FRANCHISE DISCLOSURE DOCUMENT

7-ELEVEN, INC.

A Texas Corporation
1722 Routh Street, Suite 1000
Dallas, Texas 75201
(972) 828-7011
www.7-Eleven.com

The franchisee will operate an extended-hour retail convenience store under the tradename and service mark "7-Eleven®" which sells groceries, take-out foods and beverages, dairy products, non-food merchandise, specialty items and selected services. The stores generally operate every day of the year (except, at the franchisee's option, Christmas Day), usually 24 hours a day.

The total investment necessary to begin operation of a 7-Eleven franchise is from $34,750 to $1,121,100. This includes up to $1,034,000 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our Franchise Department at 1722 Routh Street, Suite 1000, Dallas, TX 75201 and (800) 782-0711.

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

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

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Issuance Date: ___________, 2013

STATE COVER PAGE

Minnesota franchise statutes prohibit a 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(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. If the franchise agreement contains a provision that is inconsistent with Minnesota statutes, the provisions of the Agreement shall be superseded by the Minnesota statutes' requirements and shall have no force or effect.

With respect to franchises governed by the Minnesota franchise statutes, we will comply with any requirements of such Statutes that require (except in certain specified cases) (1) that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld, which provisions will be applicable to the franchise agreement.

Minnesota franchise statutes require a franchisor to indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee's use of the tradename infringes trademark rights of a third party. We agree to indemnify you against the consequences of your use of our tradename in accordance with the requirements of the franchise agreement, and, as a condition to indemnification, you must provide notice to us of any such claims within ten (10) days and tender the defense of the claim to us. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Minnesota franchise statutes prohibit a franchisor from requiring a franchisee to assent to a general release. If the franchise agreement requires you to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate Minnesota franchise statutes, such release shall exclude claims arising under such Statutes, and such acknowledgments shall be void with respect to claims under such Statutes.

You cannot consent to us obtaining injunctive relief. We may <u>seek</u> injunctive relief. See Minn. Rules 2860.4400J.

If the franchise agreement requires that it be governed by a state's law, other than the State of Minnesota, those provisions shall not in any way abrogate or reduce any of your rights as provided for in Minnesota franchise statutes, including the right to submit matters to the jurisdiction of the courts of Minnesota.

If the franchise agreement requires you to sue us outside the State of Minnesota, those provisions shall not in any way abrogate or reduce any of your rights as provided for in the Minnesota franchise statutes, including the right to submit matters to the jurisdiction of the courts of Minnesota. As such, any provision in the franchise agreement that requires you to sue outside the State of Minnesota is not applicable because of the Minnesota franchise statutes.

TABLE OF CONTENTS

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor and its Parents

To simplify the language in this disclosure document, we will refer to 7-Eleven, Inc. as "franchisor," "we," "us," or "our". "You" means the person who buys the franchise we offer in this disclosure document. "You" includes a husband and wife, jointly and severally, if a husband and wife buy the franchise. If you are a corporation, partnership, limited liability company or other business entity, certain provisions of the franchise agreement, which will be addressed in this disclosure document where appropriate, will apply to your owners.

We are a Texas corporation incorporated in 1961. We do business under the names "7-Eleven, Inc." and "7-Eleven." We maintain our principal place of business at 1722 Routh Street, Suite 1000, Dallas, Texas 75201, Phone: (972) 828-7011 (our "Store Support Center"). We have no predecessors that are required to be disclosed in this disclosure document.

Exhibit C to this disclosure document lists our agents for service of process.

Our direct parent is SEJ Asset Management & Investment Company ("SAM"), a Delaware corporation formed in 2012 with its principal place of business at 1209 Orange Street, Wilmington, DE 19801. SAM is a wholly owned subsidiary of Seven-Eleven Japan Co., Ltd. ("Seven-Eleven Japan"). Seven-Eleven Japan is a Japanese corporation formed in 1973, with its principal place of business at 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan. It is a wholly owned subsidiary of Seven and i Holdings Co. Ltd. ("Seven and i"), and is the largest convenience store chain in Japan. It began operating and franchising 7-Eleven stores in 1973 after signing an area license agreement with us, and as of December 31, 2012 operated 14,807 7-Eleven stores in Japan, of which 14,378 were franchised and 429 were company operated. Seven-Eleven Japan has not offered franchises in any other line of business.

Our ultimate parent, Seven and i, is a Japanese corporation formed in 2005, with its principal place of business at 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan.

Our Affiliates

Our affiliate Seven-Eleven (Hawaii), Inc., was formed in 1989, has its principal place of business at 1755 Nuuanu Avenue, 2nd Floor, Honolulu, HI 96817 and operates 59 corporate 7-Eleven stores in Hawaii under a separate area license agreement with us. Seven-Eleven (Hawaii), Inc. has not offered franchises in any line of business.

We own a 49% interest in Valso, S.A. de C.V. ("Valso"), a Mexican corporation formed in 1970, with its principal place of business at Ave. Munich #195 Sur, Col. Cuauhtemoc, San Nicholas de Los Garza, Monterrey, N.L., Mexico 66450. Valso or its subsidiaries operate 1,498 7-Eleven stores in Mexico.

There are no additional parents or affiliates that are required to be disclosed in this disclosure document.

Our Business

We introduced the convenience store concept in 1927, when, as an ice company, our retail outlets began selling milk, bread and eggs. We operated all of our stores as corporate stores until 1964, when we acquired a chain of 126 franchised stores in California.

We have operated our retail convenience stores under the service mark 7-Eleven® (the "stores") since 1946, and have offered franchises for 7-Eleven stores since 1964. We also offer franchises for a small number of 7-Eleven Express convenience stores located in some states. 7-Eleven Express stores are very similar to a standard 7-Eleven store, but are generally smaller in size and carry fewer items. All references to stores in this disclosure document include the 7-Eleven Express stores if they are offered in this state. We do not offer franchises in any other line of business.

In addition, we operate 464 other retail locations under names other than 7-Eleven. We do not offer franchises for any of these other outlets, but we may convert some of these other outlets to 7-Eleven stores and franchise some of them after conversion.

The 7-Eleven Franchise

Our stores are extended-hour retail convenience stores that emphasize convenience to the guest and provide fresh take-out foods, groceries, beverages, candy, gasoline (at nearly 3,200 locations), dairy products, non-food merchandise, specialty items, certain financial services, lottery tickets and incidental services. Our stores are generally open every day of the year, with the vast majority open 24 hours a day, and are in neighborhood areas, on main thoroughfares, in shopping centers, or on other sites where they are easily accessible and have parking facilities for quick in-and-out shopping.

You will sign the franchise agreement attached to this disclosure document at Exhibit F. In our franchise program for traditional 7-Eleven stores we offer franchises for a single site that we own or lease. We also offer a Business Conversion Program ("BCP") franchise where the franchisee is responsible for acquiring the land and building for a store site and pays a different royalty, which BCP franchise is the subject of a different disclosure document. This disclosure document describes our traditional single site franchise program where we provide the land and building for the store site. The granting of a franchise does not give you the right to operate any additional units, although we may grant you the right to operate additional sites through additional franchise agreements. We select and train qualified applicants who will participate personally in operating the store. The franchise agreement contemplates that you will be an individual or multiple individuals. If you are organized as a corporation, partnership, limited liability company or other business entity, you must sign the Entity Franchisee Amendment to Franchise Agreement ("Entity Amendment") which modifies the franchise agreement for a franchisee that is a business entity.

If you form a business entity, we may require your Principals (as defined in the Entity Amendment) to sign a Principals' Guaranty and Assumption Agreement ("Guaranty"), guaranteeing your performance and binding themselves individually to certain provisions of the franchise agreement, including the covenants against competition and disclosure of confidential information, restrictions on transfer and dispute resolution procedures. Only individuals who sign the franchise agreement may be Principals of the entity you organize, unless local law requires otherwise.

We acquire the land, building and equipment for the store, and lease you a fully equipped and stocked 7-Eleven store that is ready to operate. Our franchise is a business system that includes: a license to use the service mark "7-Eleven"; training; continuing advice and assistance on operating a store; bookkeeping services; store inventory auditing; financing; merchandising assistance; advertising; and other services we describe in this disclosure document. We retain a significant financial and marketing advisory role in the franchise business than in most other franchise businesses.

Market and Competition

Retail convenience stores are located in large cities and small towns. The vast majority of these areas are already very mature. Your products and services will be marketed to individuals of all ages. Whatever your area, your sales may be affected by minor seasonality factors. In certain areas of the country, sales may be more seasonal. During the past few years we have had more competition from supermarkets and drug stores offering extended hours and services, and from an increasing number of convenience-type stores built by the oil companies.

Any particular store may face competitive and operational problems because of its unique location. These factors include the number and type of competitors, population density, the demographics of the neighborhood, vandalism and crime in the neighborhood, traffic patterns, accessibility to the store and local laws (see Industry Specific Regulations section below). We suggest that you consider these factors and conduct your own analysis before you make your decision to franchise a store. You may want to consult other business owners in the area of the store you are franchising, local police officers, or others with knowledge of the particular neighborhood where the store is located.

Our stores represent only a very small percentage of the highly competitive food retailing industry. The industry traditionally has narrow net profit margins. Our stores compete with many national, regional, local and independent retailers, including grocery and supermarket chains, grocery wholesalers and buying clubs, other convenience store chains, oil company gasoline/mini-convenience "g-stores," independent food stores, fast food chains, variety stores, drug stores and candy stores. In sales of gasoline, our stores compete with other food stores and service stations and generate only a very small percentage of the gasoline sales in the United States. Each store's ability to compete is dependent on its location, accessibility and individual service. We face growing competitive pressures from new participants in the convenience retailing industry and the rapid increase in convenience-type stores that oil companies have recently opened.

Industry Specific Laws and Regulations

Federal, state or local laws may limit the hours of operation or the sale of certain products in some of our stores. The most significant of these laws limit the sale of alcoholic beverages, but laws also limit the sale of tobacco products, possible inhalants and lottery tickets. Not all of our stores are in areas that allow the sale of alcoholic beverages, but those that are must get and maintain all appropriate licenses as a requirement of the franchise agreement. State and local regulatory agencies have the authority to approve, revoke, suspend or deny applications for and renewals of licenses for the sale of alcoholic beverages, or to seek other remedies. Many state agencies may refuse to issue or renew a license because of past violations of applicable regulations, or the involvement of the licensee in criminal proceedings or activities that negatively reflect on the licensee's qualifications. Some state agencies may also pursue a revocation of an alcoholic beverage license for multiple violations of laws regulating the sale of alcoholic beverages. If an agency revokes the alcoholic beverage license for your store, we would probably terminate your franchise agreement. These regulations affect the sale of alcoholic beverages, tobacco products, lottery tickets and other similar state-regulated products. These regulations can change at any time. Additionally, legislatures are increasing efforts to restrict or regulate the sale of tobacco products. Our stores sell a significant amount of tobacco products, and any restrictions on the sale of tobacco products may significantly lower store sales.

Sometimes a licensing agency may determine the penalty for a future violation based on the type and number of prior violations at a store, including violations committed by a previous operator of the store.

There are other laws affecting businesses generally that will affect your operation of the store, including employment laws, local, state and federal health and sanitation ordinances, local, state and federal food service certification requirements, USDA food stamp regulations, local egg marketing licenses, federal wage and hour statutes, and other laws. You should consult your attorney or business advisor to discuss the impact of these and other laws on the franchise.

ITEM 2

BUSINESS EXPERIENCE

The following is a list of the directors, principal officers and other executives who have management responsibility in operating our business. The principal occupation and business experience of each of those persons during the last five years, including the names of prior employers, are indicated below.

Chairman of the Board and Director: Toshifumi Suzuki

Mr. Suzuki has been a director since March 5, 1991, our Vice Chairman of the Board from 1991 to 2003 and our Chairman of the Board since 2003. In addition, Mr. Suzuki has held or currently holds the following positions: Chairman and CEO of Seven and i since its formation in 2005, Director since 1971, and in various other capacities since 1963. Chairman of the Board and Chief Executive Officer of Seven-Eleven Japan since 1992, Director since 1973, and in various other capacities since 1965. President of Seven-Eleven (Hawaii) since 1989.

President, Chief Executive Officer and Director: Joseph M. DePinto

Mr. DePinto has been a director since December 2005, and our President and Chief Executive Officer since December 1, 2005. Mr. DePinto was Vice President of Operations at 7-Eleven from 2003 to March 2005. From March 2005 to December 2005 Mr. DePinto was President at GameStop, Corp. and prior to joining 7-Eleven in 2002 was Senior Vice President and Chief Operating Officer of Thornton Oil Corp. He serves on the board of directors of Brinker International, Inc. and OfficeMax, Inc.

Director: Jay W. Chai

Mr. Chai has been a director since January 1, 2006, and from March 5, 1991 to November 2005. He chairs the Board's Audit and Compensation Committee. Mr. Chai serves as Principal of Jay W. Chai Consultancy LLC. In addition, Mr. Chai has held or currently holds the following positions: Chairman of the Board and Chief Executive Officer of ITOCHU International Inc. from 1991 until his retirement in June 2001, Chief Operating Officer from 1989 to 1991, Executive Vice President from 1986 to 1991, Senior Vice President from 1982 to 1985, Director from 1983 until 2001. He serves on the board of directors of. Akebono Europe S.A., and serves as a senior executive advisor to Akebono Brake Industry Co., Ltd. (Japan) and as an executive advisor to Isuzu Motors.

Director: Ryouji Isaka

Mr. Isaka has been a director since January, 2011. In addition, Mr. Isaka has been President and Director of Seven-Eleven Japan since April 2009. He has been employed by Seven-Eleven Japan for more than 30 years. Mr. Isaka also serves on the board of directors of Seven and i.

Director: Masaaki Kamata

Mr. Kamata has been a director since March 5, 1991. In addition, Mr. Kamata has held the following positions: Vice Chairman of Seven-Eleven Japan from 1997 to 2006, Senior Managing Director from 1989 to 1997 and Director from 1978 to 1989. President and Chief Executive Officer of Seven-Eleven (Hawaii) from

1992 to 2006, and Director from 1989 to 2006. He has also served as an advisor to Seven-Eleven Japan since 2006.

Director: Nobutake Sato

Mr. Sato has been a director since March 5, 1991. In addition, Mr. Sato has held the following positions: Vice Chairman of Ito-Yokado from 2003 to 2009, Executive Vice President from 1993 to 2003, Executive Vice President and Chief Financial Officer from 1996 to 1998, Senior Managing Director from 1985 to 1993; Employee from 1964 to 2009. He also serves as an advisor to Seven and i.

We have employed the following individuals for at least the last 5 years in the same basic functions that their titles indicate, except as indicated:

Executive Vice President, Chief Operating Officer : Darren Rebelez Mr. Rebelez has been Executive Vice President, Chief Operating Officer since January 2009, and was previously Senior Vice President, Store Operations since joining the company in July 2007 until January 2009. Before joining 7-Eleven, Mr. Rebelez worked with ExxonMobil heading up franchising for their *On the Run* franchise, led U.S Distributor Fuels pricing and was head of U.S. Category Management. He serves on the board of directors of Torchmark Corporation.

Executive Vice President and Chief Financial Officer : Stanley Reynolds Mr. Reynolds has been Executive Vice President and Chief Financial Officer since July 2007, and Senior Vice President and Chief Financial Officer from November 2005 to July 2007. He has been employed by the company since 1997.

Executive Vice President, Merchandising, Marketing and Logistics : Jesus H. Delgado-Jenkins Mr. Delgado-Jenkins has been Executive Vice President, Merchandising, Marketing and Logistics since May 2012 and was previously Senior Vice President, Merchandising, Marketing and Logistics since joining the company in February 2010. Before joining 7-Eleven, Mr. Delgado-Jenkins was President and CEO of JNI, LLC, a convenience store acquisition company, and was the Chief Financial Officer and Deputy Chief Operating Officer for the U.S. Treasury Department.

Executive V ice President, International : Christopher P. Tanco Mr. Tanco has been Executive Vice President, International since May 2012 and was previously Senior Vice President, International since joining the company in November 2009. Before joining 7-Eleven, Mr. Tanco held various positions at Yum! Brands, most recently serving as their Chief Franchise Officer.

Senior Vice President, Development : Sean Duffy Mr. Duffy has been Senior Vice President, Development since October 2011 and was previously Vice President, Mergers and Acquisitions and Vice President, Gasoline Operations since joining the company in July 2008. Before joining 7-Eleven, Mr. Duffy held various positions in global business planning, network planning, new business development and retail programs management at ExxonMobil.

Senior Vice President, East Operations : William Engen Mr. Engen was previously Vice President, Chesapeake Division and_Senior Director of Operations in the Chesapeake Division since joining the company in 2009. Before joining 7-Eleven, he held numerous positions during his 10 years with Circuit City Stores, Inc. including: Director of New Concept Support, Director of Retail Transformation, Director of Operations and Vice President of Retail Operations.

Senior Vice President, General Counsel and Secretary : Rankin L. Gasaway Mr. Gasaway has been Senior Vice President, General Counsel and Secretary since August 2012 and was previously Vice President and Deputy General Counsel from May 2011 to August 2012 and Vice President and Assistant General Counsel from February 2008 to May 2011. He has been employed by the company since 1991.

Senior Vice President and Chief Information Officer : Wes Hargrove Mr. Hargrove was previously Vice President, Logistics, and has been employed by the company since 1978.

Senior Vice President, Human Resources : Krystin Mitchell Ms. Mitchell has been Senior Vice President, Human Resources since July 2007 and was previously Vice President of Learning and Development since joining the company in April 2005 to July 2007.

Senior Vice President, Southwest Division : Ena Williams Ms. Williams was previously Vice President, Southwest Division and Operations Director in the Southwest Division since joining the company in July 2008. Before joining 7-Eleven, Ms. Williams held various operations, merchandising, finance and global planning positions at ExxonMobil.

Vice President, Strategic Planning : Shinji Abe Mr. Abe has been Vice President, Strategic Planning since January, 2008. In addition, Mr. Abe is an Officer, International Business Planning of Seven and i.

Group Vice President, Merchandising : Bob Cozens Mr. Cozens was previously Vice President, Northeast Division.

Vice President, Franchise System : Frank Gambina Mr. Gambina was previously Vice President, Southwest Division, Vice President, National Franchise and Vice President, Mid-Pacific Division.

Vice President and Controller : Alicia E. Howell Ms. Howell has been Vice President and Controller since January 2012 and has been employed by the company since April 2007.

Vice President, Operations Support : Brad Jenkins Mr. Jenkins was previously Vice President, Florida Division and Director of Retailer Initiative.

Vice President, Global Expansion Support : Raj Kapoor Mr. Kapoor was previously Vice President, Great Lakes Division.

Vice President, Gasoline Supply : Doug Rosencrans Mr. Rosencrans has been Vice President, Gasoline Operations since joining the company in 2009. Before joining 7-Eleven, he held various positions at ExxonMobil.

Vice President, Strategic Planning : Ryoji Sakai Mr. Sakai has been Vice President, Strategic Planning since January, 2008. In addition, Mr. Sakai is an Executive Officer, Planning Department of Seven-Eleven Japan.

Vice President and Treasurer : David Seltzer Mr. Seltzer was previously Vice President, Business Development.

Vice President, Marketing and Guest Experience : Nancy Smith Ms. Smith was previously Vice President, Operations Support, Vice President, Great Lakes Division and Vice President, Field Merchandising.

Vice President, People and Organizational Development : Miya Maysent Ms. Maysent has been Vice President, People and Organizational Development since March 2012 and previously held various positions in our Learning and Development function since joining the company in May 2010. Before joining 7-Eleven, Ms. Maysent held various positions at Valero Energy Corporation.

ITEM 3

LITIGATION

Pending Actions

Grayson et. al. v. 7-Eleven, Inc. (Case No. 09cv1353 MMA (WMc) in the U.S. District Court, Southern District of California). On June 29, 2009, we received service of process in a lawsuit relating to a refund that we received for federal excise tax on prepaid long-distance phone cards. The plaintiffs, 2 former 7-Eleven franchisees, purport to represent a class comprised of all former 7-Eleven franchisees in the United States to whom we did not pay a pro-rata portion of the excise tax refund for prepaid long-distance cards sold at our stores to the public from July 2000 through July 2006. We believe the claims are without merit and will vigorously defend all claims in the lawsuit.

Concluded Actions

National Coalition of Associations of 7-Eleven Franchisees v. 7-Eleven, Inc. We were the defendants in a lawsuit filed March 15, 2004. The lawsuit purported to represent the interests of all current 7-Eleven franchisees, but the plaintiff is a franchisee formed association that does not include all franchisees as members. The lawsuit claimed that we: (1) breached the terms of the OFFF Settlement by not offering a renewal agreement by December 31, 2003 to OFFF Franchisees whose franchise agreements expired on such date; (2) breached the terms of the OFFF Settlement by providing a renewal franchise agreement that will have, or is likely to have, an adverse effect on franchisees' net income; (3) were breaching existing franchise agreements by paying franchisee vendor invoices through Electronic Data Interchange (EDI) prior to approval of the invoices by franchisees; (4) were violating Section 17200 of the California Business and Professions Code (unfair trade practices) by: (a) committing the alleged breaches described in Items 1 – 3 above; (b) advising vendors not to financially support the National Coalition, in retaliation against the National Coalition's refusal to publicly support the renewal franchise agreement for OFFF Franchisees; and (c) are breaching existing franchise agreements during closeout by changing the outgoing franchisee's retail selling prices to our suggested retail prices and refusing to include non-recommended items in the final closeout audit. The complaint sought declaratory and injunctive relief requiring us to renew the existing franchise agreements of OFFF Franchisees for at least a 10 year term, prohibiting us from terminating OFFF Franchisees who refuse to sign the renewal franchise agreement, compelling us to offer a different renewal franchise agreement to OFFF Franchisees, enjoining us from paying franchisee vendor invoices through EDI prior to franchisee approval, and enjoining us from committing the acts described in Item (4) above. The plaintiff dismissed the lawsuit with prejudice, and the dismissal was effective on February 25, 2005.

Following the announcement on September 1, 2005 of a tender offer by Seven-Eleven Japan and its affiliates to purchase all issued and outstanding shares of our common stock that they did not already own (the "Tender Offer"), 4 shareholder class action lawsuits and 2 shareholder derivative lawsuits related to the Tender Offer were filed against us, Seven-Eleven Japan, and certain members of our and Seven-Eleven Japan's Boards of Directors. The lawsuits generally alleged, among other things, that the defendants breached fiduciary duties owed to our shareholders other than Seven-Eleven Japan and IYG in connection with the Tender Offer; that the offer price made by Seven-Eleven Japan for the outstanding shares it did not own was inadequate; and that a majority of the defendants had conflicts of interest with respect to the Tender Offer. All of the petitions requested that the consummation of the Tender Offer be enjoined, which did not occur. In addition, the petitions generally sought an award of damages, or the imposition of a constructive trust, upon consummation of the Tender Offer.

The shareholder class action lawsuits were: Kaufman v. Suzuki et al. (Case No. 05-09450-C as amended, filed in the 68th District Court, Dallas County, Texas on September 16, 2005); Casden v. 7-Eleven, Inc., et al. (Case No. 05-08944-M as amended, filed in 298th District Court, Dallas County, Texas on September

19, 2005); Green Meadows Partners L.P. v. Devening, et al. (Case No. 05-11507-A as amended, filed in County Court at Law No. 1, Dallas County, Texas on September 8, 2005); and Siebels, et al. v. Suzuki et al. (Case No. 05-09600-G, filed in 134th District Court, Dallas County, Texas on September 13, 2005). On September 30, 2005, the 298th District Court of Dallas County, Texas ordered that the shareholder class action lawsuits be transferred to the 298th District Court and consolidated for all purposes under the caption In re 7-Eleven, Inc. Shareholders Litigation (Consolidated Cause No. 05-08944-M). On September 29, 2005, the plaintiffs in the Casden action filed a Non-Suit Without Prejudice in the 298th District Court, Dallas County, Texas. As a result, the Casden matter was not included in the consolidated action.

The shareholder derivative lawsuits were: Gillespie v. Suzuki et al. (Case No. 05-11878-C as amended, filed in County Court at Law No. 3, Dallas County, Texas on September 21, 2005); and Alaska Laborers Employers" Pension Fund v. Seven-Eleven Japan Co., Ltd. et al. (Case No. 05-12893-B filed in County Court at Law No. 3, Dallas County, Texas on September 22, 2005). On September 30, 2005, the 298th District Court of Dallas County, Texas ordered that the shareholder derivative lawsuits (the "Derivative Lawsuits") be transferred to the 298th District Court.

Seven-Eleven Japan entered into memorandums of understanding with the plaintiffs in the In re 7-Eleven, Inc. Shareholders Litigation matter and the Derivative Lawsuits to settle such lawsuits pending court approval. Under the terms of the settlement Seven-Eleven Japan agreed to increase the purchase price for shares under the Tender Offer and to pay plaintiffs' attorneys' fees and expenses.

Franchisor Initiated Litigation Involving the Franchise Relationship in the Last Fiscal Year

Litigation against Terminated Franchisees to Collect Unpaid Royalties, Fees, Liquidated Damages and to Enforce Post Termination Obligations

7-Eleven, Inc. v Paul Jallo (Case No.: 2:11-cv-05981-TJS in the United States District Court for the Middle District of Florida, Tampa Division).

Litigation to Terminate Franchise for Failure to Meet Standards

7-Eleven, Inc. v CEJ & DMJ Enterprises, Inc. (Case No.: 11-CV-5116 in the Third Judicial District Court, Salt Lake County, State of Utah).

Litigation to Terminate Franchise for Non-Payment of Royalties, Failure to Properly Record Sales and Other Charges

7-Eleven, Inc. v Briderjit Dhaliwal (Case No.: 2:11-cv-07287-SD in the United States District Court for the Eastern District of California).

7-Eleven, Inc. v Khaled Kezbari, et. al. (Case No.: 1:33-av-00001 in the United States Court for the District of New Jersey).

7-Eleven, Inc. v Etwa Enterprises, Inc. and Elias Tefera (Case No.: 1:33-av-00001 in the United States Court for the District of Maryland).

7-Eleven, Inc. v Gurinder Kaur, et. al. (Case No.: 1:33-av-00001 in the United States Court for the District of Nevada).

7-Eleven, Inc. v AR Razzaaq, Inc., et. al. (Case No.: 1:33-av-00001 in the United States Court for the District of New Jersey).

7-Eleven, Inc. v Chong Pak and Janice Pak (Case No.: 1:33-av-00001 in the United States Court for the District of New Jersey).

7-Eleven, Inc. v Milind Upadhyaya, et. al. (Case No.: 1:33-av-00001 in the United States Court for the Eastern District of Pennsylvania).

Other than these actions, there is no litigation that is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

There are no bankruptcies that are required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Initial Franchise Fee For Franchised Stores. You must pay an initial franchise fee (the "Initial Franchise Fee") to us when you sign your franchise agreement. The Initial Franchise Fee you pay includes the cost of the Training Program, although you must pay either us and/or various service providers up to approximately $9,000 per trainee for the transportation, lodging, food and other expenses associated with attending.

We will determine the Initial Franchise Fee for each store depending on a number of factors, including, but not limited to, historical sales at the location, age of the location, the number of stores available for franchise in the area, and many other factors. The amount of the Initial Franchise Fee for each store may vary significantly by location. We will provide you with a complete list of all stores available for franchise in the area in which you are looking, and the amount of the Initial Franchise Fee for a particular store in which you are interested. We will update the list at the beginning of each month with the then-current franchise fee for each store available for franchise. For 2012, the Initial Franchise Fee for our stores ranged from $0 to $740,000.

If you are a first-time 7-Eleven franchisee and provide acceptable documentation that you have received an honorable discharge from the U.S. Army, U.S. Navy, U.S. Marine Corps, U.S. Air Force or U.S. Coast Guard, you are entitled to receive a discount on the Initial Franchise Fee, which discount is currently 10% of the Initial Franchise Fee.

If you are buying a current 7-Eleven franchisee's interest in a franchise (a "goodwill store"), you may have to pay "goodwill" to the selling franchisee in addition to the Initial Franchise Fee. Except as provided below, you will negotiate the "goodwill" payment directly with the selling franchisee without our involvement, but we will collect the "goodwill" payment for the account of the selling franchisee. If we have entered into a settlement with a franchisee who has assigned to us their right to the "goodwill", or if we have exercised a right of first refusal with an outgoing franchisee and have paid them the "goodwill" they would have collected under a proposed sale, you will negotiate the goodwill payment with us, make the payment directly to us and we will be entitled to keep the payment.

If you are seeking to obtain a franchise for a store we: (a) are currently operating as an existing store; (b) are developing as a new store; or (c) are acquiring pursuant to an acquisition (all of which are a "corporate store"), we may elect to determine the Initial Franchise Fee for such corporate store through an auction process in lieu of the Initial Franchise Fee for the store as described above. The minimum bid for such corporate store would be the listed store Initial Franchise Fee as described above, and certain interested candidates that we identify will have the opportunity to submit a sealed bid for the corporate store through a sealed bid process that we establish. We will notify all such interested candidates of the deadline for submitting the bids and how such bids must be submitted.

By allowing a candidate to bid on a corporate store, we do not guarantee that such candidate is qualified to become a 7-Eleven franchisee or that such candidate will be awarded the corporate store. We will select the approved candidate based on numerous factors that we generally take into account when considering a franchise applicant to become a franchisee in our system, including without limitation the franchise fee bid amount, the applicants' qualifications to become a franchisee, the applicants' compliance with the bidding requirements, and any other factors we determine are relevant to the qualification process, all of which we will determine in our sole discretion. We are not obligated to select the candidate who submits the highest bid amount.

If a store you are franchising has been a corporate store for at least the prior 2 entire consecutive months and has operated as a 7-Eleven branded store for at least the prior 36 months, and has had Gross Profit dollars of less than $350,000 for the prior 12 entire months (a "development store"), and is listed on our "Stores Available List" as available for franchise, you need not pay the Initial Franchise Fee until 2 years after you sign your franchise agreement. Additionally, we may reduce the amount of the Initial Franchise Fee based on your operating results for the development store. After you have operated the development store for one year, we will compare the gross profit dollars (as shown on the store's financial summaries we prepare) for your first year of operation with the store's gross profit dollars for the one-year period immediately prior to your operation. If the gross profit dollars for your first year of operation are more than the gross profit dollars for the one-year period immediately prior to your operation, we will reduce the Initial Franchise Fee by 5% for every full 1% increase in gross profit dollars, up to a maximum of a 50% reduction in the original Initial Franchise Fee. After you have operated the development store for two years, we will compare the gross profit dollars for your second year of operation with the store's gross profit dollars for your first year of operation. If the gross profit dollars for the second year are more than the gross profit dollars for the first year, we will reduce the Initial Franchise Fee by an additional 5% for every full 1% increase in gross profit dollars, up to a maximum of an additional 50% reduction in the original Initial Franchise Fee.

In addition to the Initial Franchise Fee, you must pay us, when you sign the franchise agreement: (1) the estimated cost of all business licenses, permits and bonds required by governmental agencies or us to operate your store, which ranges from $1,000 to $7,000, (2) a cash register fund for making change to guests, which ranges from $300 to $5,000, and (3) a down payment of $20,000 (the "Down Payment") covering a portion of the opening inventory for the store that you must buy from us.

We offer financing for all or a portion of the Initial Franchise Fee or Down Payment if a qualified applicant meets all of our loan qualifications and displays a financial need that, in our sole opinion, makes it difficult for the qualified applicant to pay all of the initial fees. We may not offer this financing to all applicants.

If we finance any part of your Initial Franchise Fee, you must repay the fee in up to 60 monthly installments, beginning in the 1st full month after you take possession of your franchised store and continuing for up to 60 consecutive months. We will charge the monthly installments against your Open Account balance. You must sign the Promissory Note in Exhibit F of this disclosure document if we finance any part of your Initial Franchise Fee. We will charge interest on the Initial Franchise Fee financing at an annual interest rate stated in the Promissory Note. If we finance any part of your Down Payment, we will adjust the repayment schedule in your franchise agreement.

Return of Initial Franchise Fee and Payments.

(a) Termination Before Effective Date

(i) If you or anyone you take to the Training Program does not complete the Training Program to our satisfaction, we may terminate the franchise agreement and we will refund to you your Down Payment and the Initial Franchise Fee, without interest, after deducting any amount you owe us, including but not limited to any initial training expenses for which we have reimbursed you or which we have paid for you and any license fees that you paid or that are required as a result of such termination.

(ii) If you have completed, to our satisfaction, all of the steps necessary to begin operation of your store, and (1) the store is not available within 90 days after you satisfactorily complete the Training Program or (2) your store does not open for business within 120 days after the date you and we signed the franchise agreement (or, if the store is under construction, within 30 days after construction is completed, if later, then, the franchise agreement will not become effective (except for your post-termination obligations and your confidentiality and noncompetition obligations) unless you and we agree in writing otherwise. If the franchise agreement does not become effective through no fault of yours, then we will refund to you the Down Payment and the Initial Franchise Fee, without interest, less any amount you owe us.

(b) Termination After Effective Date

If your franchise agreement terminates early because we lose the right to occupy the property where your store is located, you may qualify for a partial refund ("Refund") of the Initial Franchise Fee you paid. If you properly request, and qualify for, a Refund, we will pay you a prorated amount of your Initial Franchise Fee. The Refund will be calculated by deducting $20,000 from the Initial Franchise Fee you paid when you signed the franchise agreement; dividing the remainder by 120; and multiplying the result by the number of calendar months from the first day of the next month following the date you notify us of your election to receive the Refund through the month of the scheduled expiration date.

ITEM 6

OTHER FEES*

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
7-Eleven Charge (See Note 1)	Variable percentage of Gross Profit (See Note 2)	Accrues daily, but we charge you once a month	Gross Profit means Net Sales less Cost of Goods Sold. Exhibit E to the Franchise Agreement defines these terms.
Advertising Fee	The Advertising Fee is based on the Gross Profit of your store for the immediately preceding 12 months ("Base Period Gross Profit"): If Base Period Gross Profit exceeds $400,000, the Advertising Fee is 1.5% of Gross Profit; If Base Period Gross Profit is between $300,000 to $400,000, the Advertising Fee is calculated using the following formula: Base Period Gross Profit multiplied by 0.045, minus $12,000, divided	Accrues daily, but we charge you once a month	If your store has not been in operation for 12 full months, then the average Gross Profit of all 7-Eleven Stores in the then currently assigned 7-Eleven market for your store or other store unit group that we designate for the 12 months immediately preceding the current accounting period will be used to determine the Base Period Gross Profit for the first year of store operations. If we adjust your 7-Eleven Charge for failing to meet the Recommended Vendor Purchase Requirement, then you will still be required to pay the Advertising Fee during the period of the adjustment. (See

	by Base Period Gross Profit, multiplied by Gross Profit for the current Accounting Period; and If Base Period Gross Profit is less than $300,000, 0.5% of Gross Profit		Note 2)
Audits	Varies	As incurred	We provide 1 audit each quarter at no cost. You must pay us the cost of the audit for any additional audits you request.
Interest expense	Varies depending on amount we finance. The annual percentage rate is currently 5.25%	Monthly	We provide financing for your initial and ongoing inventory purchases, part of your initial license and permit costs, your selling and general and administrative expenses, and in certain situations your franchise fee. We charge you interest on the amount we finance.
Indemnification	Varies, depending on loss	As incurred	You indemnify us from certain losses. See Paragraph 18 of the franchise agreement.
Foodservice operations	Varies, depending on cure costs	As incurred	If you do not cure a breach relating to foodservice operations, we can cure for you and charge you our cure costs.
Maintenance (See Note 3)	Varies, according to particular store and equipment.	Established by us and service contractor.	You must maintain most of the store and equipment. We will arrange for maintenance of some or all of your maintenance obligations on your behalf, and charge you an amount each month as provided in the agreement. We may change the amount of the charge at any time during the term of the agreement. If you do not perform the required maintenance, we can pay for maintenance, or sign maintenance contracts for you, and charge you our costs.
Premiums	Varies, depending on premium received	As incurred	We can charge you the market value of premiums you receive from vendors based on your purchases.

Training	Varies, depending on type of training offered and location	As incurred	We may offer additional training that we deem necessary based on changes to the 7-Eleven System. You will be responsible for all expenses, including the costs of travel, lodging, meals and wages, incurred by your trainees and other personnel in connection with any additional training.
Inspection and Testing	Cost of inspection, if applicable, and cost of test.	When billed.	Before approving a supplier as a Recommended Vendor, we may require you to pay the cost of testing the supplier's products and inspecting its facilities.
Early Termination Fee	$5,000	When billed.	If you terminate the franchise agreement on less than 30 days' notice, you must pay us an early termination fee.
Service Fees	Varies, depending on service provided	When billed.	We may charge you a fee that we establish in our sole discretion if you request any changes or services related to the franchise agreement that we are not required to perform, including but not limited to name changes, incorporations, adding or removing an individual or entity from the Agreement, transfers or assignments of the Agreement (other than an assignment under Paragraph 25(b) of the franchise agreement to a transferee that pays us an initial franchise fee), or other similar activities.
Close Out Fee (See Note 4)	$200	Upon termination of Franchise Agreement.	See Paragraph 28 of the Franchise Agreement.

* Unless otherwise specified, we impose all fees described above, you pay them to us and they are not refundable.

1. The 7-Eleven Charge is the continuing royalty payment you must pay us for your license to use the 7-Eleven service mark, the 7-Eleven System and trade secrets, your lease of the store and equipment from us or an affiliate and the continuing services we provide.

2. The 7-Eleven Charge for each month (the "current month") will be a variable percentage of the store's Gross Profit for that month.

If the store's Gross Profit for the 12-month period before the current month is $150,000 or less, the 7-Eleven Charge for the current month will be 48% of the current month's Gross Profit.

If the store's Gross Profit for the 12-month period before the current month is over $150,000 but no more than $300,000, we will calculate the 7-Eleven Charge for the current month according to the following formula:

$$\frac{\$72{,}000 + .49(\text{Gross Profit for last 12 months} - \$150{,}000)}{\text{Gross Profit for last 12 months}}$$

If the store's Gross Profit for the 12-month period before the current month is over $300,000 but no more than $400,000, we will calculate the 7-Eleven Charge for the current month according to the following formula:

$$\frac{\$145{,}500 + .52(\text{Gross Profit for last 12 months} - \$300{,}000)}{\text{Gross Profit for last 12 months}}$$

If the store's Gross Profit for the 12-month period before the current month is over $400,000 but no more than $500,000, we will calculate the 7-Eleven Charge for the current month according to the following formula:

$$\frac{\$197{,}500 + .53(\text{Gross Profit for last 12 months} - \$400{,}000)}{\text{Gross Profit for last 12 months}}$$

If the store's Gross Profit for the 12-month period before the current month is over $500,000 but no more than $750,000, we will calculate the 7-Eleven Charge for the current month according to the following formula:

$$\frac{\$250{,}500 + .55(\text{Gross Profit for last 12 months} - \$500{,}000)}{\text{Gross Profit for last 12 months}}$$

If the store's Gross Profit for the 12-month period before the current month is over $750,000 but no more than $1,000,000, we will calculate the 7-Eleven Charge for the current month according to the following formula:

$$\frac{\$388{,}000 + .56(\text{Gross Profit for last 12 months} - \$750{,}000)}{\text{Gross Profit for last 12 months}}$$

If the store's Gross Profit for the 12-month period before the current month is over $1,000,000, we will calculate the 7-Eleven Charge for the current month according to the following formula:

$$\frac{\$528{,}000 + .57(\text{Gross Profit for last 12 months} - \$1{,}000{,}000)}{\text{Gross Profit for last 12 months}}$$

For example, if the Gross Profit for the 12-month period before the current month is $550,000, we will determine the 7-Eleven Charge as follows:

$$\frac{\$250{,}500 + .55(\$550{,}000 - \$500{,}000)}{\$550{,}000} = \frac{\$250{,}500 + .55(\$50{,}000)}{\$550{,}000} = \frac{\$250{,}500 + \$27{,}500}{\$550{,}000} =$$

$$\frac{\$278{,}000}{\$550{,}000} = .5055 = 50.55\%$$

The 7-Eleven Charge for the current month in this example would be 50.55% using this formula.

If the store has not been in operation for 12 full months, then the Gross Profit amount for the last 12 months used in the calculation above shall be $150,000 for the first two full months of operation, and thereafter, until the thirteenth month of store operations, will be 12 multiplied by the average of all full months of operation for the Store. If you do not meet the Recommended Vendor Purchase Requirement for any consecutive 3 full calendar months, we may unilaterally amend the franchise agreement to increase your 7-Eleven Charge by 2 percentage points for the calendar month next following the date we determine that you have not met that requirement. After the calendar month in which the increased percentage is applied, the percentage previously used to calculate the 7-Eleven Charge may be reinstated, but that percentage may be increased again if you fail to meet the Recommended Vendor Purchase Requirement for any other consecutive 3 full calendar months. If we adjust your 7-Eleven Charge as described in this paragraph, then you will also have to pay the Advertising Fee during the adjustment period.

We will also change the 7-Eleven Charge for the first 5 years that you operate the development store (as defined in Item 5) to a fixed 7-Eleven Charge of 40%, and provide a monthly allowance for the first 24 Accounting Periods that you operate the development store as described in the program amendment (see the Store Development Program Amendment in Exhibit F of this disclosure document for a complete description).

If any franchise agreement requirements for merchandising, the advertising fee, or Foodservice Standards are declared invalid, we may terminate the franchise agreement, or may unilaterally amend the franchise agreement to increase the 7-Eleven Charge by 2 percentage points for the remainder of the term. If we terminate the franchise agreement, we will offer you a different 7-Eleven franchise agreement with a term equal to the balance of the term then-remaining on the terminated franchise agreement. The terms of the new franchise agreement that we offer you will depend on the current economic situation, the effect of the court's final decision, and other factors. If we adjust your 7-Eleven Charge as described in this paragraph, then you will also have to pay the Advertising Fee during the adjustment period if allowed by the court.

If we permit you to operate the store less than 24 hours per day, the 7-Eleven Charge for the store will be your normal 7-Eleven Charge plus 0.1% of the Gross Profit for each hour during a normal week of operation that the store is closed. If you operate the store less than the required number of hours at any time without our permission, the 7-Eleven Charge for that Accounting Period will be your normal 7-Eleven Charge plus 4% of Gross Profit if you operate at least 136 hours per week or 6% of Gross Profit if you operate less than 136 hours per week.

Notwithstanding the 7-Eleven Charge described above, if you buy an interest in a franchise from a current franchisee who is operating under a 2004 version of our franchise agreement, your 7-Eleven Charge for a 24-hour operation will be 50% for the amount of time that the selling franchisee had remaining on the term of their franchise agreement, after which time your 7-Eleven Charge will revert to the variable percentage described above.

3. You must maintain the store and equipment except the items we agree to maintain. You have to sign contracts with designated companies that maintain most equipment in the store, including without limitation security and lighting equipment, the electronic cash register and electronic ordering equipment, refrigeration equipment, food and beverage preparation and dispensing equipment, and all other equipment and services we designate from time to time. We maintain heating, ventilation and air conditioning equipment in the store, therefore any maintenance contracts you sign will <u>exclude</u> maintenance of the heating, ventilation and air conditioning equipment. We may also require you to sign maintenance contracts for landscaped areas around the store and other services not covered by our designated maintenance providers. We do not realize a profit on the maintenance fee when a third party provides the service. We cannot determine if a third party will refund any amounts you pay them for maintenance services.

4. Upon termination, we charge your Open Account with a $200 close out fee. The close out fee is non-refundable.

ITEM 7

YOUR ESTIMATED INITIAL INVESTMENT

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	$0 – 1,000,000	Lump sum	At execution of franchise agreement	Us
Training expenses (Note 2)	$0 – 9,000	As incurred	During participation in training	Us or service providers
Down Payment for opening inventory (Note 3)	$20,000	Lump sum	At execution of franchise agreement	Us
Additional opening inventory (Note 3)	$13,200 – 48,100	Charged to your Open Account (Note 9)	As incurred	Us
Cash register fund (Note 4)	$300 – 5,000	Lump sum	At execution of franchise agreement	Us
Store supplies	$250 - 2,000	As incurred	At execution of franchise agreement	Us
Licenses and permits (Note 5)	$1,000 - 7,000	Lump sum	At execution of franchise agreement	Us
Real estate and equipment	(Note 6)	(Note 6)	(Note 6)	(Note 6)
Goodwill	(Note 7)	(Note 7)	(Note 7)	(Note 7)
Additional funds during first 3 months (Note 8)	$0 – 30,000	As incurred	As incurred	Employees, suppliers, service providers
TOTAL (Note 10)	$34,750 – 1,121,100			

(1) We may partially or fully refund this fee in certain circumstances.

(2) The Initial Franchise Fee you pay includes the cost of the Training Program. However, you must pay all transportation, lodging and food expenses necessary for your participation in the Training Program. This amount is a range per person attending training, and will vary depending on the amount of travel required and number of training participants.

(3) You must pay us, in cash, the Down Payment when you sign your franchise agreement, and we will finance the remaining cost of the initial inventory. We stock the store with an initial inventory that we sell to you at an amount we determine to be our approximate cost for the merchandise.

(4) The cash register fund is used to fill the registers in the store so that you can make change for guests who use large bills to make purchases.

(5) You are required to use, at your expense, one or more consultants that we designate to assist in the acquisition of licenses and permits for the store. We will notify you of the required consultants, collect a fee from you and pay the cost of the licenses and permits and consultants on your behalf. If the actual cost of the licenses and permits and fees charged by the consultants is less than the amount we collect from you, we will refund the difference to you through a credit to your Open Account. If a hard liquor license is available in your sate, you may have to pay additional funds if you elect to acquire a hard liquor license. If we own a hard liquor license for a store you are franchising, we may add your name to the license but not transfer any ownership interest in the license to you.

(6) You do not buy the land, building or equipment where the store is located. We obtain the land, building, equipment, leasehold improvements, fixtures, furnishings and decorating costs at our expense, and you must lease it from us under the franchise agreement. Part of the 7-Eleven Charge you pay covers your required lease of the land, building and equipment.

(7) If you buy a current franchisee's interest in a franchise, you may have to pay "goodwill" to the selling franchisee. You and the current franchisee negotiate the goodwill payment without our involvement. You may also agree to purchase other items for the store directly from the selling franchisee. You will negotiate the types of items, amount of payment and the timing of the payment with the selling franchisee. You may also pay "goodwill" directly to us if we have entered into a settlement with a franchisee who has assigned to us their right to the "goodwill", or if we have exercised a right of first refusal with an outgoing franchisee and have paid them the "goodwill" they would have collected under a proposed sale. In this case you will negotiate the goodwill payment with us and pay such goodwill directly to us. In any "goodwill" arrangement, you will make the goodwill payment directly to us for the account of the selling franchisee (except as described above under our settlement or exercise of a right of first refusal with a selling franchisee). We determine when you must make the goodwill payment. We may require it at any time from the date you sign the franchise agreement until the date you take possession of the store.

(8) Your expenditures during your first 3 months will include your ongoing inventory purchases, selling expenses and general and administrative expenses. Your selling and general and administrative expenses include payroll and payroll taxes, paper bags, inventory and cash variation, supplies, telephone, security and utility deposits, store and equipment maintenance, taxes and licenses, returned checks, janitorial and laundry, bad merchandise, security expenses, advertising, money order losses, worker's compensation coverage, crime and casualty loss, employee group insurance, pre-employment expenses, miscellaneous employee expenses, check cashing and credit card expenses, interest expenses, officer salary and bonus awards, employee bonus and awards, equipment rental and depreciation, travel and entertainment, outside insurance coverage, professional services, membership dues and donations, fines and penalties, and miscellaneous expenses. The amount of your expenditures will vary significantly depending on the area and business of your store. Cash flow generated by sales at your store, and the Open Account financing we provide, will eliminate or reduce your need to have these additional funds readily available in cash.

(9) We establish and maintain an Open Account for you. We charge to the Open Account payments that we make for you and certain amounts that you owe us and we credit the Open Account with store Receipts that you properly deposit and any amounts that we owe you. We calculate the balance in the Open Account at the end of each month and will finance any unpaid amounts in the Open Account at the end of each month. The amount we finance will fluctuate from month to month based on the charges and credits to the Open Account. The unpaid balance in your Open Account at the beginning of each month accrues interest that month at an annual percentage rate equal to the prime rate at Bank of America (or any successor) plus 2%.

(10) We compiled the estimates in this chart based on our experience in the operation of 7-Eleven convenience stores and financial information our current franchisees provide to us about their operations (see Exhibit H to this disclosure document). Unless stated otherwise above, each required payment is non-refundable

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must comply with our standards and specifications for all products and services carried, used or offered for sale at your store.

Required Purchases of Equipment

We are the only approved supplier of the Store's equipment and certain fixtures and other improvements. You will lease such items from us through your payment of the 7-Eleven Charge.

As stated above, we may require you to use only designated vendors that provide equipment as an integral part of the following services offered at your Store:

Financial Services. If we have installed or plan to install an Automated Teller Machine ("ATM"), you must use only the machine and related services from the vendor we designate and must sign an ATM Amendment covering the ATM (see the ATM Amendment to the franchise agreement). We may change the vendor or type of financial services offered at any time, and you may be required to then sign a new ATM Amendment or replacement financial services agreement for the new designated vendor or type of financial services. We expect to make a profit on the commissions or rentals paid on the ATMs or replacement financial services. You must sign contracts with certain other financial services providers (See amendments in Exhibit F of this disclosure document).

Air Dispensing Equipment. If your store has, or will have, coin operated air dispensing equipment, you must use only the equipment and related services from the vendor we designate. (See Coin Operated Vending Equipment Amendment in Exhibit F of this disclosure document).

Pay Telephones. We will recommend a pay telephone vendor to install pay telephones at your store. You must sign an amendment for the installation of pay telephones with the vendor we recommend (see Pay Telephone Amendment in Exhibit F of this disclosure document, which amendment may change from time to time). The recommended vendor is not our affiliate. We expect to make a profit on the commissions or bonuses paid on the pay telephone equipment.

Lighting and Security Equipment Maintenance. If your store has certain lighting and security equipment that we have installed, you must sign contracts with designated companies that maintain the equipment (see the amendments for lighting services and security system and monitoring in Exhibit F of this disclosure document, which amendments may change from time to time). If your store does not have this equipment, we may install the equipment and you will have to sign contracts with designated companies that maintain the equipment.

Equipment Maintenance. You must use our designated service providers for maintenance of all equipment we install in your Store. We have entered into service contracts with vendors to provide maintenance services for certain equipment. We will charge your Open Account each month for the maintenance services provided by the vendors we designate. We have the right to change these amounts at any time during the term of your agreement. You are required to use the maintenance services provided by the vendors we designate. There may be additional fees for services not covered by these monthly maintenance charges.

Sanitation System. We may require you to use a designated sanitation system for performing certain types of store and equipment cleaning, and you must use only chemicals that are compatible with the designated system. You may have to sign a participation letter agreement agreeing to use the designated chemicals (see any applicable amendments in Exhibit F of this disclosure document, which amendment may change from time to time).

Required Purchases of Other Items

You must purchase or lease the following items from us, our affiliates, or other designated third party suppliers that have been designated "Recommended Vendors" (as defined below):

Proprietary Products. You must purchase products we have developed that are identified with our stores because of their formulas, manufacturing or distribution processes, or presentation to guests (the "proprietary products") solely from or through a source (including manufacturers, wholesalers, and distributors) we designate or from us.

Fresh Foods. You must purchase perishable food products offered in 7-Eleven stores, including sandwiches, roller grill items, baked goods, salads, foods served or taken hot, dairy (including milk, flavored milk and yogurt), bread, and any other perishable food products we determine ("fresh foods") only from Recommended Vendors.

Trademarked Containers. You must purchase and use specified trademarked containers for certain products, including proprietary products, offered in the store. These products include all of our fountain beverages, hot chocolate, fresh prepared coffee, frozen carbonated beverages and certain deli items. You must buy these containers only from vendors we approve and license to distribute the containers.

Consigned Gasoline. If your store sells gasoline, you must sell the gasoline on consignment from us or from a third party not affiliated with us that we designate. You do not buy the gasoline, but you must sell it at the retail prices we designate and perform certain duties relating to its sale. We will pay you a commission on the gasoline you sell (see the Consigned Gasoline Amendment to the franchise agreement). We expect to make a profit on your sales of the consigned gasoline we supply. We acquired an interest in a wholesale fuel supply business that may supply fuel to our stores, and we expect to make a profit on the sale of fuel to our stores by that affiliate. If we ever determine in our sole discretion that Consigned Gasoline sales are not satisfactory, or that we should discontinue Consigned Gasoline sales for any reason, then we may remove all Consigned Gasoline equipment from your store without paying you any compensation. You will be required to perform numerous record keeping and safety tasks related to the sale of consigned gasoline, and must sign a letter that outlines many of these duties (see Exhibit F to this disclosure document).

You must also carry at your store a minimum number of required units of designated nationally or regionally advertised or promoted products that are supported by electronic or published media, and products that are exclusive to 7-Eleven in the convenience store channel.

You will have to use designated service providers if you choose to incorporate or make any changes to an entity you form to franchise a store.

Bona Fide Suppliers

All products and services you purchase for your Store must be purchased from "Bona Fide Suppliers". Bona Fide Suppliers are suppliers that comply with our then-current standards and specifications and regularly supply merchandise, supplies or services to retail businesses and perform all of the functions normally associated with those activities. You cannot have any ownership or voting interest in any vendor from which your Store purchases Inventory, unless we give you our written consent or unless you own shares in a publicly traded company which is one of your vendors.

Recommended Vendor Purchase Requirement

You must make at least 85% of your total inventory purchases and, separately, 85% of your cigarette purchases, both computed monthly at cost, from Recommended Vendors. "Recommended Vendors" are Bona Fide Suppliers that demonstrate the ability to meet our then-current standards and specifications, who possess adequate quality controls and the capacity to supply your needs promptly and reliably, and which are listed on the 7-Eleven Intranet as Recommended Vendors (the "Recommended Vendor Purchase Requirement").

We will not credit any purchase towards your Recommended Vendor Purchase Requirement unless the purchase is from a Recommended Vendor we have approved and your purchase was made from the Recommended Vendor in its capacity as a Recommended Vendor. This means that the Recommended Vendor must be in compliance with our requirements for Recommended Vendors, including our recommended method of distribution. The cost value used to calculate your percentage of inventory purchases and cigarette purchases from Recommended Vendors will only include the cost reflected on vendor invoices. Cost for this purpose will exclude allowances, rebates and discounts not reflected on vendor invoices. To count towards your Recommended Vendor Purchase Requirement, the products must be ordered and paid for through our recommended method for ordering and paying that vendor. Purchases of products from non-Recommended Vendors will be considered to be purchases from Recommended Vendors if you give us written substantiation that: (i) you ordered a product carried by a Recommended Vendor and were advised in writing by that Recommended Vendor that the product was out of stock; or (ii) you purchased products or services from a non-Recommended Vendor that were also available from a Recommended Vendor, and the non-Recommended Vendor provided written evidence of a bona fide offer to sell on a Market Basket Basis to all 7-Eleven stores in the geographic area serviced by the Recommended Vendor all products or services that are available from the Recommended Vendor, on a Market Basket Basis, at a lower cost than the Recommended Vendor. "Market Basket Basis" means a vendor's standard product mix that meets 7-Eleven stores' purchase needs (excluding proprietary products), and is sold under terms that include a balanced comparison of payment terms and methods, in-store services, product mix, service area, frequency of delivery and delivery windows.

If you want a Bona Fide Supplier who is not currently a Recommended Vendor to become a Recommended Vendor, you or the Bona Fide Supplier must submit to us a written request for approval and comply with our Recommended Vendor approval procedure. When we receive your request and all necessary data and adequate cooperation, we will review the qualifications of the Bona Fide Supplier to determine whether the Bona Fide Supplier meets our reasonable business and related requirements. We have the sole right to determine whether a Bona Fide Supplier meets the necessary requirements to become a Recommended Vendor. The process for Recommended Vendor approval and the general requirements a Bona Fide Supplier must meet to become a Recommended Vendor are listed on the 7-Eleven Intranet. As a part of our approval procedure, we may inspect the Bona Fide Supplier's facilities, and require that samples be delivered to us or to an independent laboratory we designate for testing. You or the Bona Fide Supplier may be required to pay the cost of the inspection and of the test (including administrative costs). We may re-inspect the facilities and products of any Recommended Vendor and may revoke our approval of a Bona Fide Supplier as a Recommended Vendor if the Bona Fide Supplier fails to continue to meet any of our then-current criteria. We will notify you of our approval or disapproval of the Bona Fide Supplier as a Recommended Vendor within 60 days.

Our Recommended Vendors may include commissaries that we help to establish to serve only 7-Eleven stores. The commissaries are independent companies and are not our affiliates. The products that these commissaries provide are or will eventually be delivered through several combined distribution centers ("CDCs") that have been or will be established throughout the country. The CDCs have been or will be established to make daily deliveries of fresh foods, including dairy products, bread, bakery items and proprietary fresh food products to our stores. As with the commissaries, we help establish the CDCs to serve only 7-Eleven stores, but they are operated by independent companies and are not our affiliates. The CDCs may not be established to serve all of our stores because of geographic considerations, so there is no guarantee that your store will be served by a CDC or commissary. We approve companies to participate in the commissary and

CDC programs based on their ability to prepare the entire selection of proprietary fresh food products consistent with our high quality standards and specifications.

We signed a long term Service Agreement with an unaffiliated third party, McLane Company ("McLane"), to be the primary vendor for our company-owned stores. McLane will also make its distribution services available to you. McLane is a coast-to-coast distribution source with substantial distribution service expertise and is a Recommended Vendor.

We will make a commercially reasonable effort to obtain the lowest costs for products and services available from our Recommended Vendors and manufacturers (in either case a "Vendor") to 7-Eleven stores on a Market Basket Basis by identifying all available discounts, allowances, and other opportunities for price adjustments. We will also treat all discounts and allowances in the manner provided for in the definition of Cost of Goods Sold in Exhibit E to the franchise agreement (see Paragraph 15 (j) of the franchise agreement). We will also use commercially reasonable efforts to include in all of our contracts with Recommended Vendors provisions for minimum standards for in-stock rates, assortment, delivery time windows, quality standards, guest assistance and other standards designed to assist the Store, as well as incentives for the Recommended Vendors for meeting the standards and penalties for failure to comply with such standards. Exhibit J to the franchise agreement establishes a process for a third party reviewer to review our contracts with Vendors (including maintenance vendors we recommend) to determine whether we satisfied these obligations (see Paragraph 15 (k) and Exhibit J of the franchise agreement). A group of qualified franchisees we select (the "Franchisee Selection Committee") will appoint a third party reviewer each year to review the Vendor contracts we signed or that were operative during the immediately preceding calendar year. The third party reviewer may also review and report the actions we took to meet the requirements listed in the definition of "System Transaction Amounts" for dealing with vendors.

The third party reviewer will notify our legal department and the head of our merchandising department if they reasonably believe that we did not satisfy the obligations described in the preceding paragraph. The Franchisee Selection Committee and the head of our merchandising department will then attempt to resolve all disputes raised by the third party reviewer within 30 days. If a dispute cannot be resolved by mutual agreement, the Franchisee Selection Committee may bring a claim as detailed below. That will be your sole remedy for any breach or alleged breach by us of Paragraphs 15 (j) or (k) of the franchise agreement.

A claim by the Franchisee Selection Committee will first be submitted to non-binding mediation that will require good faith participation by the parties. If the dispute cannot be resolved within 30 days after a mediation demand is made, either the Franchisee Selection Committee or we may submit the dispute to binding arbitration under the rules of the American Arbitration Association and governed by the Federal Arbitration Act. The arbitrator will be an individual with experience in the availability and use of product and service discounts and allowances provided by vendors in the retail industry. If the arbitrator finds in a final decision not subject to appeal that we failed to properly credit to your Cost of Goods Sold any discount or allowance we received, you can be awarded damages that are limited to the amount of the discount or allowance attributable to your purchases on which the discount or allowance was given (which amount is subject to the 7-Eleven Charge). Except for the damages described above, the arbitrator may not award any other damages for any breach or alleged breach by us for failing to obtain the lowest costs for products and services or failing to properly credit discounts and allowances to your Cost of Goods Sold.

Rebates and Purchasing Arrangements

We have negotiated certain purchase arrangements (including price terms) for the required purchase of certain products from designated vendors. During 2012 we received approximately $15.42 million in advertising and other payments from national vendors based on purchases or information technology functions we performed relating to such products. We were required to, and did, spend all of the advertising money to advertise the products sold by these vendors. We may receive payments from certain vendors and others for the use of data collected by the RIS.

We anticipate that all of your required purchases described in this Item 8 will be approximately 85-95% of your total purchases for the store, although this percentage may vary depending on the location and sales volume of your store and the seasonality of certain products.

In the year ended December 31, 2012, our revenues from franchisees' required purchases and/or leases were less than $1.7 billion (this amount includes all of our 7-Eleven Charge revenue covering, among other things our franchisees' required leases of store buildings and equipment, but also includes additional amounts that are not related to required purchases and/or leases, such as trademark license rights), which amount is approximately 11% of our total revenues of approximately $15.6 billion. We do not provide material benefits to you based solely on your use of designated suppliers or Recommended Vendors.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise agreement 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	Paragraph 8 and Exhibit A of franchise agreement	Items 7 and 11
b. Pre-opening purchases/leases	Paragraphs 15 and Exhibit D of franchise agreement	Items 6, 7, 8 and 11
c. Site development and other pre-opening requirements	Paragraph 6 of franchise agreement	Item 11
d. Initial and ongoing training	Paragraph 4 of franchise agreement	Item 11
e. Opening	Paragraph 6 of franchise agreement	Item 11
f. Fees	Paragraphs 3, 10 and 22	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Manual	Paragraphs 4, 15, 16, 20, 22, 23 and 26	Items 8, 11 and 16
h. Trademarks and proprietary information	Paragraphs 5 and 23	Items 13 and 14

i. Restrictions on products/services offered	Paragraphs 15 and 16	Items 6, 8 and 16
j. Warranty and customer service requirements	Paragraph 19	None
k. Territorial development and sales quotes	Paragraph 7	Item 12
l. Ongoing product/service purchases	Paragraph 15	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	Paragraph 20	Item 11
n. Insurance	Paragraph 18	Item 8
o. Advertising	Paragraph 22	Items 6 and 11
p. Indemnification	Paragraphs 17 and 18	Item 11
q. Owner's participation/ management/staffing	Paragraphs 2, 4, 19 and 31	Item 15
r. Records and reports	Paragraphs 12 and 13	Item 11
s. Inspections and audits	Paragraphs 14, 15, and 16	Items 6 and 11
t. Transfer	Paragraphs 25	Item 17
u. Renewal	Paragraph 24	Item 17
v. Post-termination obligations	Paragraph 28	Item 17
w. Non-competition covenants	Paragraph 5	Item 17
x. Dispute resolution	Paragraphs 31 and 32	Item 17
y. Other Net Worth Requirement Daily deposit of Receipts Daily submission of paperwork	Paragraph 13 Paragraph 12 Paragraph 12	Item 10 Item 10 Item 11

ITEM 10

FINANCING

We may finance your Down Payment and Initial Franchise Fee in certain situations. The Amendment to Franchise Agreement and Promissory Note and the Security Agreement in Exhibit I to this disclosure document contain all of the terms of the financing we offer.

We will establish and maintain an Open Account for you as part of the bookkeeping services we provide. We charge to the Open Account payments that we make to you or for you and certain amounts that you owe us and credit the Open Account with store Receipts that you properly deposit and certain amounts that we owe you. You must deposit all Receipts from your store daily except amounts you use that day to buy inventory for your store, or amounts you use that day for operating expenses for the store.

Among the payments that we make for you out of the Open Account are payments for the following products/services you will need before opening your Store: business licenses, permits and bonds; the initial cash register fund; and the necessary inventory above what was purchased with the Down Payment. After the opening of your Store we will pay from the Open Account your draw; amounts for ongoing inventory purchases; and operating expenses for the store that we approve.

We charge the amounts for the above products/services to your Open Account when we get information on the payments (invoice, report, etc.) and not when we actually make the payments. We will credit the Open Account with deposits of store Receipts that you properly make We will credit the deposits to the Open Account in the month for which you date the cash report covering the deposit.

We calculate the balance in the Open Account at the end of each month, or at any time during the month if we need to do so. We will finance any unpaid amounts in the Open Account at the end of any month. The amount we finance will fluctuate from month to month based on the charges and credits to the Open Account.

We offer this financing if: (1) you comply with the franchise agreement; (2) we have a security interest and first lien in the inventory we finance; and (3) you sign a security agreement, a financing statement (and continuations) and other documents we request. If any of these things does not occur, or if we believe our security interest is threatened, we may stop financing immediately and declare the unpaid balance in the Open Account immediately due.

The unpaid balance in your Open Account at the beginning of each month accrues interest that month at an annual percentage rate equal to the prime rate at Bank of America (or any successor) plus 2%. We establish the annual percentage rate on March 1 of every year, using the prime rate at Bank of America on the first business day in January of that year. The annual percentage rate for the period of March 1, 2012, through February 28, 2013, was 5.25%. The prime rate at Bank of America on the first working day in January 2013 was 3.25%, so the annual percentage rate for the period of March 1, 2013, through February 28, 2014, will be 5.25%. We charge the interest monthly to your Open Account.

We have agreed by policy to pay interest on a credit balance in the Open Account at an annual percentage rate equal to the prime rate at Bank of America (or any successor) minus 2%. This rate changes every year as we describe above. We may limit the amount of the credit balance on which we will pay interest. We currently have a limit of $10,000.

You must maintain a minimum investment in the inventory and other items we finance. This investment is called your Minimum Net Worth. You must at all times maintain a Minimum Net Worth of at least $15,000. If you operate more than 1 franchised 7-Eleven store, we may transfer Net Worth in excess of the Minimum Net Worth in 1 of your 7-Eleven stores to another of your 7-Eleven stores which has a Net Worth below the Minimum Net Worth, or directly to us if the other store's franchise agreement is terminated or expires and there was an unpaid balance in the Open Account at termination or expiration.

We secure our financing described in this Item 10 and the financing of the franchise fee described in Item 5 with a security interest in your store's equipment, fixtures and inventory, sales Receipts from your store, and in any going concern value of your franchise. You must sign a security agreement, a financing statement (and continuations) and any other documents we require to maintain our security interest. The Security Agreement provides that we may exercise 1 or more of the following remedies upon your default of the Security Agreement: (a) foreclose or otherwise enforce our security interests in any or all collateral; (b) sell or otherwise dispose of any or all collateral at 1 or more public or private sales on the terms and in the manner we determine; (c) require you to assemble the collateral and make it available to us at a place we designate; (d) enter onto any property where any collateral is located and take possession of such collateral with or without judicial process; and (e) before disposing of the collateral, store, process, repair or recondition any collateral consisting of goods or otherwise prepare and preserve the collateral for disposition in any manner and to the extent we deem appropriate.

If you form an entity, your Principals must personally guarantee your performance under the franchise agreement, including the repayment of this financing. Otherwise, there are no other personal guarantees of this financing.

You can prepay the financing at any time without a prepayment penalty.

Although we have no current practice or intent of doing so, we have the right to assign our rights under the franchise agreement, including our financing obligations, to a third party, which may cause you to lose all defenses against the third party.

You may obtain financing from another source you choose, but we cannot guarantee that other financing is available or the terms of other financing. We do not offer financing arrangements from any other sources, and we do not receive payments for the placement of any financing.

ITEM 11

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

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

Before you take possession of your franchised business, we will:

(a) Designate your store's location (franchise agreement-paragraph 8, Exhibits A and B). Under our traditional franchise program (non-BCP sites), we franchise only existing 7-Eleven convenience store locations that we have acquired and equipped to our specifications and at our expense. We select the location for each of our stores based on general location and neighborhood, traffic patterns, ample parking facilities, and accessibility. The location of the store you franchise is designated in the franchise agreement before you sign the agreement. You must lease the store's land and building from us under the franchise agreement. Part of the continuing royalty that you pay us, the 7-Eleven Charge, pays for your lease of the store's land and building from us.

(b) Provide for necessary equipment, fixtures, inventory and supplies (franchise agreement-paragraph 8, Exhibits A and B). We install equipment in the Store that we deem necessary in our sole opinion, along with any fixtures or other improvements we determine in our sole opinion are necessary. You must lease the store's equipment from us under the franchise agreement. Part of the continuing royalty that you pay us, the 7-Eleven Charge, pays for your lease of the store's equipment from us.

Part of the equipment we provide will include an electronic cash register that records data on all sales at the store. You will have access to the data to assist in the preparation of cash reports and other reports you must prepare (see below). We may access the cash registers at any time and access the sales data from the cash registers without any contractual limitations.

We have installed computers in the back rooms (the "computer") of all of our franchised stores. It is part of our proprietary computer system that has become part of the 7-Eleven System. We currently provide ongoing upgrades and updates to the computer hardware and software as we determine are necessary, and you have no contractual obligation to upgrade or update the hardware component or software program for the computer. You will have to use the computer to prepare cash reports and other reports that you must submit as part of our bookkeeping services (see below). You will have to use the computer equipment in the store.

The computer is part of our comprehensive retail information system ("RIS") that is part of the 7-Eleven System and will eventually automate many of the functions in our stores. We have installed electronic cash registers having point of sale scanning capabilities and mobile operations terminals and scanners that you must use to order and check-in store products. We are currently responsible for providing support, upgrades and updates, but not maintenance, for the hardware component of the RIS. You will be responsible for the maintenance of the electronic cash register and ordering equipment, and you must use a vendor we designate for the maintenance) . You must use the electronic cash register and ordering equipment in the store.

We are currently responsible for providing maintenance, support, upgrades and updates for the proprietary software component of the RIS.

The RIS will provide you with timely access to by-item sales information captured by a point-of-sale scanning system at the register. Your store can be linked to vendors, our primary recommended third-party distributor and our CDC's (if available in your area) for ordering and item-level information sharing. Your effective use of the RIS is the foundation of our business model that will allow you to manage your products and time effectively.

The RIS features:

- A point-of-sale, touch-screen system with scanning and integrated credit, debit and stored value card authorization;
- Daily ordering from certain Recommended Vendors, supported by 5 day-forward-looking weather forecasts, merchandise messages and historical sales data;
- Category management and item level sales analysis;
- Integrated gasoline and "pay-at-the-pump" functionality at certain gas stores;
- Automated back-office functions, such as sales and cash reporting, payroll, gasoline pricing and inventory control, which are connected directly to our bookkeeping system; and
- The ability to make delivery adjustments and perform write-offs on a hand-held unit.

We will have independent access to the information collected on the RIS, and there are no contractual limitations on our right to access or use the information and data. We retain sole and exclusive ownership in all information and data collected on the RIS.

(c) Provide Training Program (franchise agreement-paragraph 3). We will provide our training program (the "Training Program") to you (and one other person you designate who is acceptable to us if only one individual signs the franchise agreement) after you sign the franchise agreement.

The Training Program consists of approximately 300 hours (or more or less depending on how quickly you grasp the materials, your prior experience, scheduling and other factors) of training at our Store Support Center located in Dallas, TX and in a 7-Eleven Training store, all as follows:

Column 1 Subject	Column 2 Hours of classroom training	Column 3 Hours of on-the-job training	Column 4 Location
(1) Orientation: ▪ 7-Eleven History/Strategy ▪ Servant Leadership ▪ Understanding the Franchise System ▪ Day in the Life of Franchisee ▪ Store Image & Guest Service Standards	24 Hours		Store Support Center
(2) Do It: ▪ 7-Eleven Store Systems ▪ Assortment ▪ Value ▪ Cleanliness ▪ Fast Friendly Service ▪ Quality	96 Hours	64 Hours	In a 7-Eleven training store
(3) Lead It: ▪ Financial Performance ▪ Operations Excellence ▪ Guest Satisfaction ▪ Learning, Growth & People	72 Hours	48 Hours	In a 7-Eleven training store

We offer the Training Program approximately 24 times a year in each training store location, although we may alter the schedule as needed.

The Initial Franchise Fee you pay includes the cost of the Training Program. However, you will be required to cover the expenses (travel, lodging and otherwise) associated with attending the classroom training portion of the Training Program in Dallas, Texas and the on-the-job portion of the Training Program in training stores in several states You will not be receiving any additional money from 7-Eleven for transportation, lodging and food expenses during training or for any other living expenses during the Training Program.

You and the individual you designate and we approve for training must successfully complete all of the Training Program to our complete satisfaction as we may determine in our sole discretion. If you or any designee you select for training fails to successfully complete any portion of the Training Program, training will be stopped and this will constitute ***not*** successfully completing the Training Program. Successful completion of the Training Program does not guarantee that you will be approved as a franchisee. You must have at least two individuals successfully complete the Training Program within a reasonable period of time after taking possession of your store.

If you or anyone you take to the Training Program does not complete the Training Program to our satisfaction, we may terminate the franchise agreement and we will refund to you your Down Payment and the Initial Franchise Fee, without interest, after deducting any amount you owe us, including any training or license expenses for which we have reimbursed you or which we have paid for you.

If a Training Program is available in your area, we may allow you, at no cost to you, to send up to three of your employees to the Training Program before you take possession of your store You will be required to pay all payroll and related expenses for the employees who participate in the Training Program. By providing the Training Program to your employees, we are not taking any responsibility for the hiring, firing or performance of your employees and are not evaluating the qualifications of your employees. Participation by your employees in the Training Program does not indicate your approval as a franchisee.

The training instructors have either been our employees in another capacity for at least one year before becoming training instructors, or they have received extensive training similar to the Training Program and have spent time in a store. The average training experience of the present instructors is over 1 year and ranges from 6 months to over 10 years.

You agree to keep your Store employees adequately trained in the operation of the store so they can provide superior guest service and properly carry out the operations of the store in accordance with the 7-Eleven System and the franchise agreement.

We may offer additional training that we deem necessary based on changes in the 7-Eleven System. You will be responsible for all expenses, including costs of travel, lodging, meals and wages incurred by your trainees and other personnel in connection with any additional training. You may have to participate in additional training if you renew the franchise agreement or if you transfer to another store because we lose the right to occupy the property where your store is located.

You agree to participate, and to require your employees to participate, in any additional training programs we make available relating to the proper sale of age restricted products or the sale of other products that are regulated and which could lead to a violation of law if not properly sold, and any other training programs we designate as required. You and your employees must successfully complete all required additional training to our complete satisfaction as we may determine in our sole discretion. We may make additional training programs available through computers or other electronic devices, and you will be required to use such equipment to complete additional training.

(d) Stock the store with inventory (franchise agreement - paragraph 15). We obtain the initial inventory for the store, and sell it to you at an amount we determine to be our approximate cost for the merchandise. You must buy the initial inventory from us. You must buy replacement inventory for the store, but we will finance your ongoing purchases of replacement inventory.

(e) Assist with licenses and permits. We help you get all licenses and permits we determine are necessary for your operation of the store, although you must pay for the cost of the licenses and permits and acquisition costs. These licenses include certificates of occupancy, all health permits, food stamp licenses, tobacco licenses, retailer licenses, alcoholic beverage licenses (these products cannot be sold at all locations), lottery licenses, and others.

(f) Provide written or electronic material on store operations. We will give you written or electronic material on issues relating to store operations, including information on inventory management, RIS user guides, and employee training material.

During your operation of the franchised business, we will:

(a) Provide merchandising assistance (franchise agreement - paragraph 15). We will provide a list of Recommend Vendors on the 7-Eleven Intranet, indicate the type of merchandise you should sell, and suggested retail selling prices. As an independent contractor, you can select merchandise for your store and the vendors you buy from, and establish the retail selling prices for your merchandise (except for consigned gasoline). We will give you merchandising bulletins and general assistance through our field consultants who visit each store periodically;

(b) Administer advertising (franchise agreement - paragraph 22). We will spend the Advertising Fees you are required to pay us for materials, programs and promotions advertising the 7-Eleven System, 7-Eleven stores and/or the products or services the 7-Eleven stores provide. These fees may be used for the general benefit of the 7-Eleven System, for local, regional, and/or national promotions, or for specific 7-Eleven store(s). We have the sole right to determine how Advertising Fees will be spent, including the selection, direction and geographic allocation of advertising materials and programs and the types of media utilized. We have no obligation to make expenditures of Advertising Fees which are equivalent or proportionate to your Advertising Fee payment, or to ensure that any particular franchisee benefits directly or pro rata from these expenditures or from the advertising materials and programs funded by the Advertising Fees, or to spend any amount in the geographic area where your store is located. We have the right to pay or reimburse our expenses of creating, developing, maintaining and administering advertising materials and programs from the Advertising Fees, but we will not use the Advertising Fees to pay or reimburse ourselves for any internal costs for administering advertising materials and programs or for any in-house advertising agency costs. Company-operated 7-Eleven stores and other 7-Eleven franchisees may not be required to pay an Advertising Fee, but you must do so even if other 7-Eleven franchisees or company-operated 7-Eleven stores pay more, less, or no Advertising Fee. We will advise you annually of Advertising Fee receipts and our advertising expenditures, including in what markets the sums were spent, what media was used and the type of advertising done, in the form and manner which we determine to be appropriate. During 2011, the Advertising Fees we spent were allocated approximately 39% to media placement, 35% to promotion and public relations expenditures, 24% to point of purchase materials and 2% to media production.

You must properly utilize the foodservice point-of-sale support and layouts which do not contain pre-printed prices that we designate. We may add to or change the signs in the foodservice facility at your store at any time.

All advertising and promotions you place in any medium must be conducted professionally and must conform to our standards and requirements, as described in Item 8. There are no advertising councils or cooperatives. We spend less than 1% of the Advertising Fees program funds on solicitations for the sale of our franchises.

(c) Audit the store inventory (franchise agreement - paragraph 14). We will do physical audits of the store's inventory at least once each calendar quarter at no cost to you. We will do additional audits at your request for an additional charge;

(d) Indemnify you (franchise agreement - paragraph 17). We will indemnify you from losses of or damage to the store and equipment, from general public and product liability claims; and from certain losses to the inventory, sales receipts and store supplies caused by fire and other specified perils, robbery or burglary;

(e) Maintain certain items in the store (franchise agreement - paragraph 20). We will, when we deem it necessary: (1) repaint and repair the interior and exterior of the store, (2) replace equipment, (3) replace glass in the front windows and doors, (4) repair floor coverings, exterior walls, the roof, foundation, and parking lot, (5) maintain the structural soundness of the store, (6) pay for sewer, water, gas, heating oil, electricity, and all telephone lines (except for the main telephone line which you must pay for) for operating the store, and (7) maintain the heating, ventilation and air conditioning equipment (the "HVAC equipment") in the store (see Paragraph 20 of the franchise agreement). The HVAC equipment includes the heating and air conditioning units and related equipment, duct work, filters and refrigerant gases for the air conditioning unit, but does not include the water heaters, equipment and refrigerant gases for refrigerated vaults and cases, and other equipment used for the sale of merchandise. The maintenance contracts you sign must exclude maintenance of the HVAC equipment;

(f) Assist you in obtaining maintenance for equipment you must maintain (franchise agreement – paragraph 20). You must maintain all items other than what we maintain as described above. We will arrange for the performance of your required maintenance of the 7-Eleven Equipment and certain other maintenance obligations by contractors that we select. We will provide you with a list of the equipment that is being covered by such maintenance. We will pay for such maintenance on your behalf, and charge such costs to your Open Account at the end of each month;

(g) Provide bookkeeping services (franchise agreement - paragraph 12). We maintain bookkeeping records for your store and give you Financial Summaries each month. You must deliver various reports to us daily or as otherwise specified that reflect sales, purchases and other operating expenses for your store. We use the information you give us to prepare the Financial Summaries at the end of every month. We can prepare Financial Summaries at any time during the month if we believe it is necessary to do so.

As part of the bookkeeping services, we establish and maintain an Open Account for you using a retail accounting system. We credit the Open Account with: (1) your Down Payment; (2) sales receipts and revenues that you properly deposit; (3) store merchandise that you return to vendors for credit; and (4) interest we pay you on any credit balance in your Open Account (a credit balance results if the total credits to the Open Account exceed the total charges for any month). We debit the Open Account with: (1) any money you owe us after we apply your Down Payment to the items covered by the Down Payment; (2) the cost of your initial inventory; (3) your cash register fund; (4) the cost of all your inventory purchases (when we get the invoices and not when we pay them); (5) the cost of all your operating expenses; (6) the amount of your store's net income which you withdraw weekly and monthly for personal use; (7) all fees and payments you owe us, including payments we make on your behalf; (8) credit card and check collection fees described in the Credit Card Agreement and Check Collection Amendment (see Credit Card Agreement and Check Collection Amendment in Exhibit F of this disclosure document); and (9) interest on any unpaid balance in the Open Account (an unpaid balance results if the total charges to the Open Account exceed the total credits for any month);

(h) 7-Eleven Operations Manual. We will provide you with access to our 7-Eleven Operations Manual on the 7-Eleven Intranet through your in-store computer. The 7-Eleven Operations Manual provides information about training, store operations, accounting procedures and other subjects, as we may revise it from time to time. You will be required to operate your store at all times in compliance with the provisions of the 7-Eleven Operations Manual. The current 7-Eleven Operations Manual is 1009 pages and the table of contents (and approximate number of pages) of the current 7-Eleven Operations Manual is as follows: Welcome (2), About this Manual (4); Introduction to 7-Eleven (8); 7-Eleven Mission and Strategy Statements (7); Franchisee Support (8); Business Transformation (12); Store Operations (18); Guest Experience (32); Marketing and Advertising (26); Merchandising (104); Food Safety (52); Fresh Food Products (24); Proprietary Beverages (8); Fuel Systems (50); Human Resources (90); Logistics and Demand Management (14); Employee Policies and Procedures (54); Training (18); Asset Protection (196); Facility Maintenance and Energy Management (22); Retail Information System (26); Accounting (198) and Glossary (36).

(i) Continuing advice. We continually advise you in the operation of your store. Our field consultants will visit your store regularly to review your operations with you and recommend strategies for your store. We may offer additional training programs for you and your employees, although we do not have to do so. As an independent contractor, you are responsible for the day-to-day operations at your store.

You will typically open your franchise for business one to two weeks after you successfully complete the Training Program. You must get all necessary licenses before you begin operating your store. In some states, because of certain licensing requirements, the time between completion of the Training Program and opening of the store may be as long as 6 months.

ITEM 12

TERRITORY

Our franchise agreement covers a single 7-Eleven store location. Exhibit A to the franchise agreement designates the specific store and street address covered by the franchise agreement. You may operate only the store specified in the franchise agreement, and may not offer or sell any products or services offered and sold by 7-Eleven stores at or from any location other than the store specified in the franchise agreement, or through any other channel or method of distribution, including by or through the Internet or similar electronic media. If we decide to subcontract to you (and you agree to accept) certain of our obligations related to the sale of products and/or services over the Internet, we will compensate you for your efforts to fulfill those obligations in a reasonable amount to be mutually agreed upon by you and us.

You will not receive any minimum territory. You will also not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You have no options, rights of first refusal or similar rights to acquire additional franchises and we have no obligation to grant you additional franchises.

We retain all other rights. Among other things, this means we can, without restriction and without compensation to you:

(i) Establish and operate, and give others the right to establish and operate, convenience or other stores under the 7-Eleven Marks, or any other trade names, service marks and trademarks, at any site other than your store location. These other store sites may be next to or near your store location.

(ii) Offer and sell, and grant others the right to offer and sell, any products and services, even if they are similar to those offered by 7-Eleven stores, identified by the 7-Eleven Marks or by other trademarks, trade names or service marks, and may be sold on terms we deem appropriate through any other channel or method of distribution, including the Internet or similar electronic media.

ITEM 13

TRADEMARKS

We grant you the right to operate a convenience store using our principal service mark "7-Eleven." You may also use certain other related trademarks, service marks, trade names, symbols, emblems, logos, trade dress and other trade indicia that we own ("related trademarks") in the operation of the 7-Eleven store. You may use the service mark 7-Eleven and the related trademarks (the "Marks") only as we allow and only for the operation of the franchise. We registered the 7-Eleven service mark logo and design with the United States Patent and Trademark Office on the principal register on August 11, 1970, Federal Registration Number 896,654. We registered the 7-Eleven service mark with the United States Patent and Trademark Office on the principal register on September 21, 1971, Federal Registration Number 920,897. We have filed all required affidavits.

We know of no superior prior rights or infringing use that could materially affect your use of the Marks, and we know of no agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to the franchise.

There are no currently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings, and no pending material litigation involving the Marks.

We are not obligated to protect your rights to use the Marks or to protect you against claims of infringement or unfair competition.

You must immediately notify us of any infringement of the Marks or of any challenge to the use of any of the Marks or claim by any person of any rights in any of the Marks. You must agree not to communicate with any person other than us, our designated affiliate and legal counsel about any infringement, challenge or claim to our Marks. We have sole discretion to take any action we deem appropriate and the right to exclusively control any litigation, or Patent and Trademark Office (or other) proceeding, arising out of any infringement, challenge or claim concerning any of the Marks. You must sign all instruments and documents and give us any assistance that, in our counsel's opinion, may be necessary or advisable to protect and maintain our interests in any such litigation or proceeding or to otherwise protect and maintain our interest in the Marks.

You may not use any of the Marks as part of your corporate or other legal name, or use the Marks to incur any obligation or indebtedness on our behalf. You must follow our instructions for identifying yourself as a franchisee and for filing and maintaining trade name or fictitious name registrations. You must execute any documents we or our counsel determine are necessary to obtain protection for the Marks or to maintain their continued validity and enforceability. You may not take any action that would prejudice or interfere with our rights in the Marks and may not contest the validity of our interest in the Marks or assist others to do so.

We have the right to substitute different trade names, service marks, trademarks, logos and commercial symbols for the Marks. If we do, we may require you to discontinue or modify your use of any Mark or use one or more additional or substitute Marks. We will pay the costs related to the discontinuation, modification, or substitution of the Marks, except that you will pay for all costs associated with changing letterhead, business cards or other business-related items and permitted trademarked items and all trademarked supplies and trademarked merchandise.

We are the lawful, rightful and sole owner of the Internet domain names "www.7-Eleven.com" and "www.7-11.com" and any other Internet domain names we have registered. You must unconditionally disclaim any ownership interest in such domain names or any similar Internet domain names. You must not register or use any Internet domain name in any class or category, or any other URL, that contains words or numbers used in or similar to those used in the Marks or related trademarks, or any abbreviation, acronym, phonetic variation or visual variation of those words or numbers.

If your store sells consigned gasoline, you must use the trade names, trademarks and service marks that we designate when you sell the consigned gasoline. (See Consigned Gasoline Amendment in Exhibit F of this disclosure document.)

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We have no patents or registered copyrights that are material to the franchise, other than copyrights we have on written or on-line materials we give you. We have no patent pending applications that are material to the franchise.

We loan you copies of any written materials for you to use in operating your franchise. You must operate your store in compliance with the materials and return the materials to us after your franchise agreement terminates.

So long as you are in compliance with the franchise agreement, we will provide you with access to our Operations Manual on the 7-Eleven Intranet through your in-store computer. The Operations Manual provides information about training, store operations, accounting procedures and other subjects. We may provide assistance and information to you through methods other than the Operations Manual.

You must treat the Operations Manual and any other manuals or written materials we create for you to use in operating your franchise, as confidential information proprietary to us. You must not communicate, divulge or use any confidential information for the benefit of any other person or entity, and after the franchise agreement ends you may not use any confidential information for your own benefit. You may divulge any confidential information only to your employees who must have the information in order to operate the store. You must prevent any unauthorized disclosure of the confidential proprietary information. If we request, you agree to have your employees, agents, independent contractors or other individuals sign agreements we approve relating to these requirements.

We may revise any written materials and you must comply with any new material that we include. You may not copy any part of the written materials, or share the information in the written materials, or any other confidential information we give you, with anyone outside the 7-Eleven System. All written materials will remain our property, and you must keep them in a secure place in your store.

We claim copyrights on our advertising material and certain other written material we use in the 7-Eleven System. There are no agreements currently in effect that significantly limit your right to use any of our claimed copyrights. Also, there are no currently effective determinations of the U.S. Patent and Trademark Office, Copyright Office (Library of Congress) or any court pertaining to or affecting any of our claimed copyrights. Finally, as of the date of this disclosure document, we are unaware of any infringing uses of or superior prior rights to any of our claimed copyrights that could materially affect your use in this state or in the state in which the franchised business will be located.

We claim proprietary rights to the 7-Eleven System that we license you to use in the franchise agreement. The 7-Eleven System includes the systems we have developed for fixturization, equipping (including the development and use of computer hardware and software equipment), layout, merchandising, promotions, vendor relationships and general operation of 7-Eleven convenience stores. You may use this information only for your operation of the franchise. You may not copy or disclose any of the information to anyone outside the 7-Eleven System.

If you or your employees develop any new concept, process or improvement relating to the store, you must give us all related information without compensation, and you grant us a perpetual, royalty-free license to use and sublicense the use of any such concept, process or improvement.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You agree under the franchise agreement to devote your best efforts to the store and to actively and substantially participate in the actual operation of the franchise. You further agree to work full time in your store and supervise day to day operations, and make yourself available to meet with us at reasonable times, at our request, but in any event you agree to meet with us at least once a week at your store during reasonable business hours. If you are temporarily out of town or otherwise temporarily unavailable to meet with us at any time, you agree that we can meet with your employees to discuss your store's business and take any action contemplated or allowed under your franchise agreement. Additionally, you must complete the training program described in Item 11 of this disclosure document to our satisfaction before we approve you as a franchisee. We grant a franchise based on your personal qualifications and your intention to actively and substantially participate in the actual operation of the franchise. We believe that your full time supervision is essential to the success of the franchise, and we may require you to sell any interest you have in other businesses. If you are married, we prefer that both the husband and wife sign the franchise agreement and actively participate in the franchise business. If you form an entity, your Principals must sign the Guaranty and actively participate in the franchise business.

You may not transfer ownership or control of the franchise without our prior written approval. If you initially sign the franchise agreement as an individual franchisee and you later desire to transfer the franchise to an entity, you may do so in compliance with our policy for completing an assignment to an entity. You must be the sole owner(s) of the entity to which you assign the franchise agreement, and you must remain as the sole owner(s). Other than in exceptional circumstances, we will not approve an assignment of the franchise to an entity if the owners do not indicate they will actively and substantially participate in the operation of the franchise. Since we expect the franchisee to actually manage the franchise business, other than in exceptional cases, we do not require you to name or train a manager, except if you operate more than one 7-Eleven franchise. (

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Your store must carry all categories of inventory that we specify. You may stop carrying an inventory category only with our prior written consent. You must carry, use and offer for sale only the inventory and other products that are consistent with the type, quantity, quality, and variety associated with the 7-Eleven Image and as we specify in the franchise agreement.

You must maintain in the store at all times a reasonable and representative quantity of all proprietary products listed in Exhibit G to the franchise agreement or that we otherwise list in writing. The proprietary products that you are required to carry currently include ¼ Pound BIG BITE®, BIGGEST BIG BITE®, BIG BITE®, GULP®, BIG GULP®, SUPER BIG GULP®, XTREME GULP®, DOUBLE GULP®, SLURPEE® frozen beverages and candy, gum, frozen treats or other SLURPEE® products, 7-ELEVEN® Coffee, Cappuccino, Hot Chocolate and Iced Coffee, 7-ELEVEN SPEAK OUT® Pre-Paid Cards, 7-Eleven Gift Card™, 7-Eleven Go-Go Taquitos®, 7-SELECT™ private brand packaged bakery, candy, snacks, beverages and paper products, FRESH TO GO™ food products, Fresh Bakery products, 7-Eleven® Nachos, and Sonoma Crest™ , Thousand Oaks™, Yosemite Road™ and Cherrywood Cellars™ proprietary wine and wine accessories. We may change the proprietary products that you are required to offer and sell periodically upon reasonable notice (delivered in electronic or other form) to you either by unilaterally modifying Exhibit G or by providing you with written notice of the change in the proprietary products that you are required to offer and sell. Effective on the first day of the calendar month beginning 30 days after we notify you of the change, you must offer the new or modified proprietary products. You must not offer or sell at the Store any products which directly compete with the proprietary products we designate as exclusive, unless you obtain our prior written consent.

If we require that a product (including a proprietary product) be sold in a standardized container or special packaging, or be sold using certain display cases, equipment, or other related components, you may use only the standardized containers, packaging, display cases, equipment and other components (including bags and napkins) that conform to the type, style and quality we specify and that bear any distinctive identification we designate. You must properly account for these items. You must carry all components we designate as necessary for any proprietary product. You may use containers, packaging, display cases, equipment and related components designated for use with proprietary products only in the offer, sale or promotion of proprietary products, unless you first obtain our written permission. We may require you to participate in the costs of certain distinctive or special merchandising programs, such as offering cups which display special insignia.

You must carry at the store a reasonable and representative quantity of all designated nationally or regionally advertised or promoted products that are supported by electronic or published media during the entire duration of the national or regional advertising or promotional campaign. You must also carry a reasonable and representative quantity of products that are exclusive to 7-Eleven in the convenience store channel during the period of exclusivity. However, you may discontinue carrying any nationally or regionally advertised or exclusive products (except proprietary products) if the products do not meet sales goals that we establish and you follow the process that we establish for determining whether the items meet those goals. The method for determining sales goals and the process of deletion approval for such products will be included in the Operations Manual.

You must comply with our merchandising and shelf life requirements for fresh foods.

You may not engage in any advertising or display of the Marks or market any products or merchandise sold in 7-Eleven stores or containing our Marks using web sites, internet, email, mail order, or by any other means other than by sale through your store.

We do not impose any other restrictions in the franchise agreement or otherwise on the goods or services that you may offer or sell or the guests to whom you may offer or sell.

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	Paragraph 9	Term ends at the earlier of 10 years after the Effective Date of the franchise agreement or 30 days before the end of our lease of the real estate for the Store that was in effect on the Effective Date. The term of the franchise agreement will end if the term of our lease and all options that were available for us to exercise as of the Effective Date ends (or we elect not to exercise an existing option), regardless of whether we extend such lease or sign a new lease for the Store site. We have no obligation to renew or exercise any option to extend the lease.
b. Renewal or extension of the term	Paragraph 24	1 renewal for a term equal to the number of years of the initial term in our then-current franchise agreement.
c. Requirements for franchisee to renew or extend	Paragraph 24	Give written notice; not be in default; pay all money owed; be in compliance with Foodservice Standards; have maintained Minimum Net Worth for 1 year immediately preceding expiration date; sign then-current form of renewal franchise agreement (you may be asked to sign a contract with materially different terms and conditions than your original contract); execute general release; complete required additional training; we decide to keep store open as 7-Eleven store; law permits renewal and continued operation of store; we have not sent you 4 or more default notices during the 2 years immediately preceding expiration date; you complete, to our satisfaction, a review of your store operations to ensure that you are meeting the requirements of the 7-Eleven System and otherwise operating in a manner consistent with the 7-Eleven Image and standards; if the Expiration Date occurs ten (10) years from the Effective Date of the Agreement, you will be required to pay a renewal fee equal to 20% of the then-current initial franchise fee that would be charged to a new franchisee for the Store.
d. Termination by	Paragraph 27	You may terminate the franchise agreement

franchisee		on at least 72 hours notice (or a shorter notice that we accept) but if you give less than 30 days' notice, you must pay a $5,000 termination fee
e. Termination by franchisor without cause	Not applicable	None
f. Termination by franchisor with cause	Paragraph 26	We may terminate the franchise agreement if you default. Please read the entire franchise agreement carefully because it describes our ability to terminate the franchise agreement.
g. "Cause" defined – curable defaults	Paragraphs 26(a)(1), (2), (4), and (6)	We may terminate on 45 days notice and opportunity to cure if you: fail to operate required hours (usually 24 hours a day); fail to comply with any agreement with us or our affiliate or with a master lease; fail to use the store or equipment solely for the operation of the store under the System; fail to properly maintain the store and equipment; fail to obtain our consent before you make additions to the store or equipment, or discontinue use of any equipment; fail to remit insurance proceeds which are due us; fail to indemnify us as we require; or fail to comply with the requirements for personal qualification. We may terminate on 30 days notice and opportunity to cure if you: misuse or jeopardize the Marks, copyrights, advertising, the store, the 7-Eleven System, or the 7-Eleven Image; offer or sell proprietary products you obtain from a source we did not authorize and you reported the unauthorized purchase; fail to timely pay taxes or debts connected with the store which you are obligated to pay; fail to maintain worker's compensation coverage; fail to comply with requirements for merchandising and inventory, proprietary products, product packaging and display, nationally and regionally promoted and exclusive products, retail selling prices, and designated service vendors; fail to comply with Foodservice Standards; fail to notify us in an accurate and timely manner of any discounts, allowances, or premiums received, or your selling prices; fail to obtain or continue any license, permit, or bond we feel is necessary for the operation of the store; fail to comply with any governmental law, rule, regulation, ordinance, or order affecting the operation of the store; fail to immediately notify us that you have received written or verbal notice of any type

		regarding a possible violation of any governmental law, rule, regulation, ordinance, or order affecting the operation of the store, or fail to immediately provide us with a copy of any such written notices; fail to accept any of the required payment methods we specify; fail to repay the loan; fail to comply with RIS requirements; fail to provide records or reports we require or do not cooperate with us in obtaining information from any of your vendors or state agencies; or except as otherwise provided, you otherwise commit a default under the franchise agreement which may be cured or you commit a default under any amendment which may be cured and for which the amendment does not specify a notice and cure period. We may terminate on 3 business days notice and opportunity to cure if you: fail to maintain Minimum Net Worth; fail to properly record, deposit, deliver, or expend and report Receipts or to deliver deposit slips, cash reports and all supporting documents, receipts for cash purchases, and invoices or other reports of Purchases; or fail to permit any Audit under the franchise agreement or deny us access to any part of the store. We may terminate on 3 days notice and opportunity to cure if you fail to comply with the Foodservice Standards with respect to the Foodservice Facility or you fail to allow a quality assurance inspector into your store when requested.
h. "Cause" defined – non-curable defaults	Paragraphs 26(a)(3), (5), (7) and (8), 26(b), 26(d), and 26(e).	We may terminate on 45 days notice without providing an opportunity to cure if a provision of the agreement that we consider material is declared invalid by a court of competent jurisdiction. We may terminate on 30 days notice without providing an opportunity to cure if: you file a petition in bankruptcy or one is filed against you, you make an assignment for the benefit of creditors, or a receiver or trustee is appointed; you attempt to encumber or assign any interest under the franchise agreement in breach of the requirements of the franchise agreement; you are convicted of, or plead "Nolo Contendere" to, a felony not involving moral turpitude; you fail to maintain an independent contractor relationship with us; you purchase or sell any proprietary product

		from an unauthorized source, and you did not report the unauthorized purchase; or you misrepresent, or fail to provide material information during your qualification process. We may terminate on 3 days notice without providing an opportunity to cure if: you abandon the store; you are convicted of, plead "Nolo Contendere" to, any charge involving moral turpitude; or you make an unauthorized disclosure of confidential information. We may terminate immediately upon notice and without an opportunity to cure if you violate any anti-terrorism laws, or on notice of the 4th material breach in a 2-year period if you have been served with 3 notices of any material breach within the 2 years whether or not the material breaches are of the same or different nature and whether or not they have been cured by you after notice by us. We may terminate the franchise agreement upon not less than 30 days' notice if we determine in a normal course of business, to cease the operation of all 7-Eleven stores in the state or metropolitan statistical area in which your store is located. If we sell all of our right in the 7-Eleven stores in your area, or if we decide to close the 7-Eleven stores in your area, you will have the right of first refusal (or of purchase) to acquire our non-proprietary rights in the store, the equipment and real property. The franchise agreement will automatically terminate before the Expiration Date if: a condemnation or transfer in lieu of condemnation occurs and we determine not to continue operation of the store; casualty damage to the store or equipment occurs which we cannot repair or replace in 30 days; or legal requirements dictate the closing of the store. In these situations or if we lose our Leasehold Rights, you may qualify for a transfer ("Transfer") to another store we approve or receive a Refund. To qualify for a Transfer or Refund: you must 1) not be transferring your franchise to a third party, 2) not be in breach of the franchise agreement, 3) have met your Minimum Net Worth requirement for the last year, 4) sign a mutual termination and release of all claims under the franchise agreement (see the Release of Claims and Termination in Exhibit H to the franchise

		agreement), and 5) not have received 4 or more notices of breach of the franchise agreement during the past 2 years. For a Transfer, you must also a) complete any additional training we require, and b) sign the then-current franchise agreement, with no franchise fee.
i. Franchisee's obligations on termination/non-renewal	Paragraph 28	You must: peaceably surrender the store; transfer the final inventory to us and we will credit your Open Account as described in the franchise agreement; transfer the Receipts, cash register fund, pre-paid Operating Expenses, money order blanks, lottery tickets (if applicable), bank drafts, and store supplies; stop using the 7-Eleven service mark, the related trademarks, and all elements of the 7-Eleven System, including our trade secrets; return all our trade secrets and other 7-Eleven System material; transfer all licenses and permits to us or our designee; perform certain cleaning, maintenance or other functions at the store that you are obligated to perform under the franchise agreement, and we may perform such requirements on your behalf and charge your Open Account if you fail to perform them; and comply with all other post-termination/expiration obligations set forth in the franchise agreement.
j. Assignment of contract by franchisor	Paragraph 25(a)	We may transfer our rights without restriction.
k. "Transfer" by franchisee - defined	Paragraph 25(b) and Entity Franchisee Amendment to Franchise Agreement	You must not transfer any direct or indirect interest in you, the franchise agreement or the collateral described in our Security Agreement without our consent.
l. Franchisor approval of transfer by franchisee	Paragraph 25(b)	You must obtain our consent before you transfer any interest in the franchise.
m. Conditions for franchisor approval of transfer	Paragraph 25(b)	You must pay all amounts due us, not otherwise be in default, authorize us to give the transferee a disclosure letter waiving and releasing any claims against us for representations you make to the transferee, authorize us to give the transferee a list of all stores available for franchise in the Division or general area where the Store is located, execute, at our option, (i) a mutual termination and general release of all claims under the franchise agreement, in a form substantially similar to the Release of Claims and Termination in Exhibit H to the franchise agreement, or (ii) an assignment of the franchise agreement and general release of all claims, in a form substantially similar to the

		Release of Claims and Termination in Exhibit H to the franchise agreement, and an indemnity for any claim by the transferee related to the transfer. Transferee must meet our criteria, attend training, execute a then-current franchise agreement or assume the existing franchise agreement (in either case, providing for the then-current financial terms) and execute a waiver and release of any claim against us for any amount paid to, or representation made by, you.
n. Franchisor's right of first refusal to acquire franchisee's business	Paragraph 25(c)	You must give us at least 10 business days written right of first refusal to purchase the transferred interest on the same terms and conditions.
o. Franchisor's option to purchase franchisee's business	No Relevant Provision	No Relevant Provision
p. Death or disability of franchisee	Paragraph 26(c); Exhibit F to franchise agreement	If you own the franchise with your spouse, and one of you dies or becomes incapacitated, we may continue the franchise agreement with the surviving spouse or spouse not incapacitated, or upon the written request of the surviving spouse, execute a new franchise agreement (but not differing in any financial term from the existing franchise agreement) in the then current form with the surviving spouse or spouse not incapacitated for the remaining term of the original franchise agreement. If you are the only franchisee and you die, we may terminate the franchise agreement with 30 days notice. You may designate the person you wish to franchise the store after your death, contingent upon your designee meeting our then current qualification procedures for becoming a franchisee and the estate releasing all of its rights in the franchise by signing a mutual termination and release of all claims against us under the franchise agreement, in the form substantially similar to the Release of Claims and Termination in Exhibit H to the franchise agreement. Your estate may also have the right to sell your interest in the franchise if a designee does not franchise the store.

q. Non-competition covenants during the term of the franchise	Paragraph 5(d)(1)	You may not have an interest in any business that is similar to the franchised business which is or is intended to be located within ½ mile of any 7-Eleven convenience store, except for any interest you: (a) had in a business that is similar to the franchised business as of the Effective Date of the franchise agreement; or (b) have in a business that is similar to the franchised business located within ½ mile of a 7-Eleven convenience store that you owned prior to our opening of such 7-Eleven convenience store.
r. Non-competition covenants after the franchise is terminated or expires	Paragraph 5(d)(2)	For 1 year you may not have an interest in any business that is similar to the franchised business which is or is intended to be located at the site of your 7-Eleven store or at the site of any former 7-Eleven store within 2 years of it last being operated as a 7-Eleven store.
s. Modification of the Agreement	Paragraphs 8(a)(3), 15(c), 17, and 31(g); Exhibits B, C, and G to the franchise agreement	Except for changes we can make unilaterally, changes require mutual agreement. We may unilaterally modify the franchise agreement as follows: the indemnification and related definitions (once each calendar year); the list of proprietary products (at any time on written notice); the list of equipment; the Operations Manual; the percentage used to determine the 7-Eleven Charge under certain circumstances.
t. Integration/merger clause	Paragraph 31(g)	Only the terms of the franchise agreement and all agreements signed with it are binding. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Paragraph 29	Claims, controversies or disputes must be mediated, except for actions we bring involving the Marks, your failure to deposit Receipts as required, possession of your store, or any violation of the law related to your store where you have admitted the violation or a judicial or administrative body has found a violation.
v. Choice of forum	Paragraphs 29 and 30	Mediation at a neutral location in the market area where your store is located (subject to state laws). Venue for any other proceeding is the judicial district where your store is located (subject to state laws).
w. Choice of law	Paragraph 30	The laws of the state where your store is located (subject to state laws).

ITEM 18

PUBLIC FIGURES

We do not use any public figures in our name or symbol or to endorse or recommend 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.

We provide unaudited financial statements that show the most recently available annual averages of the actual sales, earnings and other financial performance (before applicable franchisee income taxes, if any) of franchised 7-Eleven stores in each Market Area in this state or in other states if we do not operate a significant number of stores in this state (excluding stores that the same franchisee did not operate for the full calendar year). The Unaudited Statements of Average Franchisee Sales and Earnings are attached as Exhibit H to this disclosure document.

THE FINANCIAL STATEMENTS ATTACHED AS EXHIBIT H CONTAIN HISTORICAL AVERAGES OF SPECIFIC FRANCHISES. YOU SHOULD NOT CONSIDER ANY OF THE NUMBERS TO BE THE ACTUAL OR POTENTIAL SALES, EARNINGS OR OTHER FINANCIAL PERFORMANCE THAT YOU WILL ATTAIN. WE DO NOT REPRESENT THAT ANY FRANCHISEE CAN EXPECT TO ATTAIN THESE SALES, EARNINGS OR OTHER FINANCIAL PERFORMANCE, AND YOUR INDIVIDUAL FINANCIAL RESULTS MAY DIFFER FROM THE RESULTS CONTAINED IN THE FINANCIAL PERFORMANCE REPRESENTATIONS.

As described in Item 11, we prepare bookkeeping records for our franchisees based on financial information they submit to us. We prepared the financial statements attached as Exhibit H using information from these bookkeeping records. The financial statements are only as accurate as the information submitted to us by our current franchisees. The financial statements are unaudited. The form and classification of the financial statements are consistent with the accounting provisions and definitions in the franchise agreement and are materially consistent with generally accepted accounting principles. We use the retail method of accounting to account for the stores' operations, in accordance with generally accepted accounting principles and the franchise agreement.

If a store you want to franchise has operated for at least the last 12 months, we will also give you a supplemental disclosure for that store. The supplemental disclosure, called "Here Are The Facts," shows the actual operating results of the store for the last 12 months. We will prepare the supplemental disclosure in the same manner, and using the same information, as the financial statements attached as Exhibit H. You should not use the supplemental disclosure to predict any results at a particular store you franchise.

Many factors will affect the actual sales and earnings of a store you franchise, including your own efforts, ability and control of the store, as well as factors over which you have no control. Therefore, you should not predict any future results of a store based on historical operating summaries for any particular store or averages for a group of stores that we may provide. Actual results vary from store to store, and we cannot estimate the results of any particular store. We will make available to you, upon reasonable request, substantiation of the data used to prepare the material in this Item 19.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2010 to 2012

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2010	4685	5067	+382
	2011	5067	5438	+371
	2012	5438	5870	+432
Company-Owned	2010	1185	1075	-110
	2011	1075	1063	-12
	2012	1063	1532	+469
Total Outlets	2010	5870	6142	+272
	2011	6142	6501	+359
	2012	6501	7402	+901

Table No. 2

Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)
For Years 2010 to 2012

Column 1 State	Column 2 Year	Column 2 Number of Transfers
Arizona	2010	5
	2011	7
	2012	3
California	2010	36
	2011	41
	2012	38
Colorado	2010	0
	2011	1
	2012	0
Connecticut	2010	2
	2011	2
	2012	0
Delaware	2010	0
	2011	1
	2012	0
DC	2010	2
	2011	0
	2012	0

Florida	2010	0
	2011	2
	2012	1
Idaho	2010	0
	2011	0
	2012	0
Illinois	2010	9
	2011	10
	2012	4
Indiana	2010	0
	2011	0
	2012	0
Kansas	2010	0
	2011	2
	2012	0
Maine	2010	0
	2011	0
	2012	0
Maryland	2010	5
	2011	9
	2012	5
Massachusetts	2010	4
	2011	2
	2012	0
Michigan	2010	1
	2011	3
	2012	5
Minnesota	2010	0
	2011	0
	2012	0
Missouri	2010	3
	2011	1
	2012	1
Nevada	2010	8
	2011	4
	2012	10
New Hampshire	2010	0
	2011	0
	2012	0
New Jersey	2010	8
	2011	8
	2012	1
New York	2010	2
	2011	4
	2012	1
Ohio	2010	0
	2011	0
	2012	0
Oregon	2010	5
	2011	1
	2012	4

Pennsylvania	2010	7
	2011	8
	2012	0
Rhode Island	2010	0
	2011	1
	2012	0
Texas	2010	0
	2011	0
	2012	0
Utah	2010	0
	2011	4
	2012	3
Vermont	2010	0
	2011	0
	2012	0
Virginia	2010	1
	2011	2
	2012	2
Washington	2010	6
	2011	7
	2012	5
West Virginia	2010	0
	2011	0
	2012	0
All other states	2010	0
	2011	0
	2012	0
Total	2010	104
	2011	120
	2012	83

Table No. 3

Status of Franchised Outlets
For Years 2010 to 2012

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor*	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of Year
Arizona	2010	75	0	0	0	2	3	74
	2011	74	3	0	0	3	2	72
	2012	72	1	0	0	0	1	72
California	2010	1308	47	0	0	1	2	1354
	2011	1354	66	0	0	0	3	1420
	2012	1420	91	1	0	1	4	1503
Colorado	2010	137	30	0	0	1	0	167
	2011	167	36	1	0	4	1	198
	2012	198	41	0	0	1	0	237

Connecticut	2010	48	2	1	0	1	0	48
Connecticut	2011	48	2	0	0	1	0	49
Connecticut	2012	49	1	0	0	0	0	50
Delaware	2010	21	0	1	0	0	0	21
Delaware	2011	21	0	0	0	1	0	20
Delaware	2012	20	1	1	0	0	0	20
DC	2010	21	3	0	0	0	0	24
DC	2011	24	4	0	0	0	0	28
DC	2012	28	2	0	0	0	0	30
Florida	2010	173	106	0	0	3	1	276
Florida	2011	276	111	2	0	3	7	378
Florida	2012	378	131	1	0	6	3	499
Idaho	2010	2	0	0	0	0	0	2
Idaho	2011	2	0	0	0	0	1	1
Idaho	2012	1	0	0	0	0	0	1
Illinois	2010	320	4	2	0	9	3	322
Illinois	2011	322	19	1	0	11	1	330
Illinois	2012	330	9	2	0	4	4	330
Indiana	2010	30	0	0	0	0	0	30
Indiana	2011	30	0	0	0	1	0	29
Indiana	2012	29	1	0	0	1	0	29
Iowa	2010	0	0	0	0	0	0	0
Iowa	2011	0	0	0	0	0	0	0
Iowa	2012	0	0	0	0	0	0	0
Kansas	2010	10	0	0	0	0	0	10
Kansas	2011	10	1	0	1	0	1	9
Kansas	2012	9	1	0	0	0	0	10
Maine	2010	13	0	0	0	0	0	13
Maine	2011	13	0	0	0	0	0	13
Maine	2012	13	0	0	0	0	0	13
Maryland	2010	312	16	2	0	5	1	323
Maryland	2011	323	16	1	0	2	1	334
Maryland	2012	334	29	2	0	5	4	353
Massachusetts	2010	113	37	1	0	6	1	146
Massachusetts	2011	146	7	2	0	4	0	147
Massachusetts	2012	147	4	2	0	8	1	139
Michigan	2010	145	4	0	0	1	0	150
Michigan	2011	150	4	0	0	2	0	152
Michigan	2012	152	11	1	0	2	1	159
Minnesota	2010	0	0	0	0	0	0	0
Minnesota	2011	0	0	0	0	0	0	0
Minnesota	2012	0	0	0	0	0	0	0
Missouri	2010	59	0	0	0	3	0	57
Missouri	2011	57	1	1	0	7	1	48
Missouri	2012	48	3	0	0	4	0	47
Nevada	2010	199	0	0	0	4	0	200
Nevada	2011	200	5	0	0	0	2	203
Nevada	2012	203	12	0	0	0	2	213
New Hampshire	2010	24	0	0	0	0	0	24
New Hampshire	2011	24	0	0	0	0	1	23
New Hampshire	2012	23	0	0	0	1	0	22

New Jersey	2010	257	31	0	0	0	3	286
	2011	286	24	0	0	0	1	308
	2012	308	7	0	0	10	1	304
New York	2010	300	0	0	0	0	0	327
	2011	327	16	0	0	3	3	336
	2012	336	14	0	0	0	1	349
North Carolina	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
	2012	1	11	0	0	0	0	12
Ohio	2010	9	0	0	0	1	1	8
	2011	8	0	0	0	0	0	8
	2012	8	1	0	0	3	0	6
Oregon	2010	123	1	2	0	2	0	123
	2011	123	7	0	0	5	0	125
	2012	125	7	0	0	1	0	131
Pennsylvania	2010	164	3	0	0	2	2	166
	2011	166	9	0	0	0	3	169
	2012	169	0	1	0	10	2	156
Rhode Island	2010	19	0	0	0	1	1	17
	2011	17	0	0	0	1	0	16
	2012	16	1	0	0	1	0	17
Texas	2010	209	28	1	0	6	0	236
	2011	236	34	1	0	0	2	268
	2012	268	53	2	0	4	3	313
Utah	2010	101	6	1	0	1	1	107
	2011	107	9	0	0	2	0	114
	2012	114	2	0	0	0	1	115
Vermont	2010	3	0	0	0	0	0	3
	2011	3	0	0	0	0	0	3
	2012	3	0	0	0	1	0	3
Virginia	2010	289	61	1	0	3	0	347
	2011	347	85	2	0	2	1	429
	2012	429	97	0	0	5	3	519
Washington	2010	195	6	1	0	1	1	199
	2011	199	6	1	0	1	1	202
	2012	202	16	0	0	3	1	213
West Virginia	2010	5	1	0	0	0	0	6
	2011	6	0	0	0	1	0	5
	2012	5	1	0	0	0	0	6
All other states	2010	0	0	0	0	0	0	0
	2011	0	0	0	0	0	0	0
	2012	0	0	0	0	0	0	0
Total	2010	4685	413	13	0	53	20	5067
	2011	5067	465	12	1	54	33	5438
	2012	5438	548	13	0	71	32	5870

* We own or lease the land, building and equipment at our traditional franchise sites (except for a small number of BCP sites) and lease the site to our franchisees, therefore we may reacquire more sites than other franchisors. Since we control the property where our traditional franchise sites are located, our reacquisitions listed in Column 7 above may not affect the total number of outlets operating in a particular state at year end listed in Column 9 above.

Table No. 4

Status of Company-Owned Outlets
For Years 2010 to 2012

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of Year
Arizona	2010	4	0	2	0	3	3
	2011	3	0	3	0	3	3
	2012	3	0	0	0	1	3
California	2010	18	1	1	0	46	18
	2011	8	7	0	0	66	22
	2012	22	6	1	1	90	25
Colorado	2010	119	8	1	4	31	102
	2011	102	15	4	2	37	90
	2012	90	8	1	5	40	68
Connecticut	2010	1	0	1	1	2	2
	2011	2	0	1	0	1	2
	2012	2	3	0	1	1	3
Delaware	2010	4	1	0	2	1	3
	2011	3	1	1	0	0	4
	2012	4	2	0	0	1	6
DC	2010	0	1	0	0	2	1
	2011	1	3	0	0	4	3
	2012	3	6	0	0	2	7
Florida	2010	412	22	3	4	106	340
	2011	340	153	3	5	114	382
	2012	382	39	6	18	132	292
Idaho	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0
Illinois	2010	35	14	9	4	12	43
	2011	43	17	11	6	19	46
	2012	46	8	4	4	6	42
Indiana	2010	2	0	0	0	0	2
	2011	2	0	1	0	0	3
	2012	3	2	1	0	1	4
Iowa	2010	0	2	0	0	0	2
	2011	2	0	0	0	0	2
	2012	2	0	0	0	0	2
Kansas	2010	1	0	0	0	0	1
	2011	1	0	0	0	1	1
	2012	1	11	0	0	1	11
Kentucky	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	1	0	0	0	1
Maine	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0

Maryland	2010	21	5	5	2	18	22
	2011	22	9	2	1	16	23
	2012	23	10	5	1	25	22
Massachusetts	2010	3	0	6	1	4	6
	2011	6	2	4	0	7	10
	2012	10	8	8	1	4	21
Michigan	2010	7	6	1	0	6	9
	2011	9	3	2	0	4	11
	2012	11	4	2	0	10	8
Minnesota	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0
Missouri	2010	5	0	3	0	1	7
	2011	7	0	7	2	1	12
	2012	12	0	4	3	3	10
Nevada	2010	9	0	4	1	4	8
	2011	8	1	0	1	5	4
	2012	4	1	0	0	13	4
New Hampshire	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	0	1	0	0	1
New Jersey	2010	2	0	0	0	45	2
	2011	2	2	0	0	24	5
	2012	5	17	10	0	7	27
New York	2010	6	6	0	0	27	10
	2011	10	13	3	0	16	25
	2012	25	150	0	0	14	172
North Carolina	2010	6	1	0	0	0	7
	2011	7	0	0	1	0	6
	2012	6	64	0	0	11	60
Ohio	2010	2	0	1	0	0	2
	2011	2	0	0	0	0	2
	2012	2	42	3	0	1	46
Oregon	2010	3	0	2	0	2	4
	2011	4	6	5	0	7	10
	2012	10	6	1	1	7	11
Pennsylvania	2010	5	2	2	0	3	4
	2011	4	0	0	0	9	3
	2012	3	47	10	0	0	56
Rhode Island	2010	2	2	1	0	0	3
	2011	3	1	1	0	0	5
	2012	5	1	1	0	1	4
South Carolina	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	4	0	0	0	4
Texas	2010	113	10	6	5	33	98
	2011	98	8	0	3	29	74
	2012	74	225	4	2	52	262
Utah	2010	9	6	1	1	7	9
	2011	9	6	2	0	7	9
	2012	9	31	0	1	2	37

Vermont	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	0	1	0	0	1
Virginia	2010	367	28	3	8	61	335
	2011	335	18	2	10	80	266
	2012	266	17	5	7	94	196
Washington	2010	12	8	1	0	7	16
	2011	16	12	1	1	6	24
	2012	24	16	3	0	16	31
West Virginia	2010	17	0	0	1	1	16
	2011	16	2	1	3	0	16
	2012	16	61	0	0	1	76
Wisconsin	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	19	0	0	0	19
All other states	2010	0	0	0	0	0	0
	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0
Total	2010	1185	121	53	34	422	1075
	2011	1075	279	54	35	456	1063
	2012	1063	809	71	45	536	1532

Table No. 5

Projected Openings as of December 31, 2012

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	0	0	0
California	41	103	0
Colorado	8	25	0
Connecticut	0	1	0
Delaware	0	4	0
DC	0	4	0
Florida	11	37	0
Idaho	0	0	0
Illinois	4	9	0
Indiana	1	0	0
Kansas	0	1	0
Maine	0	0	0
Maryland	5	20	0
Massachusetts	1	2	0
Michigan	0	6	0
Minnesota	0	0	0
Missouri	0	0	0
Nevada	0	2	0
New Hampshire	0	0	0

New Jersey	9	32	0
New York	9	33	0
North Carolina	1	10	0
Ohio	0	0	0
Oregon	6	5	0
Pennsylvania	1	4	0
Rhode Island	0	1	0
South Carolina	1	1	0
Texas	0	55	0
Utah	0	11	0
Vermont	0	0	0
Virginia	14	12	0
Washington	6	12	0
West Virginia	0	0	0
All other states	0	0	0
Total	118	390	0

All numbers in the tables above are as of December 31 of each year.

Exhibit H of this disclosure document lists of the names, addresses and telephone numbers of all franchisees in this state. If there are less than 100 franchise outlets in this state, Exhibit H will contain a list of franchise outlets from contiguous states so that at least 100 franchise outlets are listed.

Exhibit D of this disclosure document lists the names, city and state, and current business telephone numbers (or, if unknown, the last known home telephone numbers) of all franchisees who have had a franchise outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the fiscal year 2012, or who has not communicated with us within 10 weeks of the issuance date for this disclosure document. If you buy this franchise, your contact information may be disclosed in the future to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with 7-Eleven, Inc. 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.

The National Coalition of Associations of 7-Eleven Franchisees, Inc. (the National Coalition) is an independent umbrella organization of chartered trade associations of franchisees that we license, and has asked to be included in this disclosure document. The contact information for the National Coalition is: National Coalition of Associations of 7-Eleven Franchisees, Inc., 3561 East Sunrise Drive, Suite 113, Tucson, AZ 85718, Tel. 520.577.8711, Fax: 520.577.4688, www.ncasef.com, Bruce Maples, Chairman (nationalcoalition@NCASEF.com).

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit E to this disclosure document are the audited consolidated balance sheets of 7-Eleven, Inc. and its subsidiaries (the Company) as of December 31, 2012 and 2011, and the related consolidated statements of earnings, comprehensive earnings, shareholder's equity and cash flows for each of the three years in the period ended December 31, 2012.

ITEM 22

CONTRACTS

Attached as Exhibit F to this disclosure document are the following contracts and their attachments:

1. 7-Eleven Store Franchise Agreement.
2. Automated Teller Machine Amendment
3. Agreement (Western Union)
4. Money Order Amendment
5. Credit Card Amendment
6. Check Warranty and Collection Amendment
7. PTS Pay Telephone Amendment
8. Authorization for Revenue and Contract Disclosure (Pay Phone)
9. Security System and Monitoring Amendment
10. 7-Eleven Cleaning Chemical System Amendment
11. Release of Information
12. Microsoft Amendment
13. Notice of Designation of Successor Franchisee
14. Summary of National Store Lighting Service Agreement between Sylvania Lighting Services and 7-Eleven, Inc.
15. National Mystery Shop Program Franchisee Participation Agreement
16. Franchisee Participation Agreement for Digital Display Network Services
17. Appointment Agreement for Payment Services
18. Money Network Services Franchise Participation Agreement
19. Green Dot Financial Network Limited Agency Agreement
20. Retailer Agreement (Netspend)
21. RIA - Appointment of Agent Trust Agreement
22. Entity Franchisee Amendment to Franchise Agreement
23. Promissory Note
24. Long Term Tenure Rebate Waiver Agreement
25. Indemnity
26. Car Wash Amendment
27. Coin Operated Vending Equipment Amendment
28. Consigned Gasoline Amendment
29. Gasoline Operations Amendment
30. Required Reporting of Gasoline Information and Environmental Liability
31. Alcoholic Beverage Amendment
32. Reporting Agent Authorization
33. Power of Attorney and Declaration of Representative
34. Uniform Power of Attorney - State
35. Power of Attorney - Minnesota

ITEM 23

RECEIPT

Exhibit J is a detachable receipt.