) miles of the front door, by road, of the Franchise Location using the roads in existence as of the date of this Agreement. The Protected Area is not computed as a radius as the crow flies around the Franchise Location. It is computed from front door to front door. The Protected Area does not prohibit or affect any locations existing before the date of this Agreement.

COMPANY:
ROSATI'S PIZZA ENTERPRISES, INC.

A Florida corporation

By: _____
Darren Schmitt, Treasurer

Date: _____

FRANCHISEE:

Franchisee

Date: _____

Franchisee

Date: _____

or if Franchisee is an entity

A

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT B

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP, OFFICERS AND MEMBERS

Owners of the Franchisee Entity:

List below the names, titles, residential addresses and respective percentage ownership interests of each owner of the Franchisee entity executing this Agreement, whether shareholder of a corporation, member of a limited liability company, or partner of a partnership (attach additional sheets if necessary):

1. _____ _____ _____ _____ %	2. _____ _____ _____ _____ %
3. _____ _____ _____ _____ %	4. _____ _____ _____ _____ %

Officers (for corporation or LLC) and/or Managers (if manager-managed LLC) of the Franchisee Entity:

1. _____ _____ _____ Title _____	2. _____ _____ _____ Title _____
3. _____ _____ _____ Title _____	4. _____ _____ _____ Title _____

EXHIBIT C

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ____ day of _____, 20 __, by the undersigned.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (as amended, modified, restated or supplemented from time-to-time, the "**Agreement**") on this date by Rosati's Pizza Enterprises, Inc. (the "**Company**"), each of the undersigned personally and unconditionally (a) guarantees to the Company and its successors and assigns, for the term of the Agreement and afterward as provided in the Agreement, that _____ ("**Franchisee**") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, and transfer requirements.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon the Company's pursuit of any remedies against Franchisee or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which the 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 will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement; (5) this liability will not be diminished, relieved, or otherwise affected by any amendment, addendum, renewal agreement, transfer, assignment, or any other document which purports to revise the terms of the Franchise Agreement, and (6) at the Company's request, the undersigned shall present updated financial information to the Company as reasonably necessary to demonstrate his or her ability to satisfy the financial obligations of Franchisee under this Agreement.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by the Company of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

Each of the undersigned represents and warrants that, if no signature appears below for such undersigned's spouse, such undersigned is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

The provisions contained in Section 16 (Enforcement) of the Agreement, including, without limitation, Section 16.B (Arbitration), Section 16.C (Governing Law/Consent to Jurisdiction) and Section 16.D (Costs

and Attorneys' Fees) of the Agreement are incorporated into this Guaranty by reference and shall govern this Guaranty and any disputes between the undersigned and the Company. The Guarantors shall reimburse the Company for all costs and expenses the Company incurs in connection with enforcing the terms of this Guaranty.

By signing below, the undersigned spouse of the Guarantor indicated below (if the spouse is not himself/herself an owner of Franchisee), acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty. The Company confirms that a spouse who signs this Guaranty solely in his or her capacity as a spouse (and not as an owner) is signing merely to acknowledge and consent to the execution of the Guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including, without limitation, to bind the spouse's own separate property).

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

[Signature page follows]

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

GUARANTOR(S)

% OF INTEREST IN FRANCHISEE

_____ %

Print Name: _____

Address: _____

Date: _____

_____ %

Print Name: _____

Address: _____

Date: _____

_____ %

Print Name: _____

Address: _____

Date: _____

(Percentage must equal 100)

EXHIBIT D

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT

BETWEEN THE UNDERSIGNED PARTIES

ADDENDUM TO FRANCHISEE'S LEASE AGREEMENT

THIS LEASE ADDENDUM (the "**Addendum**") is made and entered into this ____ day of _____, 20____, by and between _____, hereinafter referred to as "**Landlord**", and _____, hereinafter referred to as "**Tenant**", and modifies that certain lease (the "**Lease**") of even date herewith.

WITNESSETH:

WHEREAS, Landlord and Tenant are parties to the Lease, concerning real estate commonly described as _____ ("**Premises**");

WHEREAS, Tenant intends to use the Premises for the operation of a Rosati's Pizza franchised business pursuant to a Franchise Agreement between Tenant and Rosati's Pizza Enterprises, Inc. ("**Franchisor**") using the Marks and system of doing business licensed to Tenant by Franchisor in the Franchise Agreement; and

WHEREAS, pursuant to the terms of the Franchise Agreement, Tenant's Lease for the operation of the Rosati's Pizza franchised business is subject to the approval of Franchisor and such lease must contain certain terms required by Franchisor.

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained, the sufficient of which is hereby acknowledged, the parties agree as follows:

1. **COPY OF EXECUTED LEASE.** Landlord shall provide a copy of the fully executed Lease within ten (10) business days of execution to Rosati's Pizza Enterprises, Inc., Attn: Business Manager 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104.

2. **ASSIGNMENT.** Tenant shall have the right to assign this Lease, without payment of an assignment fee and without Landlord's consent being required, to Franchisor, or any parent, subsidiary or affiliate of Franchisor (a "**Franchisor Entity**"). In such event, Tenant shall remain liable for any obligations occurring prior to the date of the assignment to Franchisor or a Franchisor Entity. Tenant, or Franchisor or a Franchisor Entity that has received an assignment of the Lease hereunder, shall have the right to assign this Lease, without payment of an assignment fee, and upon Landlord's approval which shall not be unreasonably withheld, to a duly authorized franchisee of Franchisor in connection with the sale, transfer or assignment of the business operated on the Premises. Landlord shall not withhold consent to an authorized franchisee of Franchisor if such franchisee has been approved by Franchisor. The assignor shall remain liable for any obligations accruing under the Lease prior to the date of the assignment and such assignee shall not be responsible for any obligations accruing under the Lease prior to the date of assignment. Landlord may require a replacement guaranty in the event of such assignment. The parties agree to execute any commercially reasonable documents necessary to document the assignment and assumption of the Lease hereunder. Any options to extend or renew the term of the Lease shall automatically transfer to an assignee in connection with an assignment and assumption of the Lease.

3. **FRANCHISOR'S OPTION TO ASSUME LEASE.** Landlord and Tenant grant to Franchisor the right, exercisable at the option of Franchisor, to take assignment of and assume all rights, title and interest of Tenant in and to the Lease and the Premises: (a) on the termination or expiration of the Franchise Agreement between Tenant and Franchisor; (b) on the commencement of eviction or termination proceedings by the Landlord against Tenant; (c) on cessation of the use of the Premises by Tenant as a Rosati's Pizza restaurant; or (d) the abandonment or closing by Tenant of the Rosati's Pizza restaurant on the Premises. Franchisor must give written notice to Landlord of its intent to exercise this option within sixty (60) days after the event triggering the option. Landlord must give Franchisor prompt notice of the commencement of any eviction or termination proceedings against Tenant. If Franchisor timely exercises its option, the Lease and all rights, title and interest of Tenant under the Lease and to the Premises will be automatically be assigned to Franchisor and assumed by Franchisor (or an entity to be formed by Franchisor and controlled by Franchisor or one or more owners of Franchisor). If Franchisor does not give notice exercising its assignment option within the sixty (60) day period, Franchisor will be deemed to have forfeited its rights under this Paragraph. Upon Franchisor's written request, Landlord and/or Tenant agree to execute documents in a form acceptable to Landlord in its reasonable discretion confirming this assignment and assumption of the Lease. If Franchisor takes assignment of the Lease pursuant to this Paragraph, Franchisor shall not be deemed to have assumed any obligations of Tenant under the Lease existing as of the date of assignment and assumption.

4. **NOTICE AND CURE RIGHTS.** Landlord shall provide to Franchisor a copy of any written Notice of Default or Notice of Termination issued by Landlord to the Tenant at the time that such notice is issued to Tenant. Franchisor reserves the right, but is under no obligation, to cure any default(s) under the Lease if Tenant should fail to do so within fifteen (15) days after the expiration of the cure period given to Tenant in which to cure the default. Landlord shall not evict Tenant from the Premises unless it has delivered a copy of any Notice of Default or Notice of Termination to Franchisor and Franchisor has had the foregoing opportunity to cure the default(s). Landlord acknowledges and understands that by curing Tenant's default, Franchisor does not assume and Landlord shall not hold Franchisor responsible for any liabilities of Tenant under the Lease unless Franchisor assumes the Lease as provided in Paragraph 3 herein. All notices shall be sent to:

Rosati's Pizza Enterprises, Inc.
Attention: Business Manager
10131 Sweetgrass Circle, Unit 104,
Naples, FL 34104

5. **FRANCHISOR'S SIGNAGE.** The Landlord consents that Tenant and/or Franchisor shall have the right to display at the Premises the Rosati's Pizza standard signage packages, including logo and lighted neon window signs, and any available pylon, monument or directory signage, as required Franchisor upon the execution of the Lease and as they may be modified and changed from time to time by Franchisor, subject only to the provision of local ordinances. Franchisor's current sign specifications are attached to this Addendum as Exhibit 1.

6. **USE OF PREMISES.** The Parties agree that, during the term of the Lease and any renewals or extensions, the Premises shall be used only for the operation of a Rosati's Pizza restaurant offering dine-in, carryout and/or delivery and offering pizza and related menu items, beer, wine, liquor (and other alcoholic beverages) and other products and services as authorized by Franchisor for Rosati's Pizza franchisees from time to time. Tenant's use clause shall in no way infringe on the exclusive rights to operate of any existing Tenants. Tenant shall be permitted to use an outdoor eating area when available, Tenant will also be

allowed the right to use any exterior space deemed applicable for a walk-in cooler/freezer, or mechanical equipment deemed necessary to operate a Rosati's Pizza restaurant, as they may be modified and changed from time to time by Franchisor, subject only to the provision of local ordinances.

7. **EXCLUSIVE USE.** Tenant shall not at any time be restricted by Landlord from selling, nor shall Landlord grant any other tenant the exclusive right to sell, any items on Tenant's Menu. Throughout the term of the Lease and any renewals or extensions, Landlord agrees that Tenant shall have the exclusive use in the shopping center in which the Premises is located to engage in a business that primarily sells pizza. As used herein, the term "primarily" means that greater than 10% of the gross sales of the restaurant are derived from the sale of pizza calculated in a twelve (12) month period, throughout the term of the lease and any renewals and extensions and in the event that Tenant opens a Rosati's Pizza sports pub, Landlord agrees that Tenant shall have exclusive use in the shopping center in which the Premises is located to engage in a sports pub themed restaurant, (for example a Buffalo Wild Wings type of restaurant). Throughout the term of the Lease and any renewals or extensions and in the event that Tenant expands to a Rosati's Pizza sports pub after first opening as a Rosati's Pizza carryout/delivery restaurant, Landlord agrees that Tenant shall have the exclusive use in the shopping center in which the Premises is located to engage in a sports pub-themed restaurant (for example, a Buffalo Wild Wings type of restaurant) as long as the shopping center does not already have a tenant in place that engages in a sports pub themed restaurant. Landlord shall not allow any other tenant in the shopping center in which the Premises is located to violate the terms of this exclusivity agreement, and if a violation occurs, in addition to any other remedies Tenant may have at law or in equity, Tenant shall have the right to terminate this Lease upon thirty (30) days written notice.

8. **IMPROVEMENTS.** Landlord shall not unreasonably withhold its consent to any remodeling, redecorating or other alterations to the interior of the Premises as may be required by Franchisor from time to time so that the Tenant's Rosati's Pizza franchised business reflects the then-current image for Rosati's Pizza franchised businesses as required by Franchisor for the franchise system, on the condition that such work is performed in a good and workmanlike manner.

9. Landlord shall permit Franchisor to enter the Premises upon termination or expiration of the franchise agreement between Franchisor and Tenant, or upon the termination or expiration of the Lease between Landlord and Tenant, in order to (i) remove signage and other items bearing the Rosati's Pizza service marks and trademarks and otherwise to de-identify the Premises, and (ii) remove any furniture, fixtures, equipment, and inventory in which Franchisor has a security interest.

10. **LIEN SUBORDINATION.** If Landlord has a security interest or lien on Tenant's furniture, fixtures, equipment, and inventory ("**Collateral**") pursuant to either a statute, common law or the terms of this Lease, such security interest or lien shall be subject and subordinate to Franchisor's security interest in the Collateral pursuant to the terms of the Franchise Agreement, regardless of whether Franchisor's security interest has been perfected. Upon request, Landlord shall execute a waiver of Landlord's lien in a form reasonably acceptable to Landlord.

11. **CONTINGENCY.** In acknowledgement that Tenant must obtain the approval of this Lease from Franchisor, the parties agree that this Lease shall be contingent upon Tenant obtaining written approval of the Lease from Franchisor within twenty-one (21) days of the execution of this Lease (if such approval has not been obtained prior to the date of the execution of this Lease). If Tenant does not obtain Franchisor's written approval of the Lease within such twenty-one (21) day period, Tenant may within three (3) business days deliver written notice to Landlord that it has been unable to obtain the required approval and that, therefore, the Lease shall be null and void. If the Lease is declared null and void hereunder, all deposits

made by Tenant shall be returned to Tenant by Landlord.

12. Landlord and Tenant agree not to amend the Lease in any respect except with the prior written consent of Franchisor. Landlord and Tenant shall not enter into an extension or renewal of this Lease without the prior written consent of Franchisor and without including the terms similar to those contained in this Addendum.

13. This Addendum amends the Lease between the parties describe hereinabove, and in the event of any conflict between the terms of this Addendum and the terms of this Lease, the terms of this Addendum shall control. Except as provided herein, all other terms of said Lease shall remain unchanged.

LANDLORD

TENANT

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT 1 TO LEASE ADDENDUM

Franchisor's Current Sign Specifications

EXHIBIT E

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT

ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM

As a duly authorized signer on the financial institution account identified below of the undersigned Franchisee, I authorize Rosati's Pizza Enterprises, Inc. to initiate weekly electronic fund transfer debits from the account for payments due or when applicable, apply electronic funds transfer credits to the same. Said debits may be for Royalty Fees, Advertising Fund contributions (if applicable), interest, late fees, and any other amounts Franchisee owes to the Company or its affiliates pursuant to the Franchise Agreement between Franchisee and Company, and in amounts required by the Franchise Agreement. The dollar amount to be debited for each transfer will vary.

Currently, Rosati's Pizza Enterprises, Inc. is initiating weekly debits on Thursday of every week for payment of the Royalty Fee and any other amounts then due, unless that day falls on a holiday, in which case the debit will be initiated the following business day. The dates and intervals for initiating debits for amounts due under the Franchise Agreement may be changed upon delivery of notice to Franchisee.

If any such electronic debit(s) should be returned by my financial institution as unpaid (Non-Sufficient or Uncollected Funds), I understand that Rosati's Pizza Enterprises, Inc. shall be entitled to collect interest and late fees as provided in the Franchise Agreement, and to debit same from this account once there are sufficient funds to cover it.

This authorization is to remain in full force and effect until Rosati's Pizza Enterprises, Inc. has received written notification of its termination in such time and in such manner as to afford Rosati's Pizza Enterprises, Inc. a reasonable opportunity to act on it, and to obtain a replacement Electronic Funds Transfer Authorization from Franchisee for a replacement account. Any such notice should be sent to the following address:

Rosati's Pizza Enterprises, Inc.
Attn: Darren Schmitt
10131 Sweetgrass Circle, Unit 104,
Naples, FL 34104

Franchisee is responsible for, and shall pay on demand, all costs or fee charged by the financial institution holding the account relating to the handling of debits pursuant to this authorization. I understand and authorize all of the above.

FRANCHISEE: _____

AUTHORIZING SIGNATURE: _____ DATE: _____

PRINT NAME AND TITLE: _____

STORE ADDRESS: _____

Financial Institution Account Identifying Information:

Enter financial institution account information in the fields below or attach a voided check.

Financial Institution:	Branch:
City:	State & Zip Code:
Transit / ABA # (Routing #):	Account #:

EXHIBIT F

FRANCHISE OPERATIONS MANUAL

ROSATI'S PIZZA
FRANCHISE OPERATIONS MANUAL
TABLE OF CONTENTS

Rosati's Pizza Franchise Operations Manual

Table of Contents

SECTION A: INTRODUCTION

WELCOME TO THE ROSATI'S FAMILY	1
HISTORY OF ROSATI'S PIZZA	2
OUR MISSION, VISION AND VALUES	3
SERVICES PROVIDED TO FRANCHISEES	4
Advertising Materials and Sales Aids ◀	4
Approved Suppliers ◀	4
Construction Assistance ◀	4
Initial On-Site Assistance ◀	5
Initial Training ◀	5
Ongoing Research and Development ◀	5
Ongoing Training and Support ◀	5
Site Selection ◀	6
RESPONSIBILITIES OF FRANCHISEES	7
Responsibilities to Guests ◀	7
Responsibilities to Your Employees ◀	8
Responsibilities to the Franchisor ◀	9
Responsibilities to Other Franchisees ◀	9
VISITS FROM THE CORPORATE OFFICE	10
PAYING OTHER FEES	12
Additional Assistance ◀	12
Additional Basic Training ◀	12
Attorneys' Fees ◀	12
Audit ◀	13
Computer System Maintenance and Upgrades ◀ ..	13
Indemnification ◀	13
Interest on Late Payments ◀	13
Late Payments ◀	13
Lease Renewal Fee ◀	14
Management Fees ◀	14
Non-Approval of Restaurant Opening ◀	14
Non-Compliance Fee ◀	14
Ongoing Training ◀	14
Refurbishment ◀	15
Supplier Evaluation ◀	15
Transfer ◀	15

SECTION B: PRE-OPENING PROCEDURES

PRE-OPENING CHECKLIST	1
Pre-Opening Checklist ◀	2
ESTABLISHMENT OF BUSINESS FORM	16

SITE SELECTION PROCESS	17
Site Selection Criteria ◀	17
Market Analysis ◀	18
Gaining Site Selection Acceptance ◀	20
Lease Considerations ◀	21
Working with an Architect ◀	22
Selecting a Contractor ◀	22
Building Out the Pizzeria Facility ◀	23
REQUIRED LIST OF EQUIPMENT	26
INITIAL INVENTORY	28
ORGANIZING THE OFFICE	29
SIGNAGE AND LOGO SPECIFICATIONS	30
Business Cards and Letterhead ◀	30
Signage Requirements ◀	31
CONTRACTING WITH REQUIRED UTILITIES AND SERVICES	32
OBTAINING REQUIRED LICENSES AND PERMITS	34
SETTING UP BANK ACCOUNTS	36
Accounts to Open ◀	36
PROCURING REQUIRED INSURANCE POLICIES	37
MEETING YOUR TAX OBLIGATIONS	39
Employer Identification Number ◀	39
Federal Taxes ◀	39
State Taxes ◀	40
Taxes and Resale Certificates ◀	40
CONDUCTING A GRAND OPENING	41
Planning ◀	44

SECTION C: HUMAN RESOURCES

EEOC GUIDELINES	1
Employers Covered by EEOC-Enforced Laws ◀	1
How Employees Are Counted ◀	2
Record Keeping Requirements ◀	2
Reporting Requirements ◀	3
Charge Processing Procedures ◀	3
Mediation ◀	4
Remedies ◀	4
Regulatory Enforcement Fairness Act ◀	5
Technical Assistance ◀	5
Informal Guidance ◀	5
Publications ◀	5

Rosati's Pizza Franchise Operations Manual

Table of Contents

<p>LAWS REGARDING HARASSMENT..... 6</p> <p style="padding-left: 20px;">Sexual Harassment ◀ 6</p> <p style="padding-left: 20px;">Racial and Ethnic Harassment ◀..... 6</p> <p style="padding-left: 20px;">Pregnancy Discrimination ◀..... 7</p> <p style="padding-left: 20px;">Religious Accommodation ◀ 7</p> <p>IMMIGRATION REFORM / CONTROL ACT 8</p> <p>WAGE AND LABOR LAWS..... 10</p> <p style="padding-left: 20px;">Fair Labor Standards Act ◀ 10</p> <p style="padding-left: 20px;">What the FLSA Requires ◀ 11</p> <p style="padding-left: 20px;">What the FLSA Does Not Require ◀ 13</p> <p style="padding-left: 20px;">FLSA Minimum Wage Poster ◀ 13</p> <p style="padding-left: 20px;">Other Mandatory Labor Law Posters ◀ 14</p> <p>AMERICANS WITH DISABILITIES ACT (ADA) 15</p> <p>PROFILE OF THE IDEAL ROSATI'S PIZZA EMPLOYEE 17</p> <p>RECRUITING EMPLOYEES 21</p> <p style="padding-left: 20px;">Determining Hiring Needs ◀ 21</p> <p style="padding-left: 20px;">Getting the Word Out ◀ 22</p> <p style="padding-left: 20px;">Sources of Applicants ◀ 22</p> <p style="padding-left: 20px;">Employment Applications ◀ 24</p> <p>THE INTERVIEW PROCESS..... 28</p> <p style="padding-left: 20px;">Completing the Interview Report ◀..... 34</p> <p style="padding-left: 20px;">Reference Checks ◀ 35</p> <p style="padding-left: 20px;">Background Checks ◀ 36</p> <p style="padding-left: 20px;">Delivery Personnel Checks ◀ 37</p> <p style="padding-left: 20px;">Job Offer ◀ 39</p> <p>JOB DESCRIPTIONS..... 42</p> <p style="padding-left: 20px;">Owner / Management ◀ 43</p> <p style="padding-left: 20px;">Assistant / Kitchen Manager ◀ 46</p> <p style="padding-left: 20px;">Pizza Prep Cook ◀ 48</p> <p style="padding-left: 20px;">Kitchen Line Cook ◀ 49</p> <p style="padding-left: 20px;">Front of the House ◀ 51</p> <p style="padding-left: 20px;">Host / Hostess ◀ 52</p> <p style="padding-left: 20px;">Bartenders ◀ 53</p> <p style="padding-left: 20px;">Drivers ◀ 55</p> <p>HIRING ON A TRIAL BASIS 57</p> <p>TRAINING EMPLOYEES..... 58</p> <p style="padding-left: 20px;">Training Tips ◀ 58</p> <p style="padding-left: 20px;">Orientating New Employees ◀ 59</p> <p style="padding-left: 20px;">Initial Training of New Employees ◀ 63</p> <p style="padding-left: 20px;">Ongoing Training Process ◀ 67</p> <p>PERSONNEL POLICIES..... 69</p>	<p>TIME TRACKING 78</p> <p>UNIFORM AND DRESS CODE 79</p> <p>CONDUCTING PERFORMANCE EVALUATIONS 83</p> <p style="padding-left: 20px;">Preparation ◀ 84</p> <p style="padding-left: 20px;">Procedure ◀ 86</p> <p style="padding-left: 20px;">Review Meeting ◀ 86</p> <p>PROGRESSIVE DISCIPLINE 89</p> <p>TERMINATION / SEPARATION PROCEDURES 92</p> <p style="padding-left: 20px;">Termination ◀ 92</p> <p style="padding-left: 20px;">Resignation ◀ 94</p> <p>SECTION D: DAILY OPERATING PROCEDURES</p> <p>SUGGESTED HOURS OF OPERATION..... 1</p> <p>DAILY ROUTINES - FRONT OF HOUSE..... 2</p> <p style="padding-left: 20px;">Opening Procedures – Management ◀ 2</p> <p style="padding-left: 20px;">Opening Procedures – Counter ◀ 5</p> <p style="padding-left: 20px;">Ongoing Procedures / Shift Change –</p> <p style="padding-left: 40px;">Management ◀ 5</p> <p style="padding-left: 20px;">Shift Change Procedures – Counter ◀ 6</p> <p style="padding-left: 20px;">Closing Procedures – Management ◀ 6</p> <p style="padding-left: 20px;">Closing Procedures – Counter ◀ 8</p> <p>DAILY ROUTINES — BACK OF HOUSE 9</p> <p style="padding-left: 20px;">Opening Procedures ◀ 9</p> <p style="padding-left: 20px;">Post-Rush Procedures ◀ 10</p> <p style="padding-left: 20px;">Closing Procedures ◀ 11</p> <p>CUSTOMER SERVICE PROCEDURES 13</p> <p style="padding-left: 20px;">Rosati's Pizza Guest Service Philosophy ◀ 13</p> <p style="padding-left: 20px;">Providing Excellent Guest Service ◀ 13</p> <p style="padding-left: 20px;">Use of Comment Cards ◀ 15</p> <p style="padding-left: 20px;">Handling Guest Complaints ◀ 16</p> <p style="padding-left: 20px;">Handling Refund Requests ◀ 18</p> <p>GUEST TRANSACTION PROCEDURES..... 19</p> <p style="padding-left: 20px;">Greeting Guests ◀ 19</p> <p style="padding-left: 20px;">Tipping ◀ 20</p> <p style="padding-left: 20px;">Service Time ◀ 20</p> <p style="padding-left: 20px;">Taking Guest Orders ◀ 20</p> <p style="padding-left: 20px;">Using the POS System to Enter Orders ◀ 22</p> <p style="padding-left: 20px;">Promotions ◀ 24</p> <p style="padding-left: 20px;">Making Suggestions/Suggestive Selling ◀ 24</p> <p style="padding-left: 20px;">Continued Service ◀ 27</p> <p style="padding-left: 20px;">Transacting Sales ◀ 27</p>
---	--

Rosati's Pizza Franchise Operations Manual

Table of Contents

<p>Preparing Carry-Out Orders ◀..... 28</p> <p>HOST / HOSTESS PROCEDURES..... 29</p> <p style="padding-left: 20px;">Managing Waits/Wait Lists ◀ 29</p> <p style="padding-left: 20px;">Seating and Rotation ◀..... 31</p> <p>BARTENDING PROCEDURES 32</p> <p style="padding-left: 20px;">Menu Knowledge ◀..... 32</p> <p style="padding-left: 20px;">Bar Station Setup ◀..... 32</p> <p style="padding-left: 20px;">Back Station Setup ◀ 33</p> <p style="padding-left: 20px;">Importance of Multi-Tasking ◀ 34</p> <p style="padding-left: 20px;">Liquor Laws ◀ 35</p> <p style="padding-left: 20px;">Service Well ◀..... 35</p> <p style="padding-left: 20px;">Opening, Running, Closing Duties ◀..... 36</p> <p style="padding-left: 20px;">Bar Cleanliness ◀ 36</p> <p style="padding-left: 20px;">Bartender Security Responsibilities ◀ 40</p> <p style="padding-left: 20px;">Check Out Procedures ◀ 40</p> <p style="padding-left: 20px;">Performance Standards ◀ 41</p> <p>ALCOHOL MANAGEMENT 44</p> <p style="padding-left: 20px;">Checking Identification ◀..... 44</p> <p style="padding-left: 20px;">Alcohol Awareness ◀..... 44</p> <p>COCKTAIL AND DRINK BASICS 46</p> <p style="padding-left: 20px;">Pricing Categories ◀..... 46</p> <p style="padding-left: 20px;">Cocktails ◀ 47</p> <p style="padding-left: 20px;">Recipe Adherence ◀ 48</p> <p style="padding-left: 20px;">Glassware ◀..... 49</p> <p style="padding-left: 20px;">Ice ◀..... 50</p> <p style="padding-left: 20px;">Drink Making Techniques ◀..... 51</p> <p style="padding-left: 20px;">Visual Appeal ◀ 55</p> <p style="padding-left: 20px;">Garnishes ◀ 55</p> <p>FOOD PREPARATION PROCEDURES 57</p> <p style="padding-left: 20px;">Cash and Carry ◀..... 57</p> <p style="padding-left: 20px;">Pick Up ◀ 57</p> <p style="padding-left: 20px;">Delivery ◀..... 58</p> <p style="padding-left: 20px;">Dine-In ◀ 58</p> <p style="padding-left: 20px;">Bar ◀ 58</p> <p style="padding-left: 20px;">Food Product Specifications ◀..... 59</p> <p style="padding-left: 20px;">Rosati's Pizza Recipes ◀ 59</p> <p style="padding-left: 20px;">Preparing Menu Items to Order ◀..... 59</p> <p>COOKING PROCEDURES..... 60</p> <p style="padding-left: 20px;">Meeting Time-Temperature Requirements ◀..... 60</p> <p style="padding-left: 20px;">Preparing Procedures ◀..... 62</p> <p style="padding-left: 20px;">Thawing Procedures ◀ 62</p>	<p style="padding-left: 20px;">Cooking Procedures ◀..... 63</p> <p style="padding-left: 20px;">Cooling Procedures ◀ 63</p> <p style="padding-left: 20px;">Holding Procedures ◀..... 64</p> <p style="padding-left: 20px;">Reheating Procedures ◀..... 64</p> <p style="padding-left: 20px;">Serving Procedures ◀ 65</p> <p>FOOD SAFETY AND SANITATION 66</p> <p style="padding-left: 20px;">Preventing Contamination ◀ 66</p> <p style="padding-left: 20px;">Personal Hygiene ◀ 68</p> <p style="padding-left: 20px;">Types of Contamination ◀ 70</p> <p style="padding-left: 20px;">Cross-Contamination ◀..... 71</p> <p style="padding-left: 20px;">Biological Hazards ◀ 71</p> <p style="padding-left: 20px;">Staphylococcus ◀..... 72</p> <p style="padding-left: 20px;">Salmonellosis ◀ 72</p> <p style="padding-left: 20px;">Clostridium Perfringens (E. Coli) ◀..... 73</p> <p style="padding-left: 20px;">Botulism ◀ 74</p> <p style="padding-left: 20px;">Hepatitis Virus A ◀ 74</p> <p style="padding-left: 20px;">Cooking Food ◀ 75</p> <p style="padding-left: 20px;">Reheating Food ◀ 76</p> <p style="padding-left: 20px;">Cooling Food ◀ 76</p> <p>FOODBORNE ILLNESS..... 78</p> <p style="padding-left: 20px;">Contributing Factors to a Foodborne Illness ◀ 80</p> <p style="padding-left: 20px;">Top 5 Food Safety & Sanitation Issues ◀ 81</p> <p style="padding-left: 20px;">Recommended Manager Script ◀..... 82</p> <p>PREP PROCEDURES..... 84</p> <p style="padding-left: 20px;">Prepping Menu Items Correctly ◀ 84</p> <p style="padding-left: 20px;">Prep Work ◀ 84</p> <p>CATERING PROCEDURES..... 86</p> <p style="padding-left: 20px;">Taking Catering Orders ◀..... 86</p> <p style="padding-left: 20px;">Payment / Deposit for Catering Orders ◀..... 88</p> <p style="padding-left: 20px;">Preparation of Catering Orders ◀..... 88</p> <p style="padding-left: 20px;">Delivery and Set Up of Catering Orders ◀..... 89</p> <p style="padding-left: 20px;">Guest Satisfaction Follow-up ◀..... 89</p> <p>DELIVERY PROCEDURES..... 90</p> <p style="padding-left: 20px;">Delivery Standards ◀ 90</p> <p style="padding-left: 20px;">Mapping Out Deliveries ◀ 92</p> <p style="padding-left: 20px;">Delivery Safety and Security Procedures ◀ 94</p> <p style="padding-left: 20px;">Greeting the Delivery Guest ◀ 102</p> <p style="padding-left: 20px;">Transacting the Sale on Delivery ◀..... 103</p> <p style="padding-left: 20px;">Delivery Money Handling Procedures ◀ 105</p> <p>THE POS SYSTEM..... 106</p> <p>MONEY HANDLING PROCEDURES..... 107</p>
--	---

Rosati's Pizza Franchise Operations Manual

Table of Contents

Accepting Payment ◀.....	107
Cash Handling Procedures ◀.....	110
Reconciling Sales and Payments ◀.....	110
Making Your Bank Deposit ◀.....	112
REQUIRED CLEANING AND MAINTENANCE.....	113
Daily Cleaning and Maintenance ◀.....	113
Weekly Cleaning and Maintenance ◀.....	115
Monthly Cleaning and Maintenance ◀.....	116
Counters, Tables, Product Preparation	
Surfaces ◀.....	116
Floors ◀.....	116
Walls and Ceilings ◀.....	117
Wash Bowls ◀.....	117
Windows ◀.....	117
Lighting and Air Vents ◀.....	118
Waste Receptacles ◀.....	118
Restrooms ◀.....	118
Sidewalks ◀.....	119
Dumpster Area ◀.....	119
Care of Cleaning Equipment ◀.....	119
Fire Extinguishers ◀.....	120
Cleaning Stationary Equipment ◀.....	120
Daily Side Work ◀.....	121
SAFETY AND SECURITY.....	122
Responsibility ◀.....	122
Safety Orientation ◀.....	123
Preventing Strains ◀.....	124
Preventing Burns ◀.....	125
General Oven Safety ◀.....	126
Preventing Electrical Shock ◀.....	126
Safe Chemical Handling ◀.....	126
Preventing Cuts ◀.....	127
Safe Equipment Operation ◀.....	128
Accident Reporting and Investigation ◀.....	128
Workers' Compensation Issues ◀.....	131
Fire Safety ◀.....	132
Robbery ◀.....	133
Burglary ◀.....	134
Power Failure ◀.....	134
Disorderly Guests ◀.....	135

SECTION E: MANAGING A ROSATI'S PIZZA BUSINESS

ORGANIZING YOUR MANAGEMENT ACTIVITIES.....	1
Manager's Communication Log ◀.....	1
Use of Checklists ◀.....	2
MANAGING PERSONNEL.....	3
Scheduling Employees ◀.....	3
Communicating With Employees ◀.....	7
Organizing the Staff ◀.....	8
Motivating Employees ◀.....	9
MANAGING THE GUEST EXPERIENCE.....	12
Fostering a Positive Guest Environment ◀.....	12
Ensuring Quality Control ◀.....	13
Building Guest Loyalty ◀.....	14
Facilitating Guest Service Procedures ◀.....	16
Developing a Maintenance Program ◀.....	16
INVENTORY MANAGEMENT.....	18
Product Ordering Procedures ◀.....	18
Establishing Par Levels ◀.....	24
Ordering from Approved Suppliers ◀.....	24
Changing Approved Suppliers ◀.....	29
Product Receiving Procedures ◀.....	30
Inventory Rotation/Storage ◀.....	32
Tracking Inventory ◀.....	33
GENERATING NECESSARY REPORTS.....	35
FRANCHISE REPORTING REQUIREMENTS.....	36
Royalty Payment ◀.....	36
Advertising Contributions ◀.....	36
Required Weekly Reports ◀.....	37
Electronic Funds Transfer ◀.....	37
Financial Statements ◀.....	38
Financial Primer ◀.....	39

SECTION F: MARKETING AND ADVERTISING

MARKETING PLAN.....	1
Classifying Your Store ◀.....	4
Developing your Marketing Plan ◀.....	5
Writing Your Marketing Plan ◀.....	6
Marketing Mix Matrix ◀.....	8
PROMOTING THE ROSATI'S PIZZA BRAND IN YOUR AREA.....	10

Rosati's Pizza Franchise Operations Manual

Table of Contents

Use of Media ◀.....	10
TRADITIONAL MEDIA.....	13
Direct Mail ◀.....	13
Radio ◀.....	15
Local Television ◀.....	16
Billboards ◀.....	16
Print ◀.....	19
Yellow Pages / White Pages ◀.....	21
Box Toppers ◀.....	21
Counter Cards ◀.....	22
Table Tents ◀.....	22
Business Card Drawing ◀.....	22
Word-of-Mouth ◀.....	23
Neighborhood Marketing ◀.....	24
INTERNET ADVERTISING / ONLINE MARKETING.....	25
Website ◀.....	25
Email Marketing ◀.....	25
VIP Club Sign Up Cards ◀.....	26
Social Media ◀.....	27
Mobile Advertising and Mobile Marketing ◀.....	28
Digital Coupons ◀.....	30
GUIDELINES FOR USING ROSATI'S PIZZA MARKS.....	31
PUBLIC RELATIONS / COMMUNITY INVOLVEMENT.....	33
Community Involvement ◀.....	34
Hotel Program ◀.....	36
COUPON COUNTING.....	38
Evaluation Criteria ◀.....	38
REQUIRED ADVERTISING EXPENDITURES.....	39
Systemwide Advertising Fund ◀.....	39
Local Advertising ◀.....	39
Obtaining Advertising Approval ◀.....	40

APPENDICES

CATERING GUIDE APPENDIX

HARASSMENT PROCEDURES APPENDIX

MARKETING APPENDIX

RECIPE AND PREP APPENDIX

SAMPLE FORMS APPENDIX

SITE SELECTION APPENDIX

EXHIBIT G

FRANCHISEE ACKNOWLEDGEMENT QUESTIONNAIRE

FRANCHISEE ACKNOWLEDGEMENT QUESTIONNAIRE

To be completed prior to signing the Franchise Agreement

DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE LOCATED, OR YOUR FRANCHISED BUSINESS WILL BE LOCATED IN: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

As you know, Rosati's Pizza Enterprises, Inc. ("Franchisor") and you are preparing to enter into a Franchise Agreement for the operation of a ROSATI'S PIZZA Restaurant franchise. The purpose of this Questionnaire is to determine whether Rosati's Pizza Enterprises, Inc. provided timely and adequate disclosure to you about the Franchised Business and to determine whether any statements or promises not authorized by Rosati's Pizza Enterprises, Inc. were made to you, either orally or in writing, that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and carefully reviewed the Rosati's Pizza Franchise Disclosure Document which was provided to you?

Yes___ No_____

2. On what date did you receive the Franchise Disclosure Document? _____

3. Before receiving the Franchise Disclosure Document, were you informed by the Franchisor that the Franchise Disclosure Document was available in other formats than hard copy and what you would need to access any alternate formats?

Yes___ No___

4. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?

Yes___ No___

5. Did the Franchise Disclosure Document receipt (and any additional receipts delivered to you) identify all of the Franchise Sellers that you worked with in investigating the purchase of a Rosati's Pizza franchise?

Yes___ No___

6. Have you received and carefully reviewed the Franchise Agreement and each exhibit attached to it?

Yes___ No___

7. Have you received execution copies of the Franchise Agreement that were completed with all of the blanks filled in?

Yes___ No___

8. Were any questions that you had for the Franchisor regarding a Rosati's Pizza franchise or the Franchise Agreement answered to your satisfaction?

Yes____ No____

9. Have you had the opportunity to discuss the benefits and risks of owning and operating a Rosati's Pizza franchise with an attorney, accountant and/or other professional advisor?

Yes____ No____

10. Have you conducted an independent investigation of the Rosati's Pizza franchise business and do you understand that the purchase of a Rosati's Pizza franchise is a business decision that has many of the same risks associated with starting any type of new business?

Yes____ No____

11. Do you understand that as a franchisee you will be an independent business owner and not an employee of the Franchisor?

Yes____ No____

12. Do you understand that the success or failure of your franchise will depend in large part upon your skills and abilities, the time and effort you put into the business, your ability to and willingness to follow the Rosati's Pizza system and methods of doing business, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes____ No____

13. Do you understand and acknowledge that Rosati's Pizza Enterprises, Inc. cannot guarantee the success of your Rosati's Pizza restaurant franchise or that it will achieve profitability?

Yes____ No____

14. IF YOU HAVE ANSWERED "NO" TO ANY OF QUESTIONS 1 THROUGH 12 ABOVE, PLEASE INDICATE THE NUMBER OF THE QUESTION(S) AND A FURTHER EXPLANATION OF YOUR ANSWER(S) IN THE SPACE PROVIDED BELOW OR ATTACH AN ADDITIONAL SHEET IF NECESSARY. IF YOU HAVE ANSWERED "YES" TO ALL OF QUESTIONS 1 THROUGH 12 ABOVE, PLEASE LEAVE THE FOLLOWING LINES BLANK.

Question No. Explanation

15. Has any officer, employee, corporate advisor, franchise broker or other person speaking on behalf of Franchisor made any written or oral statement or promise concerning the actual sales or revenues of any Rosati's Pizza restaurant other than information contained in Item 19 of the Franchise Disclosure Document?

Yes___ No___

16. Has any officer, employee, corporate advisor, franchise broker or other person speaking on behalf of Franchisor made any written or oral statement or promise concerning the gross or net profits from operating of a Rosati's Pizza restaurant franchise?

Yes___ No___

17. Has any officer, employee, corporate advisor, franchisor broker or other person speaking on behalf of Franchisor made any written or oral statement or promise regarding the amount of money you may earn in operating a Rosati's Pizza restaurant franchise?

Yes___ No___

18. Has any officer, employee, corporate advisor, franchise broker or other person speaking on behalf of Franchisor made any written or oral statement or promise regarding the costs you may incur in establishing or operating a Rosati's Pizza restaurant franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes___ No___

19. Has any officer, employee, corporate advisor, franchise broker or other person speaking on behalf of Franchisor made any written or oral statement, promise or purported agreement concerning the advertising, marketing, training, support services or assistance that Franchisor will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes___ No___

20. Has any officer, employee, corporate advisor, franchise broker or other person speaking on behalf of Franchisor made any other written or oral statement, promise or purported agreement relating to the Rosati's Pizza restaurant franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes___ No___

21. IF YOU HAVE ANSWERED “YES” TO ANY OF QUESTIONS 14 THROUGH 19 ABOVE, PLEASE INDICATE THE NUMBER OF THE QUESTION(S) AND A FURTHER EXPLANATION OF YOUR ANSWER(S) IN THE SPACE PROVIDED BELOW OR ATTACH AN ADDITIONAL SHEET IF NECESSARY. IF YOU HAVE ANSWERED “NO” TO ALL OF QUESTIONS 14 THROUGH 19 ABOVE, PLEASE LEAVE THE FOLLOWING LINES BLANK.

<u>Question No.</u>	<u>Explanation</u>
_____	_____
_____	_____
_____	_____
_____	_____

You understand that your answers are important to Rosati’s Pizza Enterprises, Inc. and that it relies on them in making a decision whether to award a Rosati’s Pizza franchise. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions and that you fully understand and accept the business risks involved in the purchase of a franchise business.

Date: _____

Prospective Franchisee

EXHIBIT H
STATE ADDENDUM

Some administrators of franchise registration states may require us to enter into an addendum to the Rosati's Pizza Franchise Disclosure Document and/or franchise agreement describing certain state laws or regulations which may supersede the Franchise Disclosure Document or franchise agreement. If you are in a registration state which requires an addendum, it will follow this page.

FOR THE FOLLOWING STATES: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON OR WISCONSIN.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA**

The Rosati's Pizza Enterprises, Inc. Franchise Disclosure Document for use in the State of California is modified in accordance with the following:

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 FRANCHISE DISCLOSURE DOCUMENT.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO 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.

OUR WEBSITES, www.myrosatis.com and www.rosatisfranchising.com, HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT www.dfpi.ca.gov.

Item 1 of the Franchise Disclosure Document is revised to include the following:

The State of California has codified regulations specific to the food service industry. You may refer to California Plan Check Guide for Retail Food Facilities at <http://www.ccdeh.com/resources/documents/food-safety-guidelines-1/152-california-plan-check-guide-for-retail-food-facilities-2/file>. For further requirements, please see the California Retail Food Code at <http://www.cdph.ca.gov/services/Documents/fdbRFC.pdf>.

Franchisee must comply with the requirements set forth in the Alcoholic Beverage Control Act and the California Code of Regulations, Title 4 for the sale of alcoholic beverages.

Item 3 of the Franchise Disclosure Document is revised to include the following:

Under California law, this Item does not include any information regarding the arrest of any person(s) that did not result in a conviction or a plea of nolo contendere.

Neither Rosati's Pizza Enterprises, Inc., nor any person identified in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Item 6 of the Franchise Disclosure Document is revised to include the following:

The highest rate of interest allowed by California law is 10% annually.

Item 12 of the Franchise Disclosure Document is revised to include the following:

We have used and we and our affiliates reserve the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing (including without limitation door to door hand delivery of menus and/or flyers), to make sales of products and services within the Protected Area using the Marks or other marks.

Item 17 of the Franchise Disclosure Document is revised to include the following:

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

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

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

The Franchise Agreement requires application of the laws of a state other than the State of California. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur at the forum indicated in Item 17 with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement states that franchisee must sign a general release if franchisee transfers its franchise or renews or signs a successor Franchise Agreement. California Corporations Code § 31512 voids a waiver of franchisee's rights under the Franchise Investment Law (California Corporations Code §§ 31000 – 31516). Business and Professional Code § 20010 voids a waiver of franchisee's rights under the Franchise Relations Act (Business and Professionals Code §§ 20000 – 20043).

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

The Rosati's Pizza Enterprises, Inc. Franchise Disclosure Document for use in the State of Illinois is modified in accordance with the following:

ROSATI'S PIZZA RESTAURANTS HAVE BEEN IN OPERATION A LONG TIME. SOME ARE OWNED BY MEMBERS OF THE ROSATI FAMILY. OTHERS ARE OWNED BY LICENSEES/FRANCHISEES OF VARIOUS ROSATI FAMILY MEMBERS. OTHER THAN THE SHARED PROMISE TO NOT LOCATE RESTAURANTS WITHIN FIVE MILES OF EACH OTHER, EACH OPERATES INDEPENDENTLY. AS DESCRIBED IN ITEM 12 OF THIS DISCLOSURE DOCUMENT, WE PROMISE OUR FRANCHISEES THAT WE WILL NOT OPEN OR FRANCHISE ANOTHER ROSATI'S PIZZA RESTAURANT LOCATION WITHIN FIVE MILES FRONT DOOR TO FRONT DOOR BY ROAD USING ROADS IN EXISTENCE WHEN THE FRANCHISE AGREEMENT IS SIGNED.

1. The "Summary" section of Item 17.u, entitled "Dispute resolution by arbitration or mediation," and the "Summary" section of Item 17.v, entitled "Choice of forum," are supplemented with the following:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

2. The "Summary" section of Item 17.w, entitled "Choice of law," is deleted and replaced with the following:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement and Multi-Unit Developer Agreement.

3. The following paragraphs are added to the end of Item 17:

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement/ multi-unit developer agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO FRANCHISE AGREEMENT
FOR USE IN STATE OF ILLINOIS

THIS ADDENDUM to the Franchise Agreement is agreed to between ROSATI'S PIZZA ENTERPRISES, INC. and _____ (Franchisee) to amend said Franchise Agreement to include the following language:

1. Section 12.B. of the Franchise Agreement on Renewal and Section 13 of the Franchise Agreement on Termination are amended by the addition of the following language to the original language that appears therein:

Illinois Franchise Disclosure Act paragraphs 705/19 and 705/20 provide rights to Franchisee concerning nonrenewal and termination of this Agreement. If this Agreement contains a provision that is inconsistent with Act, the Act will control.

2. The following is added to the end of Section 12.K of the Franchise Agreement.

However, nothing contained in this section shall constitute a condition, stipulation, or provision purporting to bind any person to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois, to the extent applicable.

3. The following is added to the end of Sections 16.E and 16.F of the Franchise Agreement.

Nothing contained in this section shall constitute a condition, stipulation, or provision purporting to bind any person to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois, to the extent applicable.

4. The following is added to the end of the Franchise Agreement.

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern this Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Franchisee's rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

FRANCHISEE:

By: _____
Title: _____

Date: _____

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO MULTI-UNIT DEVELOPER AGREEMENT
FOR USE IN STATE OF ILLINOIS

THIS ADDENDUM to the Franchise Agreement is agreed to between ROSATI'S PIZZA ENTERPRISES, INC. and _____ (Developer) to amend said Multi-Unit Developer Agreement to include the following language:

1. The following is added to the end of Section 11.6 of the Multi-Unit Developer Agreement.

However, nothing contained in this section shall constitute a condition, stipulation, or provision purporting to bind any person to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois, to the extent applicable.

2. The following is added to the end of Sections 11.5 and 11.8 of the Multi-Unit Developer Agreement.

Nothing contained in this section shall constitute a condition, stipulation, or provision purporting to bind any person to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois, to the extent applicable.

3. The following is added to the end of the Multi-Unit Developer Agreement.

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern this Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a multi-unit developer agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a multi unit developer agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Developer's rights upon termination and non-renewal of a multi-unit developer agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

DEVELOPER:

By: _____
Title: _____
Date: _____

Developer
Date: _____

Developer
Date: _____

OR if Developer is an entity:

A _____
By: _____
Its: _____
Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND

The Rosati's Pizza Enterprises, Inc. Franchise Disclosure Document for use in the State of Maryland is modified in accordance with the following:

1. The following is added to the end of the "Summary" section of Item 17(c), entitled "Requirements for renewal or extension," and 17.m, entitled "conditions for franchisor approval of transfer:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the "Summary" section of Item 17(h), entitled "Cause" defined – non-curable defaults:

The Franchise Agreement and Multi-Unit Developer Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The "Summary" sections of Item 17(v), entitled Choice of forum, and 17(w), entitled Choice of law, are amended to add the following:

, except that you may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following language is added to the end of the chart in Item 17:

Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND

This Addendum is to a Franchise Agreement between Rosati's Pizza Enterprises, Inc. and _____ (Franchisee) to amend said Agreement as follows:

1. Section 12.B. of the Franchise Agreement on Renewal, and Section 15.C. of the Franchise Agreement on Conditions to Transfer by Franchisee are amended by the addition of the following language to the original language that appears therein:

"Any provision requiring Franchisee to execute a general release of any and all claims against Franchisor as a condition of renewal, sale, and/or assignment/transfer shall not apply under Maryland Franchise Registration and Disclosure Law."

2. Section 13 of the Franchise Agreement on Termination by Company is amended by the addition of the following language to the original language that appears therein:

"Termination upon bankruptcy of the Franchisor may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

3. Section 16.C. of the Franchise Agreement on Governing Law/Consent to Jurisdiction shall be amended by the addition of the following language to the original language that appears therein:

"Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

4. Section 19 of the Franchise Agreement on Acknowledgements shall be amended by the addition of the following language to the original language that appears therein:

"The representations of this section are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

5. Section 16.F. of the Franchise Agreement on Limitation of Claims is amended by the addition of the following:

"Any limitation of claims provisions shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

6. Section 16.B of the Franchise Agreement is supplemented by adding the following to the end of the Section:

"A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

FRANCHISEE:

By: _____

Title: _____

Date: _____

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE MULTI-UNIT DEVELOPER AGREEMENT
FOR THE STATE OF MARYLAND

This Addendum is to a Multi-Unit Developer Agreement between Rosati's Pizza Enterprises, Inc. and _____ (Developer) to amend said Agreement as follows:

1. Section 6.2(a) of the Multi-Unit Developer Agreement on Default and Termination is amended by the addition of the following language to the original language that appears therein:

"Termination upon bankruptcy of the Franchisor may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)."

2. Section 11.3 of the Multi-Unit Developer Agreement on Governing Law/Consent to Jurisdiction shall be amended by the addition of the following language to the original language that appears therein:

"Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

3. Section 11.6 of the Multi- Unit Developer Agreement on Limitation of Claims is amended by the addition of the following:

"Any limitation of claims provisions shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

5. Section 11.2 of the Multi-Unit Developer Agreement is supplemented by adding the following to the end of the Section:

"A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

By: _____

Title: _____

Date: _____

DEVELOPER:

Developer

Date: _____

Developer

Date: _____

OR if Developer is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

The Rosati's Pizza Enterprises, Inc. Franchise Disclosure Document for use in the State of Minnesota is modified in accordance with the following:

1. Item 13 of the Franchise Disclosure Document on "Trademarks" is amended by the addition of the following language:

"Provided you have complied with all provisions of the Franchise Agreement applicable to the Marks, we will protect your rights to use the marks and we also will indemnify you from any loss, costs or expenses from any claims, suits or demands regarding your use of the Marks in accordance with Minn. Stat. Sec. 80C.12 Subd. 1(g.)"

2. The following is added at the end of the chart in Item 17:

"With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and Multi-Unit Developer Agreement and 180 days' notice for non-renewal of the Franchise Agreement and Multi-Unit Developer Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring the Developer or Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document, Multi-Unit Developer Agreement or Franchise Agreement can abrogate or reduce any of Developer's or Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Developer's or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by governing law with respect to claims arising under Minn. Rule 2860.4400D."

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

This addendum to the Franchise Agreement is agreed to between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Franchisee) to amend said Agreement as follows:

1. Section 12.B. of the Franchise Agreement on Renewal and Section 13 of the Franchise Agreement on Termination is amended by the addition of the following language:

"Minnesota law provides franchisees with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement. These provisions of Minnesota law are hereby incorporated by reference in this Agreement."

2. Section 12.B. of the Franchise Agreement on Renewal and Section 15.C. of the Franchise Agreement on Conditions to Transfer by Franchisee are each amended by the addition of the following language to the original language that appears therein:

"The execution of a general release upon renewal or transfer shall be inapplicable to claims arising under the Minnesota Franchises law."

3. Section 10 of the Franchise Agreement on Use of the Marks Properly is amended by the addition of the following language to the original language that appears therein:

"Provided Franchisee has complied with all provisions of the Franchise Agreement applicable to the Mark, Franchisor will protect Franchisee's rights to use the Marks and Franchisor will indemnify Franchisee from any loss, costs or expenses from any claims, suits or demands regarding Franchisee's use of the Marks in accordance with Minn. Stat. Sec 80C.12 Subd. 1(g)."

4. Section 14.B. of the Franchise Agreement on Post-Termination Covenant Not to Compete is amended by the addition of the following language to the original language that appears therein:

"These provisions may not be enforceable under Minnesota law."

5. The following language is added to the end of Section 14.D of the Franchise Agreement:

"Franchisor and Franchisee acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, Franchisor and Franchisee agree to enforce the provision to the extent the law allows."

6. Section 16.C. of the Franchise Agreement on Governing Law/Consent to Jurisdiction. Section 16.E. of the Franchise Agreement on Waiver of Punitive Damages and Jury Trial are each amended by the addition of the following language to the original language that appears therein:

"Minnesota Statutes, Section 80C.21 and Minn. Rule Part 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial,

or requiring the franchisee to consent to liquidated damages, termination, penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement can abrogate or reduce any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

7. Section 16.F. of the Franchise Agreement on Limitation of Claims is amended by the addition of the following language to the original language that appears therein:

"Notwithstanding the foregoing, any claim brought under the Minnesota Franchises Law shall not be barred unless an arbitration or legal proceeding is commenced within three (3) years after the cause of action accrues."

8. Section 16.A. of the Franchise Agreement on Specific Performance; Injunctive Relief is amended in part to provide that the court will determine if a bond will be posted.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

FRANCHISEE:

By: _____
Title: _____

Date: _____

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE MULTI-UNIT DEVELOPER AGREEMENT
FOR THE STATE OF MINNESOTA

This addendum to the Multi-Unit Developer Agreement is agreed to between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Developer) to amend said Agreement as follows:

1. The following sentence is added to the end of Section 6 of the Multi-Unit Developer Agreement:

“However, with respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3, 4, and 5, which require (except in certain specified cases) that Developer be given 90 days’ notice of termination (with 60 days to cure) of this Agreement.”

2. The following sentence is added to the end of Section 11.3 of the Multi-Unit Developer Agreement:

“Notwithstanding the foregoing, Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement shall abrogate or reduce any of Developer’s rights under Minnesota Statutes chapter 80C or Developer’s right to any procedure, forum or remedies that the laws of the jurisdiction provide. Nothing in this Agreement will abrogate or reduce any of Developer’s rights under the Minnesota Statutes Chapter 80C or Developer’s right to any procedure, forum or remedies that the laws of the jurisdiction provide.”

3. The following sentence is added to the end of Section 11.1 of the Multi-Unit Developer Agreement:

“Notwithstanding the foregoing, a court will determine if a bond is required to obtain injunctive relief.”

4. If and then only to the extent required by the Minnesota Franchise Law, Section 11.5 of the Multi-Unit Developer Agreement is hereby deleted.

5. The following is added to the end of Section 11.5 of the Multi-Unit Developer Agreement:

“; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.”

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

DEVELOPER:

By: _____
Title: _____

Date: _____

Developer

Date: _____

Developer

Date: _____

OR if Developer is an entity:

A _____

By: _____

Its: _____

Date: _____

**ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order

or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither we, our affiliate, predecessor, officers, or general partners or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this Disclosure Document have, during the 10-year period immediately preceding the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of ours held this position in the company or partnership.

4. The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for franchisee to renew or extend,**” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”:

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

5. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”:

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

6. The following is added to the end of the “Summary” section of Item 17(j), titled “**Assignment of contract by franchisor**”:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement.

7. The following is added to the end of the “Summary” sections of Item 17(v), titled

“Choice of forum”, and Item 17(w), titled “Choice of law”:

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

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK

This addendum to the Franchise Agreement is agreed to between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Franchisee) to amend said Agreement as follows:

1. The following language is added to the end of Section 12.B. of the Franchise Agreement on Renewal and Section 15.C. of the Franchise Agreement on Conditions to Transfer:

Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued there under shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

2. The following language is added to the end of Section 15.A on Transfer by Us:

However, to the extent required by applicable law, no transfer or assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. The following language is added to the end of Section 16.C on Governing Law/Consent to Jurisdiction:

This Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law, as amended, and the regulations issued thereunder.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

By: _____

Title: _____

Date: _____

FRANCHISEE:

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE MULTI-UNIT DEVELOPER AGREEMENT
FOR THE STATE OF NEW YORK

This addendum to the Multi-Unit Developer Agreement is agreed to between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Developer) to amend said Agreement as follows:

1. The following sentence is added to the end of Section 6.1 of the Multi-Unit Developer Agreement:

Developer may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

2. The following language is added to the end of Section 7.1 of the Multi-Unit Developer Agreement:

However, to the extent required by applicable law, no transfer or assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. The following language is added to the end of Section 11.3 of the Multi-Unit Developer Agreement:

This Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law, as amended, and the regulations issued thereunder.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

By: _____

Title: _____

Date: _____

DEVELOPER:

Developer

Date: _____

Developer

Date: _____

OR if Developer is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA

The Rosati's Pizza Enterprises, Inc. Franchise Disclosure Document for use in the State of North Dakota is modified in accordance with the following:

1. Item 5 of the Franchise Disclosure Document shall be amended with the addition of the following:

"Payment of the initial franchise fee is deferred until all initial obligations owed to the franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement."

2. The disclosure in the Item 6 chart, entitled "**Lost Revenue Damages**," will not be enforced to the extent prohibited by applicable law.
3. Item 17.c. of the Franchise Disclosure Document on "Requirements for franchisee to renew or extend" and Item 17.m. of the Franchise Disclosure Document on "Conditions for franchisor approval of transfer" are amended by the addition of the following:

"The execution of a general release upon renewal, assignment or termination shall be inapplicable to franchises operating under the North Dakota Franchise Investment Law."

4. Item 17.r. of the Franchise Disclosure Document on "Non-competition covenants after the franchise is terminated or expires" is amended by the addition of the following:

"Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota."

5. Item 17.u. of the Franchise Disclosure Document on "Dispute resolution by arbitration or mediation" shall be amended by the addition of the following:

"To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree."

6. Item 17.v. of the Franchise Disclosure Document on "Choice of forum" shall be amended by the deletion of the following:

"You must sue us in the court nearest to our or, as applicable, our successor's or assign's then current principal place of business (currently, Naples, Florida) except that, subject to the arbitration requirement, and to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota."

7. Item 17.w. of the Franchise Disclosure Document on "Choice of law" shall be amended to read as follows:

“Except as otherwise required by North Dakota law, and except for the U.S. Trademark Act, the Federal Arbitration Act, other federal laws, and disputes involving non-competition covenants (which are governed by the law of the state in which your Studio is located), Florida law applies.”

**ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA**

This Addendum is to a Franchise Agreement between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Franchisee) to amend said Agreement as follows:

1. Section 1. of the Franchise Agreement on Franchise Fee is amended by adding the following:

"Payment of the initial franchise fee is deferred until all initial obligations owed to Franchisee under this Agreement or other documents have been fulfilled by the Company and Franchisee has commenced doing business pursuant to this Agreement."

2. Section 12.B. of the Franchise Agreement on Renewal and Section 15.C. of the Franchise Agreement on Conditions to Transfer are amended by the addition of the following language to the original language that appears therein:

"The execution of a general release upon renewal, assignment or termination shall be inapplicable to franchises operating under the North Dakota Franchise Investment Law."

3. Section 14.B. of the Franchise Agreement on Post-Termination Covenants Not to Compete is amended by the addition of the following:

"Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, Franchisor will enforce the covenants to the maximum extent the law allows."

4. Section 16.B. of the Franchise Agreement on Arbitration is amended by adding the following to the end of the Section:

"Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which Franchisor and Franchisee mutually agree."

5. Section 16.C. of the Franchise Agreement on Governing Law/Consent to Jurisdiction is deleted in its entirety and replaced with the following:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other federal law, and except as otherwise required by North Dakota law, this Agreement, the franchise, and all claims arising from the relationship between Franchisor and Franchisee will be governed by the laws of the State of Florida, without regard to its conflict of laws rules, except that any state law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section

6. To the extent required by the North Dakota Franchise Investment Law, Section 16.E Franchise Agreement is deleted.

7. The following is added to the end of Section 16.F and Section 16.H of the Franchise Agreement:

The statutes of limitations under North Dakota Law applies with respect to claims arising under the North Dakota Franchise Investment Law.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

FRANCHISEE:

By: _____
Title: _____

Date: _____

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE MULTI-UNIT DEVELOPER AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This Addendum is to a Multi-Unit Developer Agreement between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Developer) to amend said Agreement as follows:

1. Section 2. of the Multi-Unit Developer Agreement on Fees is amended by adding the following:

“Payment of the Development Fee is deferred until all initial obligations owed to Developer under this Agreement, the applicable Franchise Agreement, or other documents have been fulfilled by the Company and Developer has commenced doing business pursuant to the applicable Franchise Agreement.”

2. Section 8 of the Multi-Unit Developer Agreement on Post-Termination Covenants is amended by the addition of the following:

“Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, Franchisor will enforce the covenants to the maximum extent the law allows.”

3. Section 11.2 of the Multi-Unit Developer Agreement on Arbitration is amended by adding the following to the end of the Section :

“Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which Franchisor and Developer mutually agree.”

4. Section 11.3 of the Multi-Unit Developer Agreement on Governing Law/Consent to is deleted in its entirety and replaced with the following:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other federal law, and except as otherwise required by North Dakota law, this Agreement, the franchise, and all claims arising from the relationship between Franchisor and Developer will be governed by the laws of the State of Florida, without regard to its conflict of laws rules, except that any state law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section

5. To the extent required by the North Dakota Franchise Investment Law, Section 11.5 of the Multi-Unit Developer Agreement is deleted.

6. The following is added to the end of Section 11.6 of the Multi-Unit Developer Agreement:

The statutes of limitations under North Dakota Law applies with respect to claims arising under the North Dakota Franchise Investment Law.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

By: _____

Title: _____

Date: _____

DEVELOPER:

Developer

Date: _____

Developer

Date: _____

OR if Developer is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND

1. Item 17 of the Franchise Disclosure Document is amended by the addition of the following:

"Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that 'A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.'"

**ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND**

This addendum to the Franchise Agreement is agreed to between Rosati's Pizza Enterprises, Inc. and _____ (Franchisee) to amend said Agreement as follows:

1. Section 16.C. of the Franchise Agreement on Governing Law/Consent to Jurisdiction is amended by the addition of the following language to the original language that appears therein:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that 'A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.'"

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

FRANCHISEE:

By: _____

Title: _____

Date: _____

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

**ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE MULTI-UNIT DEVELOPER AGREEMENT
FOR THE STATE OF RHODE ISLAND**

This addendum to the Multi-Unit Developer Agreement is agreed to between Rosati's Pizza Enterprises, Inc. and _____ (Developer) to amend said Agreement as follows:

1. Section 11.3 of the Multi-Unit Developer Agreement on Governing Law/Consent to Jurisdiction is amended by the addition of the following language to the original language that appears therein:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that 'A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.'

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

DEVELOPER:

By: _____

Title: _____

Date: _____

Developer

Date: _____

Developer

Date: _____

OR if Developer is an entity:

A _____

By: _____

Its: _____

Date: _____

**ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE COMMONWEALTH OF VIRGINIA**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Rosati's Pizza Enterprises, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h:

“Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination states in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON

The Franchise Disclosure Document is amended by the addition of the following:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.1000 RCW shall prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in Washington or in a place as mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington..

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

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable by a franchisor against an employee of the franchisee unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). Pursuant to RCW 49.62.030, a noncompetition covenant is void and unenforceable by a franchisor against an independent contractor of the franchisee unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$200,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or a franchisee or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The Franchise Disclosure Document does not waive any liability we may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO FRANCHISE AGREEMENT
AND RELATED AGREEMENTS FOR USE IN WASHINGTON

This addendum to the Franchise Agreement is agreed to between Rosati's Pizza Enterprises, Inc. (Franchisor) and _____ (Franchisee) to amend said Agreement as follows:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.1000 RCW shall prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in Washington or in a place as mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable by a franchisor against an employee of the franchisee unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). Pursuant to RCW 49.62.030, a noncompetition covenant is void and unenforceable by a franchisor against an independent contractor of the franchisee unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$200,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or a franchisee or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The franchise Agreement does not waive any liability Franchisor may have under the Washington Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

By: _____

Title: _____

Date: _____

FRANCHISEE:

Franchisee

Date: _____

Franchisee

Date: _____

OR if Franchisee is an entity:

A _____

By: _____

Its: _____

Date: _____

ROSATI'S PIZZA ENTERPRISES, INC.
ADDENDUM TO MULTI-UNIT DEVELOPER AGREEMENT
AND RELATED AGREEMENTS FOR USE IN WASHINGTON

This addendum to the Multi-Unit Developer Agreement is agreed to between Rosati's Pizza Enterprises, Inc. (Company) and _____ (Developer) to amend said Agreement as follows:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.1000 RCW shall prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in Washington or in a place as mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable by a franchisor against an employee of the franchisee unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). Pursuant to RCW 49.62.030, a noncompetition covenant is void and unenforceable by a franchisor against an independent contractor of the franchisee unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$200,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or a franchisee or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The Multi-Unit Developer Agreement does not waive any liability Franchisor may have under the Washington Investment Protection Act, RCW 19.100, and the rules adopted thereunder

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum and understands and agrees to be bound by all of its terms as of the dates below.

FRANCHISOR:
ROSATI'S PIZZA ENTERPRISES, INC.
A Florida corporation

DEVELOPER:

By: _____
Title: _____

Date: _____

Developer

Date: _____

Developer

Date: _____

OR if Developer is an entity:

A _____

By: _____

Its: _____

Date: _____

EXHIBIT I

RENEWAL ADDENDUM

COMPANY INITIALS _____
ROSATI'S PIZZA RENEWAL ADDENDUM 2022

_____FRANCHISEE INITIALS

Rosati's Pizza Enterprises, Inc.
Ex. I - 2023 Renewal Addendum
1496.002.001/361142

**RENEWAL ADDENDUM
TO THE FRANCHISE AGREEMENT**

This Addendum is to a Franchise Agreement by and between Rosati's Pizza Enterprises, Inc., an Illinois corporation (hereinafter Company), and _____ (hereafter Franchisee) to amend said Franchise Agreement as follows:

WHEREAS, Franchisee has owned and operated a Rosati's Pizza Restaurant located at _____ pursuant to a Franchise Agreement dated _____, _____ ("Initial Franchise Agreement");

WHEREAS, the Initial Franchise Agreement was for a term of ten (10) years from the date of the Franchise Agreement and expires on _____;

WHEREAS, the Initial Franchise Agreement provided for options to extend the term of the franchise for successive ten (10) year terms beyond the initial term provided that certain terms and conditions were met by Franchisee; and

WHEREAS, Franchisee desires to continue to own and operate a Rosati's Pizza Restaurant and to extend the franchise relationship;

WHEREAS, by the terms of the Initial Franchise Agreement, in order to extend the franchise term, Franchisee must execute the standard form of Franchise Agreement currently being offered by Company which agreement is being executed contemporaneously with this Renewal Addendum ("Franchise Agreement") and must meet certain conditions as set forth in the Initial Franchise Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. The above recitals are incorporated herein and made a part of this Renewal Addendum to the Franchise Agreement.

2. Paragraph 1 on Franchise Fee is deleted in its entirety. In lieu of the Franchise Fee, Franchisee shall pay Franchisor a renewal fee of \$5,000 concurrently with the execution of this Renewal Addendum.

3. Paragraphs 5.A (Initial Training) and 5.B (On-Site Assistance) are hereby deleted as inapplicable.

4. Paragraphs 6.A.,B.,C., and E. of the Franchise Agreement on Development and Opening of the Business are inapplicable.

5. Paragraph 12.A (Term) is revised to read as follows:

A. Term. Commencing upon the date of this Agreement, the term of this Agreement is ten (10) years unless terminated prior thereto pursuant to the provisions hereof.

COMPANY INITIALS _____

1

_____ FRANCHISEE INITIALS

ROSATI'S PIZZA RENEWAL ADDENDUM 2022

6. Paragraph 12.B (Renewal) is deleted in its entirety.

7. *[Include this as applicable and if not completed before signing]* On or before _____, 20____, Franchisee must complete the following regarding the premises of the Rosati's Pizza Restaurant:

INSERT LIST

All of the above repairs, redecoration and remodeling shall be done following Company's standards and specifications and are subject to the inspection and approval of the Company. Failure to complete the foregoing repairs, redecoration and remodeling shall be a material default under the Franchise Agreement.

7. In all other respects, the Franchise Agreement shall be construed and enforced as it is written.

8. Franchisee and its owners, for themselves and their affiliates and their respective current and former parents, affiliates, and subsidiaries, and their respective agents, spouses, heirs, principals, attorneys, owners, officers, directors, employees, representatives, predecessors, successors, and assigns (collectively, the "Releasing Parties"), hereby fully and forever unconditionally release and discharge Company, its parents, subsidiaries, and affiliates, and their respective current and former owners, officers, directors, employees, managers, agents, representatives, predecessors, successors, and assigns (collectively referred to as "Company Parties") from any and all claims, demands, obligations, actions, liabilities, defenses or damages of every kind and nature whatsoever (collectively, "Claims"), in law or in equity, whether known or unknown, which may hereafter be discovered, in connection with, as a result of, or in any way arising from, any relationship or transaction with the Company or the Company Parties, however characterized or described, from the beginning of time until the date of this Renewal Addendum, including, without limitation, those arising out of or relating in any way to the Initial Franchise Agreement, the relationship created by the Initial Franchise Agreement, or the development, ownership, or operation of the Franchised Business. Franchisee and its owners, on behalf of themselves and on behalf of the other Releasing Parties, further covenant not to sue any of the Company Parties on any of the Claims released by this section, and warrant and represent that the Releasing Parties have not assigned or otherwise transferred any Claims released by this section.

IF THE FRANCHISED BUSINESS FRANCHISEE OPERATES UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF FRANCHISEE IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS FRANCHISEE'S AND ITS OWNERS' INTENTION, ON THEIR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY FRANCHISEE, ITS OWNERS, OR THE RELEASING PARTIES. FRANCHISEE AND ITS OWNERS RECOGNIZE THAT THEY OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE COMPANY OF WHICH HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS FRANCHISEE'S AND ITS OWNERS' INTENTION, ON THEIR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE THEM, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT THEM, HIM, HER, OR IT FROM ASSERTING IT

COMPANY INITIALS _____

_____ FRANCHISEE INITIALS

ROSATI'S PIZZA RENEWAL ADDENDUM 2022

AGAINST THE COMPANY PARTIES. IN FURTHERANCE OF THIS INTENTION, FRANCHISEE AND ITS OWNERS, ON THEIR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

FRANCHISEE AND FRANCHISEE’S OWNERS ACKNOWLEDGE AND REPRESENT THAT THEY HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT THEY UNDERSTANDS ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENTS THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Franchised Business is located in Maryland or if Franchisee is a resident of Maryland, the following shall apply:

Any release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

In witness whereof, the parties hereto, intending to be legally bound, hereby have duly executed, sealed and delivered this Renewal Addendum on the date set below each signature.

COMPANY:
ROSATI’S PIZZA ENTERPRISES, INC.
An Illinois corporation

FRANCHISEE:

By: _____
Darren Schmitt, Treasurer
Date: _____

Franchisee
Date: _____

Franchisee
Date: _____

OR if Franchisee is an entity:

A _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT J

MULTI-UNIT DEVELOPER AGREEMENT

MULTI-UNIT DEVELOPER AGREEMENT

ROSATI'S PIZZA ENTERPRISES, INC.

with

ROSATI'S PIZZA ENTERPRISES, INC.

MULTI-UNIT DEVELOPER AGREEMENT

This Multi-Unit Developer Agreement ("this Agreement") is entered into as of the Effective Date by and between Rosati's Pizza Enterprises, Inc. a Florida corporation, having its principal place of business at 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104 ("Company"), and _____, a _____ with a principal address of _____ ("Developer"). Certain provisions of this Agreement are applicable to the owners of Developer ("Owners") on whose business skill, financial capability and personal character Company is relying in entering into this Agreement. The "Effective Date" is the date Company signs this Agreement, as shown beneath its signature.

WITNESSETH:

WHEREAS, Company is in the business of offering and selling franchises for a restaurant featuring pizza and other food items under the "ROSATI'S PIZZA" trademark, trade name, service marks, and similar marks and logos (the "Marks") using certain confidential and proprietary procedures, techniques, business methods, business forms, business policies and a body of knowledge pertaining to the establishment and operation of Rosati's Pizza Restaurants (defined below) (the "System").

WHEREAS, Company also grants the right to acquire multiple franchises for the development and operation of Rosati's Pizza Restaurants (the "Development Rights") within a defined area (the "Development Area") pursuant to an agreed upon schedule (the "Development Schedule") to persons or entities who meet Company's qualifications and who are willing to undertake the investment and effort necessary to establish, develop, own and operate multiple Rosati's Pizza Restaurants in accordance with the System.

WHEREAS, Developer have expressed a desire to and have applied for the right to develop, own and operate a total of three (3) or more Rosati's Pizza Restaurants (as more particularly set forth on the Development Schedule, defined below) and Company has approved Developer's application in reliance upon all of the representations made therein and is willing to grant to Developer the right to develop multiple Rosati's Pizza Restaurants within a certain agreed upon territory on the terms and conditions set forth herein.

WHEREAS, Developer is signing simultaneously with this Agreement a Franchise Agreement for the establishment of its first Rosati's Pizza Restaurant required to be developed hereunder.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other set forth in this Agreement, hereby agree as follows:

1. GRANT

1.1. Company hereby grants to Developer, subject to the terms and conditions of this Agreement, the Development Rights, to establish and operate ROSATI'S PIZZA franchised restaurants ("Rosati's Pizza Restaurant") within the Development Area described in Exhibit A attached hereto and incorporated herein by this reference. The Development Rights may be exercised from the Effective Date and, unless sooner terminated as provided herein, continuing through the earlier of (1) the date on which you sign the Franchise Agreement for the last Rosati's Pizza Restaurant which is required to be opened in order to satisfy the Development Schedule or (2) the last day of the last Development Period (defined in Section 1.2) (collectively, the "**Term**"). Developer accepts the grant of the Development Rights and agrees

to, at all times, faithfully, honestly and diligently perform its obligations under this Agreement during the Term and throughout the entire Development Area. Developer must perform all of its obligations under this Agreement, and may not subcontract or delegate any of those obligations to any third parties. This Agreement does not grant Developer the right to any succession, renewal and/or successor term.

1.2. Developer's Development Schedule is set forth on Exhibit B attached hereto. Each period described in the Development Schedule is a "Development Period." Developer must deliver to Company a fully executed lease for the premises of each Rosati's Pizza Restaurant developed hereunder and commence operations of such Rosati's Pizza Restaurant pursuant to a written franchise agreement and related agreements signed by Company and Developer (or an entity owned by Developer's Owners) (each a "Franchise Agreement"), each as necessary to satisfy the requirements of each Development Period, but Developer shall not be required to open, in total, more than the cumulative number of Rosati's Pizza Restaurants set forth on the Development Schedule. Each Franchise Agreement shall be in Company's then-current form of Franchise Agreement being offered by Company at the time Developer executes the Franchise Agreement, which may differ from the form of Franchise Agreement being offered by Company on the date of execution of this Agreement, except that for each Rosati's Pizza Restaurant Developer develops to comply with its obligations under the Development Schedule, beginning with the second such Rosati's Pizza Restaurant, Developer will credit \$17,500 of the Development Fee paid hereunder to the initial franchise fee due under such Franchise Agreement. The terms and conditions of each such Franchise Agreement shall control the establishment and operation of such Rosati's Pizza Restaurant. Time is of the essence of this Agreement. The Development Schedule is not Company's representation, express or implied, that the Development Area can support, or that there are or will be sufficient premises for, the number of Rosati's Pizza Restaurants specified in the Development Schedule or during any particular Development Period.

1.3. Developer acknowledges and agrees that individual shareholders of Rosati's Franchise Systems, Inc. ("RFSI"), the entity that owns the Marks granted by Company to franchisees under its Franchise Agreements, have the right under an agreement with RFSI to establish Rosati's Pizza Restaurants and to grant Rosati's Pizza franchises, and Company cannot prohibit shareholders of RFSI from opening themselves or granting to third parties a franchise to open a Rosati's Pizza Restaurant within the Development Area. Therefore, except as set forth in Section 1.4, no exclusive rights to the Development Area are being granted under this Agreement. The only territorial protection that will be granted by Company is under each individual Franchise Agreement. Shareholders of RFSI also have obligations to not establish a Rosati's Pizza Restaurant within a certain distance of any other Rosati's Pizza Restaurant.

1.4. During the Term, so long as Developer is in compliance with this Agreement, Company and its affiliates will not develop or grant a license or franchise to another person to develop or operate Rosati's Pizza Restaurants at any location within the Development Area.

1.5. Except as provided in Section 1.4, Company and its affiliates expressly reserve all other rights, including but not limited to the exclusive, unrestricted right, in its direction, directly and indirectly, through its employees, affiliates, representatives, licensees, assigns, agents and others, to (1) use, and to license other persons to use, the Marks and the System for the operation of Rosati's Pizza Restaurants at any location other than in the Development Area; (2) use, license and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or otherwise, at any location, including a location or locations inside of the Development Area, in association with operations that are different from Rosati's Pizza Restaurants; (3) offer, and license others to offer the products authorized for Rosati's Pizza Restaurants under the Marks, or under other trademarks and service marks, through similar or dissimilar channels of distribution and on such terms and conditions as Company deems appropriate; (4) maintain any websites utilizing a domain name incorporating the Marks or derivatives; (5) establish, operate and allow others to establish and operate businesses that may offer products and services

which are identical or similar to the products and services offered by Rosati's Pizza Restaurants, under trade names, trademarks, service marks and commercial symbols which are different from the Marks at any location (including in the Development Area); (6) operate or grant any third party the right to operate any Rosati's Pizza Restaurant that we acquire as a result of the exercise of a right of first refusal, including inside the Development Area; (7) acquire, merge, or combine with businesses that are the same as or similar to Rosati's Pizza Restaurants and operate such businesses regardless of where such businesses are located, including inside the Development Area, and to be acquired by any third party which operates businesses that are the same as, or similar to, Rosati's Pizza Restaurants, regardless of where such businesses are located, including inside the Development Area; and (8) engage in any activities not expressly prohibited under this Agreement.

1.6. The Development Rights are limited to the rights to acquire franchises for Rosati's Pizza Restaurants in accordance with this Agreement as set forth in Section 1.1. The rights to operate Rosati's Pizza Restaurants and to use the Marks and any copyrights, inventions, and patents owned by Company and its affiliates are granted only pursuant to individual Franchise Agreements, and Developer acknowledges that the Development Rights do not include any such rights. Developer must not use the Marks, or any portion of any Mark or any name confusingly similar to any Mark as part of Developer's business entity name.

1.7. Developer shall have no right under this Agreement to license others to operate a business or use the System or the Marks.

1.8. Developer will ensure that, throughout the Term, it maintains sufficient liquidity to meet its obligations under this Agreement. Company reserves the right to establish and modify specific liquidity thresholds from time-to-time, and Developer agrees to comply with such minimum liquidity requirements that Company reasonably imposes.

2. FEES

2.1. Concurrent with the execution of this Agreement, Developer must execute a Franchise Agreement for the first Rosati's Pizza Restaurant to be developed and pay the initial franchise fees of Thirty-Five Thousand Dollars (\$35,000.00) due under said Franchise Agreement. The initial franchise fee for the remaining Franchise Agreements shall be Seventeen Thousand Five Hundred Dollars (\$17,500.00).

2.2. Upon the execution of this Agreement, Developer shall pay a fee ("Development Fee") in the amount of Fifteen Thousand Dollars (\$17,500.00) times the number of Rosati's Pizza Restaurants to be hereunder, less the first such Rosati's Pizza Restaurant. The Development Fee is consideration for the Development Rights, is fully earned by Company upon execution of this Agreement and is non-refundable, notwithstanding any provision to the contrary contained in any Franchise Agreement. However, Company will credit Fifteen Thousand Dollars (\$17,500.00) of the Development Fee against the initial franchise fee for due under each Franchise Agreement executed pursuant to, and in accordance with, this Agreement.

2.3. If, as set forth in Section 1.3, any shareholders of RFSI ("Shareholders") open themselves or grant to third parties a franchise to open a Rosati's Pizza Restaurant within the Development Area during the Term, the royalties being paid by Developer under any existing Franchise Agreements will be reduced by one percent (1%) of Gross Sales during the period during which any such Rosati's Pizza Restaurant is operating, on the condition that Developer remains in compliance with or has completed the Development Schedule and Developer (or its affiliate(s)) remain in compliance under each Franchise Agreement.

3. DEVELOPMENT OBLIGATIONS

3.1. The terms and conditions of this Agreement are contingent upon Developer being in full compliance with the Development Schedule. In addition, Developer must at all times after the opening of each Rosati's Pizza Restaurant continuously maintain in operation pursuant to each Franchise Agreement at least the number of Rosati's Pizza Restaurants set forth in the Development Schedule, and Developer's Owners must at all times own a majority control over the entity that owns each Rosati's Pizza franchise developed hereunder. Developer may develop and open any Rosati's Pizza Restaurant earlier than the date set forth in the Development Schedule as long as Developer do so in compliance with this Agreement and the applicable Franchise Agreement.

3.2. Developer must develop each Rosati's Pizza Restaurant in the following manner:

(a) By giving Company written notice of Developer's intention to begin development of the next Rosati's Pizza Restaurant at least thirty (30) days before the execution of the Franchise Agreement for the applicable restaurant;

(b) By submitting to Company a description of the proposed site, together with a letter of intent in a form approved by Company or other evidence satisfactory to Company which confirms Developer's favorable prospects for obtaining the proposed site;

(c) By executing the then-current form of the Franchise Agreement for the applicable restaurant at the approved site and complying with its terms. Company acknowledges that the franchisee for each Franchise Agreement may be a separate entity wholly owned by Developer's Owners.

(d) By executing a lease, including Company's then-current form of lease rider, in a form approved by Company, or purchase agreement for the proposed site; and

(e) By meeting all of the requirements for developing and opening the Rosati's Pizza Restaurant under the terms of the applicable Franchise Agreement.

3.3. It is a condition to Company's execution of each Franchise Agreement to be executed hereunder that (i) Developer continue to maintain the requisite knowledge, experience, skills, and financial resources to perform as a franchisee, (ii) Developer is in compliance with this Agreement, including but not limited to compliance with the Development Schedule and in compliance with the in-term covenants set forth in Paragraph 6.4, (iii) Developer (and/or an affiliate) are in compliance any and all existing Franchise Agreements with Company.

3.4. Subject to Company's prior written approval, Developer may develop and open more Rosati's Pizza Restaurants in the Development Area than Developer is required to develop under the Development Schedule.

3.5. At Company's request, Developer shall provide to Company a periodic report of Developer's activities and progress in developing and establishing Rosati's Pizza franchised restaurants under this Agreement. The reports shall be submitted in the form and in the manner specified by Company.

4. DUTIES OF THE DEVELOPER

4.1. Developer shall perform the following obligations:

(a) Developer shall comply with all terms and conditions set forth in this Agreement.

(b) Developer (or its affiliate(s)) shall comply with all of the terms and conditions of each Franchise Agreement including, without limitation, the operating requirements specified in each Franchise Agreement; however, Company shall determine what, if any, initial training at Company's headquarters will be required of Developer's Owners and managers in connection with the second or any subsequent Franchise Agreements.

(c) Developer shall comply with the non-disclosure and non-competition obligations under Section 5.2 of this Agreement.

5. MARKS, CONFIDENTIAL INFORMATION, AND EXCLUSIVE RELATIONSHIP DURING TERM

5.1. **Non-Disclosure Agreement.** Developer agree that Developer's relationship with Company does not vest in Developer any interest in the Confidential Information (as defined in the Franchise Agreement) other than the right to use it in the development of Rosati's Pizza Restaurants under this Agreement, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition, a breach of this Agreement and copyright infringement. Developer acknowledge and agree that the Confidential Information belongs to Company and its affiliates, is proprietary information, and may contain trade secrets belonging to Company and its affiliates and is disclosed to Developer or authorized for Developer's use solely on the condition that Developer agree, and Developer therefore do agree herein, that Developer: (1) will not use the Confidential Information during and after the Term in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the Term; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures Company may prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Developer's employees and the use of non-disclosure and/or non-competition agreements Company may prescribe for Developer's employees who have access to the Confidential Information. Upon Company's request, Developer must provide Company with copies of signed non-disclosure and/or non-competition agreements signed by any Owners, managers or employees. The restrictions on Developer's disclosure and use of the Confidential Information will not apply to the following: (a) information, processes, or techniques which are generally known and used in the food and restaurant industry (as long as the availability is not because of a disclosure by Developer) and (b) disclosure of the Confidential Information in legal proceedings when Developer is legally required to disclose it and Developer have first given Company the opportunity to obtain an appropriate legal protective order or other assurance satisfactory to Company that the information required to be disclosed will be treated confidentially.

5.2. **In-Term Non-Competition Agreement.** Developer acknowledges that Company has granted it the Development Rights in consideration of and reliance upon Developer's agreement to deal exclusively with Company. Developer and its owners, therefore, agree, during the Term, not to (and to use each of their best efforts to cause each of their current and former affiliates, owners, officers, directors, representatives, family members, spouses, successors and assigns not to): (i) have any direct or indirect controlling or non-controlling interest as an owner—whether of record, beneficially, or otherwise—in a Competitive Business (defined below), wherever located or operating (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph); (ii) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating; (iii) divert or attempt to divert any actual or potential business or member of the Franchised Business to a Competitive Business; or (iv) engage in any other activity which might injure the goodwill of the Marks and or the System.

“Competitive Business” as used herein shall mean any business (excluding Rosati’s Pizza Restaurants operated under a franchise agreement with Company) operating, or granting franchises or licenses to others to operate, any restaurant featuring pizza or other food items currently on the Rosati’s Pizza Restaurant menu. Competitive Business shall include a restaurant licensed to use the “Rosati’s Pizza” Mark from any licensor other than Company.

6. DEFAULT AND TERMINATION

6.1. The Development Rights have been granted in reliance on Developer’s representations and warranties, and strictly on the conditions set forth in this Development Agreement including, without limitation, the condition that Developer comply strictly with the Development Schedule.

6.2. Developer shall be in default under this Agreement, and all rights granted herein to Developer shall automatically terminate without notice or an opportunity to cure if:

(a) Developer is adjudicated bankrupt, become insolvent, commits any affirmative action of insolvency or files any action or petition of insolvency, or if a receiver (permanent or temporary) of Developer’s property or any part thereof is appointed by a court of competent authority, or if Developer makes a general assignment for the benefit of its creditors;

(b) if a final judgment against Developer’s business assets remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed);

(c) if execution is levied against Developer’s business or property;

(d) if Developer (or any of its Owners) are or have been convicted by a trial court of, or plead or have pleaded no contest or guilty to, a felony;

(e) if suit to foreclose any lien or mortgage against Developer's premises or business assets is instituted against Developer and not dismissed within thirty (30) days, or is not in the process of being dismissed; provided, however, that Company reserves the right to be named as trustee or receiver in any voluntary petition for bankruptcy or insolvency filed by Developer; or

(f) upon the dissolution of the entity that is Developer is dissolved, or upon the death of one or more of Developer’s Owners.

6.3. If Developer (i) fails to meet any of the deadlines set forth in the Development Schedule; (ii) fails to comply with any other term and condition of this Agreement; (iii) makes or attempts to make a transfer, sale or assignment of this Agreement in violation of this Agreement; or (iv) Developer or other entity owned by the Owners is in default under any individual Franchise Agreement with Company, or of any other agreement to which Company is party; any such event shall constitute a default under this Agreement. Upon any such default, Company, in its sole discretion, may do any one or more of the following:

(a) Terminate this Agreement and all rights granted hereunder to Developer without affording Developer any opportunity to cure the default effective immediately upon delivery to Developer of a written notice from Company;

(b) Reduce the number of Rosati’s Pizza Restaurants which Developer has the right to establish and open pursuant to this Agreement; or

(c) Exercise any other rights and remedies which Company may have under applicable law.

6.4. Upon termination or expiration of this Agreement, all remaining rights granted to Developer to establish and open Rosati's Pizza Restaurants under this Agreement for which a Franchise Agreement has not been executed shall automatically be null and void. Developer shall have no right to establish, open or operate any Rosati's Pizza Restaurants for which a Franchise Agreement has not been executed by Company prior to the date of termination or expiration of this Agreement.

6.5. No default under this Agreement shall constitute a default under any Franchise Agreement between the parties hereto. The terms and conditions of each Franchise Agreement must be complied with by Developer or Developer's affiliate as franchisee thereunder and shall control in determining whether any default exists under such Franchise Agreement.

6.6. No right or remedy herein conferred upon or reserved to Company is exclusive of any other right or remedy provided or permitted by law or equity.

7. TRANSFERABILITY; ENTITY AS DEVELOPER

7.1. This Agreement is fully assignable by Company and will inure to the benefit of any assignee or other legal successor to the interest of the Company herein.

7.2. Developer understands and acknowledges that the Development Rights are personal to Developer and that Company granted them in reliance upon the qualifications of Developer or Developer's Owners. Developer and Developer's Owners shall not, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this Agreement or in Developer to any third party, and nothing in this Agreement shall be construed as granting Developer the right to do so without Company's prior written consent, which consent may be withheld in Company's sole discretion. Any purported assignment, sale or transfer by Developer or its Owners without Company's prior written consent shall be null and void and shall constitute a material default hereunder. Any such purported assignment or transfer occurring by operation of law or otherwise, including any assignment by or to any trustee in bankruptcy, without Company's prior written consent, shall be a material default of this Agreement. Developer has represented and hereby represents to Company that Developer is entering into this Agreement with the intention of complying with its terms and conditions through the Term and not for the purpose of resale of the developmental rights hereunder.

8. POST-TERMINATION COVENANTS

8.1. Unless otherwise specified, the term "Developer" as used in this Section 8 shall include each and every Owner of Developer.

8.2. Upon termination or expiration of this Agreement, Developer and each of its Owners agrees not to (and to use each of their best efforts to cause each of Developer's current and former affiliates, owners, officers, directors, representatives, family members, spouses, successors and assigns not to), for a period of two (2) years:

(a) be associated as an employee, proprietor, stockholder, partner, member, agent, officer, director, consultant, representative, manager, spouse, parent, or in any other capacity with, or operate, engage, own, invest in, or participate in, (i) any Competitive Business located within twenty (20) miles of any Rosati's Pizza Restaurant developed pursuant to this Agreement,

or (ii) any Competitive Business within twenty (20) miles of any other ROSATI'S PIZZA restaurant.; or

(b) interfere or attempt to interfere with Company's or its affiliates' relationships with any vendors or consultants, or engage in any other activity which might injure the goodwill of the Marks or the System, or divert or attempt to divert any former business or customer of the Franchised Business to any Competitive Business

The ownership of five percent (5%) or less of a publicly traded company will not be deemed to be prohibited by this paragraph.

The two (2) year period referred to above shall be tolled during any period of Developer's noncompliance with the terms of this Agreement. In the event the duration, scope and/or geographic area set forth in this paragraph and Agreement are held to be unreasonable and therefore unenforceable by any court of competent jurisdiction, then the duration, scope and/or geographic area of the foregoing restrictions and agreements shall remain in full force and effect as to such maximum duration, scope and/or geographic area as the court shall allow.

Developer agrees that the covenants contained herein are prepared for use in many jurisdictions with differing public policies and that such public policies change. Accordingly, Developer agrees that the prevailing non-competition restrictions set forth above may be modified by a Court to the extent necessary to make the non-competition agreements valid and enforceable against Developer.

Developer acknowledges that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company for which no adequate remedy at law will be available. Accordingly, Developer hereby acknowledge that Company may seek to obtain the entry of an injunction prohibiting any conduct by Developer or Developer's Owners in violation of the terms of the covenants not to compete set forth in this Agreement. Developer expressly agrees that it may conclusively be presumed that any violation of the terms of said covenants not to compete was accomplished by and through Developer's unlawful use of the Company's Confidential Information. Further, Developer expressly agrees that the existence of any claims Developer may have against Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Company of the covenants not to compete set forth in this Agreement. Developer further agrees to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by the Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.

8.3. In addition to the foregoing covenants, Developer, Developer's Owners, and/or affiliates shall be bound by and comply with the covenants contained in each Franchise Agreement entered into by them.

8.4. All of Company's and Developer's and Developer's Owners obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire, including, without limitation, all obligations relating to non-competition, non-interference, confidentiality, and indemnification.

9. NOTICES

All written notices and reports permitted or required to be delivered by the provisions of this Agreement will be deemed to be delivered at the time delivered by hand, one (1) business day after deposit within commercial overnight courier or three (3) business days after placement in the U.S. Mail by

Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified or to any other place designated by either party, or on the date of receipt of transmission of an e-mail from Company on the condition that Company also send a hard copy of the notice by U.S. Mail on the same date the e-mail is sent to Developer.

10. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

10.1. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other.

10.2. Developer shall hold itself out to the public to be an independent contractor operating pursuant to this Agreement. Developer agrees to take such actions as shall be necessary or as directed by Company to that end.

10.3. Developer agrees to indemnify, defend, and hold harmless Company, its current and former affiliates, and each of the foregoing's respective owners, managers, directors, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the operation of the business Developer conducts under this Agreement, or Developer's breach of this Agreement, including, without limitation, those alleged to be caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by the Indemnified Party's intentional misconduct in a final, unappealable ruling issued by a court with competent jurisdiction. For purposes of this indemnification, "**claims**" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation or alternative dispute resolution, regardless of whether litigation or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at Developer's expense (including choosing and retaining its own legal counsel) and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Developer under this subparagraph. Developer agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from it under this Section 10.3.

11. DISPUTE RESOLUTION

11.1. **Specific Performance; Injunctive Relief.** Nothing in this Agreement bars the Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against conduct that threatens to injure or harm the Company, the Marks or the System, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. Developer agrees that the Company may obtain such injunctive relief. Developer agrees that the Company will not be required to post a bond to obtain injunctive relief and that Developer's only remedy if an injunction is entered against Developer will be the dissolution of that injunction, if warranted, upon due hearing, and Developer hereby expressly waives any claim for damages caused by such injunction.

11.2. **Arbitration.** The Company and Developer agree that all controversies, disputes, or claims between Company or any of its affiliates, and its and their respective owners, officers, directors, agents, and employees, on the one hand, and Developer (and its owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to: (1) this Agreement or any other agreement between Developer (or any of its owners) and the Company (or any of its affiliates); (2) the Company's relationship with Developer; (3) the scope or validity of this Agreement or any other agreement between Developer (or any of its owners) and the Company (or any of its affiliates) or any provision of any of such agreement (including the validity and scope of the arbitration provision under this Section, which the Company and Developer acknowledge is to be determined by an arbitrator, not a court); or (4) any System Standard, must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (the "AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of the Company's, or as applicable, its successor's or assign's then-current principal place of business (currently, Naples, Florida). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by the Company or its affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (the Company and Developer hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

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

The Company and Developer agree that arbitration will be conducted on an individual basis and that an arbitration proceeding between the Company and any of the its affiliates, or the Company's and their respective owners, officers, directors, agents, and employees, on the one hand, and Developer (or its owners, guarantors, affiliates, and employees), on the other hand, may not be: (i) conducted on a class-wide basis, (ii) commenced, conducted or consolidated with any other arbitration proceeding, (iii) joined with any separate claim of an unaffiliated third-party, or (iv) brought on Developer's behalf by any association or agent. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories. The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

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

11.3. Governing Law/Consent to Jurisdiction. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act 15 U.S.C. Section 1051 et. seq.), and except that all issues relating to arbitrability or the enforcement or interpretation of the agreement to arbitrate set forth in this Section shall be governed by the United States Arbitration Act (9 U.S.C. Section 1 et seq) and the federal common law relating to arbitration, this Agreement, any related agreements, the Development Rights, or otherwise as a result of the relationship between Company (or any of Company's affiliates, and Company's and their respective owners, officers, directors, agents, representatives, and employees) and Developer (and its owners, guarantors, affiliates, and employees) shall be governed by the internal laws of the State of Florida (without reference to its choice of law and conflict of law rules), except that the provisions of any franchise law of such state shall not apply unless the jurisdictional requirements of said law have been met independently of this provision. Developer agrees that Company may institute any action against Developer arising out of or relating to this Agreement, which is not required to be arbitrated under this Agreement, in any state or federal court of jurisdiction located in the State of Florida and Developer irrevocably submits to the exclusive jurisdiction or venue of such courts.

11.4. Costs and Attorneys' Fees. If either party initiates an arbitration, judicial or other proceeding, or appeal thereof, the prevailing party will be entitled to reasonable costs and expenses (including attorneys' fees incurred in connection with such judicial or other proceeding. If Company is required to engage a collection agency or legal counsel in connection with any failure by Developer to pay when due amounts due the Company, or to submit when due any reports, information, or supporting records, or in connection with any failure to otherwise comply with this Agreement, Developer shall reimburse Company for any of the above listed costs and expenses incurred by it..

11.5. Waiver of Punitive Damages and Jury Trial. **EXCEPT FOR DEVELOPER'S OBLIGATION TO INDEMNIFY COMPANY FOR THIRD-PARTY CLAIMS UNDER SECTION 10.3, AND EXCEPT FOR PUNITIVE, EXEMPLARY OR MULTIPLE DAMAGES AVAILABLE TO EITHER PARTY UNDER UNITED STATES FEDERAL LAW, COMPANY AND DEVELOPER (AND ITS OWNERS) HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY OR MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN COMPANY AND DEVELOPER, THE PARTY MAKING THE CLAIM WILL BE LIMITED EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS .**

11.6. Limitation of Claims. Any and all claims arising out of or relating to this Agreement, any related agreements, or the relationship of the Company and Developer shall be barred unless an action or proceeding is commenced within one (1) year from the date of the occurrence of the facts giving rise to such claims.

11.7. Cumulative Remedies. The rights and remedies specifically granted to either Company or Developer by this Agreement will not be deemed to prohibit either party from exercising any other right or remedy provided under this Agreement or permitted by law or equity.

11.8. Class Action Waiver. **DEVELOPER AND COMPANY AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN COMPANY AND ANY OF ITS AFFILIATES, OR ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, ON THE ONE HAND, AND DEVELOPER (OR ITS OWNERS, OFFICERS, DIRECTORS, AGENTS AND**

EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II), COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON DEVELOPER’S BEHALF BY AN ASSOCIATION OR AGENT.

12. MISCELLANEOUS.

12.1. Invalid Provisions; Substitution of Valid Provisions. To the extent that any provision of this Agreement is deemed unenforceable, Developer agree that the invalid provision will be deemed modified or limited to the extent or manner necessary to make that particular provision valid and enforceable to the greatest extent possible in light of the intent of the parties expressed in that provision under the laws applied in the forum in which Company is seeking to enforce it.

12.2. Severability; Construction. The provisions of this Agreement are deemed to be severable. The parties agree that each provision of this Agreement will be construed as independent of any other provision of this Agreement. All headings of the various Sections and Paragraphs of this Agreement are for convenience only and do not affect the meaning or construction of any provision. All references in this Agreement to masculine, neuter or singular usage will be construed to include the masculine, feminine, neuter or plural, wherever applicable.

12.3. Waiver of Obligations. Either Developer or the Company may, by written instrument, unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Any waiver granted by Company will be without prejudice to any other rights Company may have, will be subject to Company’s continuing review, and may be revoked, in Company’s sole discretion, at any time and for any reason, effective upon delivery to Developer of ten (10) days prior written notice.

Neither Developer nor the Company will 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 herein, or to declare any breach thereof to be a default and to terminate the Franchise prior to the expiration of its terms), by virtue of any failure, refusal or neglect of either of Company to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations hereunder.

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

12.4. Entire Agreement; Modification. This Agreement and all exhibits to this Agreement constitute the entire understanding and agreement between the parties and there are no other oral or written understandings or agreements between the parties, and no oral or written representations by the Company relating to the subject matter of this Agreement, except for those contained in the Franchise Disclosure Document provided to Developer (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Nothing in this Section is intended as, nor shall

it be interpreted to be, a disclaimer by the Company of any representation made in its Franchise Disclosure Documents, including the exhibits and any amendments thereto. Except for modifications permitted to be made unilaterally by Company, this Agreement may be modified only by written agreement signed by both Developer and Company.

12.5. Joint and Several Liability. If two or more persons are at any time the Owners of Developer, whether as partners or joint venturers, their obligations and liabilities to Company will be joint and several.

12.6. No Liability to Others; No Other Beneficiaries. Company will not, because of this Agreement or by virtue of any approvals, advice or services provided to Developer, be liable to any person or legal entity who is not a party to this Agreement, and no other party will have, or is intended to have, any rights because of this Agreement. Company does not warrant that the obligations of this Agreement have been agreed to by or will be enforced against any of Company's other developers.

13. SUPERIORITY OF FRANCHISE AGREEMENT

For each Rosati's Pizza Restaurant developed in the Development Area, a separate Franchise Agreement shall be executed and the individual franchise fee as prescribed hereunder shall be paid to Company. It is understood and agreed by Developer that any and all Franchise Agreements executed in connection with Rosati's Pizza Restaurants developed by Developer within the Development Area under this Agreement are independent of this Agreement. The continued existence of any such Franchise Agreement shall not depend on the continuing existence of this Agreement. If any conflict shall arise in connection with this Agreement and any Franchise Agreement executed within the Development Area, the Franchise Agreement shall have precedence and superiority over this Agreement.

14. OWNER GUARANTY.

This Agreement must be personally guaranteed and the obligations hereunder assumed by all of the Owners of the Developer, and all such Owners must execute the Guaranty and Assumption of Obligations which is attached hereto as Exhibit C concurrently with the execution of this Agreement by Developer.

15. EXECUTION OF AGREEMENT.

This Agreement may be signed with full legal force and effect using electronic signatures and records. Delivery of this Agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement on the dates set forth below each signature.

COMPANY:
ROSATI'S PIZZA ENTERPRISES, INC.
a Florida corporation

DEVELOPER:
[ENTITY NAME]

A _____

By: _____
Darren Schmitt, Treasurer

By: _____

Name: _____

Title: _____

Dated*: _____

Dated: _____

*This is the Effective Date

EXHIBIT A TO THE MULTI-UNIT DEVELOPER AGREEMENT

DESCRIPTION OF DEVELOPMENT AREA

[Insert description]

COMPANY:
ROSATI'S PIZZA ENTERPRISES, INC.
a Florida corporation

DEVELOPER:
[ENTITY NAME]
A _____

By: _____
Darren Schmitt, Treasurer

By: _____

Name: _____

Title: _____

Dated: _____

Dated: _____

EXHIBIT B TO THE MULTI-UNIT DEVELOPER AGREEMENT

DEVELOPMENT SCHEDULE

Developer is obligated under this Agreement to develop, open and operate a minimum of three (3) Rosati's Pizza restaurants. On or before the dates set forth below, Developer is obligated by this Agreement to have signed Franchise Agreements, signed leases or purchase agreements, and commenced operating Rosati's Pizza restaurants:

<u>Development Period</u>	Last Date for Execution of Franchise Agreement	Last date for Execution of Lease of Purchase Agreement for Company Approved Site	Date for Commencement of Operations
1.	Upon the execution of this Agreement	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

Development Fee: _____

COMPANY:
ROSATI'S PIZZA ENTERPRISES, INC.
 a Florida corporation

DEVELOPER:
[ENTITY NAME]
 A _____

By: _____
 Darren Schmitt, Treasurer

By: _____
 Name: _____
 Title: _____

Dated: _____

Dated: _____

EXHIBIT C TO THE MULTI-UNIT DEVELOPER AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given by each of the undersigned persons indicated below who have executed this Guaranty (each a “**Guarantor**”) to be effective as of the Effective Date of the Agreement (defined below).

In consideration of, and as an inducement to, the execution of that certain Multi-Unit Developer Agreement (as amended, modified, restated or supplemented from time-to-time, the “**Agreement**”) on this date by **ROSATI’S PIZZA ENTERPRISES, INC.** (“**we**” or “**our**”), each Guarantor personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ (“**Developer**”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for each and every provision in the Agreement that sets out an obligation of the Developer, including both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each Guarantor consents and agrees that: (1) Guarantor’s direct and immediate liability under this Guaranty will be joint and several, both with Developer and among other guarantors; (2) Guarantor will render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Developer or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we 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 will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement; and (5) at our request, each Guarantor shall present updated financial information to us as reasonably necessary to demonstrate such Guarantor’s ability to satisfy the financial obligations of Developer under the Agreement.

Each Guarantor waives: (i) all rights to payments and claims for reimbursement or subrogation which any Guarantor may have against Developer arising as a result of the Guarantor’s execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of Guarantor’s undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

Each Guarantor represents and warrants that, if no signature appears below for such Guarantor’s spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

The provisions contained in Section 11 (Dispute Resolution) of the Agreement, including Section 11.2 (Arbitration), Section 11.3 (Governing Law/Consent to Jurisdiction) and Section 11.4 (Costs and Attorneys’ Fees) of the Agreement are incorporated into this Guaranty by reference and shall govern this Guaranty and any disputes between the Guarantors and us. The Guarantors shall reimburse us for all costs and expenses we incur in connection with enforcing the terms of this Guaranty.

By signing below, the undersigned spouse of each Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty. We confirm that a spouse who signs this Guaranty solely in his or her capacity as a spouse (and not as an owner) is signing merely to acknowledge and consent to the execution of the Guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including, without limitation, to bind the spouse's own separate property).

Each Guarantor that is an entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

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

GUARANTOR(S)	SPOUSE(S)
Signature: _____ Name: _____ Address: _____ _____ Email: _____	Signature: _____ Name: _____ Address: _____ _____ Email: _____
Signature: _____ Name: _____ Address: _____ _____ Email: _____	Signature: _____ Name: _____ Address: _____ _____ Email: _____

NEW YORK REPRESENTATIONS PAGE

FRANCHISOR REPRESENTS THAT THIS FRANCHISE DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

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	Pending
Hawaii	_____
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	March 31, 2023
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	March 31, 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 K
RECEIPTS

**RECEIPT
(OUR COPY)**

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

If Rosati's Pizza Enterprises, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Rosati's Pizza Enterprises, Inc. or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must 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. Under New York law, we must provide this disclosure document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

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

Issuance Date: **March 31, 2023**

The franchisor is Rosati's Pizza Enterprises, Inc., 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104. Tel: (847) 426-1414. The franchise seller for this offering is:

- | | | |
|--|---|---|
| <input type="checkbox"/> Timothy McCarthy
Rosati's Pizza Enterprises, Inc.
10131 Sweetgrass Circle, Unit 104
Naples, FL 34104
(847) 426-1414 | <input type="checkbox"/> _____
Rosati's Pizza Enterprises, Inc.
10131 Sweetgrass Circle, Unit 104
Naples, FL 34104
(847) 426-1414 | <input type="checkbox"/> _____
Rosati's Pizza Enterprises, Inc.
10131 Sweetgrass Circle, Unit 104
Naples, FL 34104
(847) 426-1414 |
|--|---|---|

See Exhibit B for Rosati's Pizza Enterprises, Inc.'s registered agents authorized to receive service of process.

I have received a disclosure document dated **March 31, 2023** that included the following Exhibits:

Exhibit A	State Administrators	Exhibit G	Franchise Acknowledgement Questionnaire
Exhibit B	Agents for Service of Process	Exhibit H	State Addendum
Exhibit C	List of Franchised Units	Exhibit I	Renewal Addendum
Exhibit D	Audited Financial Statements	Exhibit J	Multi-Unit Developer Agreement
Exhibit E	Franchise Agreement	Exhibit K	Receipts
Exhibit F	Operations Manual Table of Contents		

_____ Date	_____ Signature	_____ Printed Name
_____ Date	_____ Signature	_____ Printed Name

Please sign this copy of the receipt, print the date on which you received this disclosure document, and return it, by mail to Legal Department, Rosati's Pizza Enterprises, Inc., 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104, or by email to info@myrosatis.com.

**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 Rosati's Pizza Enterprises, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Rosati's Pizza Enterprises, Inc. or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must 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. Under New York law, we must provide this disclosure document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

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

Issuance Date: **March 31, 2023**

The franchisor is Rosati's Pizza Enterprises, Inc., 10131 Sweetgrass Circle, Unit 104, Naples, FL 34104. Tel: (847) 426-1414. The franchise seller for this offering is:

- | | | |
|--|---|---|
| <input type="checkbox"/> Timothy McCarthy
Rosati's Pizza Enterprises, Inc.
10131 Sweetgrass Circle, Unit 104
Naples, FL 34104
(847) 426-1414 | <input type="checkbox"/> _____
Rosati's Pizza Enterprises, Inc.
10131 Sweetgrass Circle, Unit 104
Naples, FL 34104
(847) 426-1414 | <input type="checkbox"/> _____
Rosati's Pizza Enterprises, Inc.
10131 Sweetgrass Circle, Unit 104
Naples, FL 34104
(847) 426-1414 |
|--|---|---|

See Exhibit B for Rosati's Pizza Enterprises, Inc.'s registered agents authorized to receive service of process.

I have received a disclosure document dated **March 31, 2023** that included the following Exhibits:

Exhibit A	State Administrators	Exhibit G	Franchise Acknowledgement Questionnaire
Exhibit B	Agents for Service of Process	Exhibit H	State Addendum
Exhibit C	List of Franchised Units	Exhibit I	Renewal Addendum
Exhibit D	Audited Financial Statements	Exhibit J	Multi-Unit Developer Agreement
Exhibit E	Franchise Agreement	Exhibit K	Receipts
Exhibit F	Operations Manual Table of Contents		

Date

Signature

Printed Name

Date

Signature

Printed Name

PLEASE SIGN THIS COPY OF THE RECEIPT, PRINT THE DATE ON WHICH YOU RECEIVED THIS DISCLOSURE DOCUMENT AND KEEP IT FOR YOUR RECORDS.