

## FRANCHISE DISCLOSURE DOCUMENT

Hungry Howie's Pizza & Subs, Inc.,  
a Michigan corporation  
30300 Stephenson Highway, Suite 200  
Madison Heights, Michigan 48071  
(248) 414-3300  
franchiseinfo@hungryhowies.com



The franchisee will operate a Hungry Howie's restaurant, offering pizza, submarine sandwiches and other designated menu items for sale.

The total investment necessary to begin operation of a Hungry Howie's franchised business is between \$219,700 and \$371,500. This includes \$20,000 that must be paid to the franchisor. In addition, if your restaurant is located east of the Mississippi River you must purchase your opening inventory at a cost of between \$6,000 and \$10,000 from an affiliate of Hungry Howie's. If you purchase more than one franchise, you must pay \$15,000 or the reduced fee which is then in effect for each additional franchise.

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 14 calendar days before you sign a binding agreement with, or make a payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Hungry Howie's Franchise Development Department, at 30300 Stephenson Highway, Madison Heights, Michigan 48071, 248-414-3300.

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](http://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.

Issued: January 1, 2012

## STATE COVER PAGE

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

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

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

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION, OTHER THAN ARBITRATION FOR THE LIMITED PURPOSE OF DETERMINING THE FAIR MARKET VALUE OF YOUR ASSETS ONLY IN MICHIGAN. OUT-OF-STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE OR ARBITRATE WITH US IN MICHIGAN THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT MICHIGAN LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISE AGREEMENT REQUIRES YOU TO PAY HUNGRY HOWIE'S, WITHIN 90 DAYS AFTER TERMINATION, APPROXIMATELY \$1,000 PER MONTH FOR THE REMAINING TERM OF THE FRANCHISE AGREEMENT IF HUNGRY HOWIE'S TERMINATES THE FRANCHISE AGREEMENT AS A RESULT OF YOUR DEFAULT.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

## STATE EFFECTIVE DATES

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

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

California	Pending
Illinois	4/13/12
Indiana	4/13/12
Maryland	Pending
Michigan	11/10/11
Minnesota	4/16/12
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	4/13/12
Washington	5/1/12
Wisconsin	4/13/12

## NOTICE

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

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

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not

prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, P. O. Box 30215, Lansing, Michigan 48909 (517/373-7117).

## TABLE OF CONTENTS

<b><u>ITEMS</u></b>	<b><u>PAGE</u></b>
Item 1: The Franchisor, and any Parents, Predecessors and Affiliates .....	1
Item 2: Business Experience .....	3
Item 3: Litigation .....	4
Item 4: Bankruptcy.....	5
Item 5: Initial Fees .....	5
Item 6: Other Fees.....	6
Item 7: Estimated Initial Investment.....	10
Item 8: Restrictions on Sources of Products and Services .....	12
Item 9: Franchisee's Obligations .....	15
Item 10: Financing .....	16
Item 11: Franchisor's Assistance, Advertising, Computer Systems, and Training.....	16
Item 12: Territory .....	21
Item 13: Trademarks .....	22
Item 14: Patents, Copyrights, and Proprietary Information .....	24
Item 15: Obligation to Participate in the Actual Operation of the Franchise Business.....	24
Item 16: Restrictions on What the Franchisee May Sell .....	26
Item 17: Renewal, Termination, Transfer, and Dispute Resolution.....	26
Item 18: Public Figures.....	31
Item 19: Financial Performance Representations .....	31
Item 20: Outlets and Franchisee Information .....	35
Item 21: Financial Statements .....	41
Item 22: Contracts .....	41
Item 23: Receipts.....	41

<b><u>EXHIBITS</u></b>	<b><u>PAGE</u></b>
Exhibit A: State Addenda to Disclosure Document .....	A-1
Exhibit B: State Administrators.....	B-1
Exhibit C: Agents for Service of Process.....	C-1
Exhibit D: Financial Statements.....	D-1
Exhibit E: Manuals .....	E-1
Exhibit F: Franchise Agreement .....	F-1
Exhibit G: Multiple Unit Agreement .....	G-1
Exhibit H: Standard Lease Rider .....	H-1
Exhibit I: General Release .....	I-1
Exhibit J: List Of Operational Franchisees .....	J-1
Exhibit K: List of Non-Operational Franchisees .....	K-1
Exhibit L: List of Non-Operational Franchisees .....	L-1
Exhibit M: Receipt.....	M-1

## **Item 1: The Franchisor, and any Parents, Predecessors and Affiliates**

To simplify the language in this Disclosure Document, we, us or "Hungry Howie's" means Hungry Howie's Pizza & Subs, Inc., the franchisor. Hungry Howie's has no parent. Hungry Howie's has had no predecessors during the 10-year period immediately before the close of its most recent fiscal year. Hungry Howie's has two affiliates: Hungry Howie's Distributing, Inc., which will be referred to in this Disclosure Document as "Distributing," and H.H. Pizza, Inc., which will be referred to as "Florida". Florida is a subfranchisor of Hungry Howie's which offers franchises in the State of Florida only. Florida is responsible for all franchisor obligations with respect to franchises located in the state of Florida. Florida collects all franchise fees and royalties from franchises located in the state of Florida. "You" means the person who buys the franchise. If the franchise is purchased by a partnership, corporation or limited liability company, the partners, shareholders or members, as the case may be, will be referred to in this Disclosure Document as the "Owners."

We do business under the names Hungry Howie's Pizza & Subs, Inc. and Hungry Howie's Pizza, Inc. and do not do business under any other name.

Our principal business address is 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071.

Our agents for service of process are disclosed in Exhibit C.

Hungry Howie's is a Michigan corporation incorporated on December 21, 1981.

We grant the right to sell pizza, submarine sandwiches, salads, desserts and beverages under the names "Hungry Howie's Pizza" or "Hungry Howie's." We have no other business activities.

We franchise carry-out and delivery restaurants ("Traditional Restaurants"). Under the Franchise Agreement (the "Franchise Agreement"), which is Exhibit F to this Disclosure Document, we offer qualified purchasers the right to establish and operate a Hungry Howie's Traditional Restaurant at a single location. We may also franchise non-traditional restaurants developed for locations such as, stadiums, arenas, airports, train and bus stations, toll roads, amusement parks, convenience stores and other similar retail facilities, gas stations, hotels, schools, colleges, universities, office buildings, shopping malls and food courts, hospitals, institutional service facilities, and other "non-traditional" venues, which may offer a limited menu and/or services to its customers ("Non-Traditional Restaurant"). Under the Franchise Agreement and the Non-Traditional Restaurant Franchise Agreement Addendum ("Non-Traditional Addendum"), which is Attachment G to the Franchise Agreement, we offer qualified purchasers the right to establish and operate a Hungry Howie's Non-Traditional Restaurant at a single location. Traditional Restaurants and Non-Traditional Restaurants are collectively referred to as "Restaurants" in this Disclosure Document.

Traditional Restaurants generally occupy their own premises and provide specified food items and beverages as described in Item 16 ("Menu Items") for carry-out, delivery and, in a limited number of instances, for consumption on the premises. Non-Traditional Restaurants

may share their premises with other businesses and provide limited Menu Items for consumption on their premises.

We may enter into a multiple unit agreement (“MUA”) with you which will give you the right to open a certain number of Restaurants within a designated geographic area during a specified period of time. A copy of a MUA is attached as Exhibit G. An individual franchise agreement is executed for each Restaurant opened under the MUA.

**You must comply with state and local laws regarding the health and cleanliness of your Restaurant.**

The market for our products includes any individual who desires the Menu Items offered by Hungry Howie’s. Competitors include other franchise systems and independent restaurants offering the same or similar items as Hungry Howie’s. **The market for our Menu Items is well developed and highly competitive.**

Hungry Howie’s does not conduct the type of business you would operate as a franchisee. Officers of Hungry Howie’s do conduct the type of business you would operate as a franchisee. We have offered franchises for Restaurants since 1982. We have not offered franchises in other lines of business. Except for Florida, Hungry Howie’s has not and does not engage in selling subfranchises to any party which then engages in the sale of individual franchises.

Florida became a subfranchisor in 1984 and is our only subfranchisor. Florida does not conduct the type of business you would operate as a franchisee. Officers of Florida do conduct the type of business you would operate as a franchisee. Florida has offered franchises for Restaurants since 1984. Florida has not offered franchises in other lines of business. The principal business address of Florida is 2109-D Main Street, Dunedin, Florida 34698. Florida is a Florida corporation which was incorporated on August 7, 1984. Florida has no parent. Florida has no predecessors during the 10-year period immediately before the close of its most recent fiscal year. Florida does business under the name H.H. Pizza, Inc. and does not do business under any other name. Florida’s agent for service of process is Robert L. Shear and the address for service of process is 2650 McCormick Drive, Suite 102, Clearwater, Florida 33759.

Distributing supplies our franchisees east of the Mississippi River and those of Florida with food products, paper goods and supplies (collectively “Products”). Distributing, through a wholly owned subsidiary, Hungry Howie’s Properties, Inc. (“Properties”), conducts the type of business you would operate as a franchisee. Properties owns and operates Hungry Howie’s Restaurants. Distributing has been in business since 1986. Distributing has never offered franchises in any line business. The principal business address of Distributing is 30300 Stephenson Highway, Suite 100, Madison Heights, Michigan 48071. Distributing is a Michigan corporation which was incorporated on July 31, 1986. Distributing has no parent. Distributing has had no predecessors during the 10-year period immediately before the close of its most recent fiscal year. Distributing does business under the name Hungry Howie’s Distributing, Inc. and does not do business under any other name.

Alabama Foods, Inc. (“AFI”) has the right to solicit the sale of Hungry Howie’s franchises in certain counties in the State of Alabama on behalf of Hungry Howie’s. If you operate a



franchise within AFI's area, AFI will fulfill various obligations which are imposed on us under the terms of your Franchise Agreement. These obligations include establishment of a regional advertising program and periodic consultation with you concerning the operation of your Restaurant. Since the Franchise Agreement is executed between us and you, AFI is not obligated to you to perform these services. Hungry Howie's will remain obligated to you for the duties it performs through AFI.

## **Item 2: Business Experience**

### **President: Steven E. Jackson**

Mr. Jackson has been president and a director of Hungry Howie's since its formation. Mr. Jackson has also been an officer and director of Jackson Food Service, Inc. since its incorporation in 1984. Jackson Food Service, Inc. is engaged in the ownership and operation of Hungry Howie's restaurants. Mr. Jackson has been an officer and director of Distributing since it was incorporated in 1986.

### **Vice President, Secretary, Treasurer: James R. Hearn**

Mr. Hearn has been vice president, secretary/treasurer, and a director of Hungry Howie's since its formation. Mr. Hearn has been the president and a director of Florida since its incorporation on August 7, 1984. Mr. Hearn has been an officer and director of Distributing since it was incorporated in 1986.

### **Vice President of Franchise Development: Brian J. Ognian**

Mr. Ognian joined Hungry Howie's in September of 2008 as Vice President of Franchise Development. From January of 2008 until August of 2008 Mr. Ognian was the Vice President of Franchise Communications for Johnny's Lunch. From November of 2002 through December of 2007 Mr. Ognian was the Director of Development for Quiznos Michigan.

### **Vice President of Marketing & Product Development: Jeffrey Rinke**

Mr. Rinke joined Hungry Howie's in 1987 and in July of 1996, he became Vice President of Marketing & Product Development.

### **Vice President of Operations: Paul Pfeiffer**

Mr. Pfeiffer joined Hungry Howie's in 2004 as Director of Operations and in 2007 became Vice President of Operations.

### **Director of Training: Alan Newman**

Mr. Newman joined Hungry Howie's in 1994 and in December of 2004 Mr. Newman became Director of Training.

Director of Construction and Compliance: George Schlickemayer

Mr. Schlickemayer joined Hungry Howie's in 1993 as a franchise consultant. In August of 2004 he became Director of Construction and Compliance.

Director of Franchise Development: Jennifer Jackson

Ms. Jackson was employed by Hungry Howie's from 2003 to July of 2008 in a number of positions. In 2005 she became Director of Franchise Development and Marketing. From August of 2009, she was Internet Sales Manager of Jaguar of Troy in Troy, Michigan. From June of 2010 until June of 2011, Ms. Jackson was the Franchise Development Manager of Allegra Network LLC in Plymouth, Michigan. From February 2012 to March 2012, Ms. Jackson was a Senior Franchise Account Manager with Clarity Communications, LLC in Southfield, Michigan.

Franchise Development Coordinator: Elizabeth Reifert

Ms. Reifert joined Hungry Howie's in May of 2011 as Franchise Development Coordinator. Ms. Reifert worked as an intern at the Michigan State Appellate Defender Office in Detroit, Michigan from May of 2010 until August of 2010, and as an intern at the Wayne County Misdemeanor Defender Office in Detroit, Michigan from May of 2009 until August of 2009. From May of 2006 until November of 2008, Ms. Reifert worked as a server and certified trainer at Landry's The River Crab Restaurant in St. Clair, Michigan.

Franchise Development Manager: Timothy Lipka

Mr. Lipka is an independent contractor who was retained by Hungry Howie's in October of 2011. From May of 2010 to July of 2011 Mr. Lipka was director of franchise sales for Boston's Restaurant and Sports Bar in Dallas, Texas. From February of 2004 until April of 2010 Mr. Lipka was senior vice president of development and operations, Midwest Region, for Quiznos Subs and affiliates in Denver, Colorado.

Franchise Broker: Talal A. Kazbour

Since 1991, Mr. Kazbour has been a franchise broker for Florida. Mr. Kazbour has ownership interests in several Hungry Howie's franchises in the State of Florida and Alabama. Mr. Kazbour and a corporation under his control are parties to an area franchise agreement relating to the state of Alabama.

**Item 3: Litigation**

Prior Action

*Hungry Howie's Pizza & Subs, Inc. V. David H. Vance, Kimlor, Inc., Eagle of Massillon, LLC, Eagle of A.U., LLC, Eagle of Green, LLC and Eagle of Barberton, LLC No. 2010 01 0060 (Summit County Ohio filed January 6, 2010).*

Each defendant was a party to a Hungry Howie's franchise agreement which was terminated by Hungry Howie's. Hungry Howie's filed suit to enjoin defendants from selling pizza and/or submarine sandwiches in a specified geographic area; from disclosing trade

secrets; from using the Hungry Howie's trademarks and service marks without authorization and for money damages. The Court issued a permanent injunction in favor of Hungry Howie's on September 2, 2010. All claims for money damages were dismissed without prejudice on March 9, 2011.

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

#### **Item 4: Bankruptcy**

Our Franchise Development Manager, Timothy Lipka, filed a petition for bankruptcy under the liquidation provisions of Chapter 7 of the U.S. Bankruptcy Code in April of 2004. On December 1, 2004, the Bankruptcy Court entered a discharge. The name of the case was Timothy Paul Lipka and Jill Lynn Lipka, Case No. 04-43795. The case was filed in the United States Bankruptcy Court for the Eastern District of Texas.

#### **Item 5: Initial Fees**

Except as noted below, all franchisees who enter into a Franchise Agreement for a Traditional Restaurant pay a franchise fee of \$20,000 for the first franchise acquired and \$15,000 (or the reduced fee which is in effect at the time the additional franchise agreement is signed) for each subsequent franchise. Payment in full is required when the Franchise Agreement is signed. **No portion of the franchise fee is refundable under any circumstances.** Franchisees that enter into a Non-Traditional Addendum pay a franchise fee established by us on an individual basis. Franchises which are owned or controlled by either Steven E. Jackson or James R. Hearn or their family members may pay no franchise fee and may pay a reduced royalty. Franchises owned by Properties may pay no franchise fee and may pay a reduced royalty.

The initial franchise fee for qualifying veterans for a Traditional Restaurant will be \$10,000 if the veteran has a fifty-one (51%) percent or more ownership interest in the Traditional Restaurant.

Prior to opening for business, you must purchase an opening inventory of Products with a cost of between \$6,000 and \$10,000. If your Restaurant is located east of the Mississippi River all of your opening inventory must be purchased from Distributing. Distributing does not supply Products west of the Mississippi River. If your Restaurant is located west of the Mississippi River you must purchase your opening inventory from Roma Foods or another distributor designated by us. No amount paid to Distributing is refundable.

On the date you submit your proposed Restaurant location to us for approval we may require you to place \$15,000 in escrow with us. The amount you place in escrow with us must be spent for grand opening marketing and initial marketing after you open for business. We will use money deposited with us to pay invoices you submit to us for your initial marketing and/or to reimburse you for the cost of initial marketing if you submit paid invoices to us (Franchise Agreement, Paragraph 12.4).

At the time you enter into a MUA (see Exhibit G) you must pay the full franchise fee for the first franchise and fifty (50%) percent of the franchise fee for each additional franchise. No portion of the franchise fee paid under a MUA is refundable under any circumstances. The

MUA contains a schedule by which the Restaurants must be opened for business (the "Schedule"). The Schedule is negotiated by you and us before the MUA is signed. Ordinarily, the Schedule will not extend for a period of more than five (5) years after the MUA is signed.

No other fees or payments for goods or services are due from you to us or our affiliates before you open your business.

**Item 6: Other Fees**

<b>Column 1 Type of Fee Notes 1 and 12</b>	<b>Column 2 Amount</b>	<b>Column 3 Due Date</b>	<b>Column 4 Remarks</b>
Royalty Fee	5% of gross sales but not less than \$250 per Reporting Period. Note 7	Payable after the end of the Reporting Period as designated by Hungry Howie's. Note 7	Gross sales include all revenue from the Restaurant including delivery charges and offsite sales excluding sales tax
Advertising Notes 2 and 3	3% of gross sales. Note 2	Notes 2 and 3	
Replacement Manual Fee	\$50	Upon shipment of manual	
Transfer Note 4	\$3,000 or \$7,500	Prior to consummation of transfer	Payable when you sell your franchise
Transfer within a Franchise or to a Controlled Entity Note 4	\$1,000	Prior to consummation of transfer	Payable when you transfer ownership interest within a franchise
Unauthorized Transfer Note 4	\$25,000	Upon an unauthorized transfer	Payable immediately upon an unauthorized transfer
Renewal Fee	\$1,000	Upon executing a new Franchise Agreement	Payable when you exercise your option to renew
Audit	Twice the deficiency plus the cost of the audit if the audit shows an understatement of at least 2% of gross sales	Within 10 days after billing	
Late Payment – Royalty and Ad Charge	5% of amount due	When payment is not paid timely. Note 8	

<b>Column 1 Type of Fee Notes 1 and 12</b>	<b>Column 2 Amount</b>	<b>Column 3 Due Date</b>	<b>Column 4 Remarks</b>
Late Fee - Financial Information	\$250 per month or fraction thereof until financial information is provided	First day after deadline for furnishing financial information. Note 9	
Relocation Fee	\$7,500	At the time the franchisee requests to relocate its restaurant. Note 8	
Additional Inspection Fee	\$2,500	At the time the restaurant opens for business. Notes 9 and 10	
Review of Drawings	\$2,500	At the time Hungry Howie's approves an alternate architect. Note 11	
Seminar Absence Fee	\$250	Within 10 days after the seminar. Note 9	Imposed when franchisee or Owner Operator fails to attend required seminars
Insurance Fee	\$250 per month or fraction thereof until evidence of insurance is provided	Within 5 days after franchisee receives an invoice. Note 9	Imposed at our discretion
Failure to Attend Annual Meeting	\$250	Within 10 days after the meeting. Note 9	Imposed when franchisee or Owner Operator fails to attend annual meeting
Termination as the result of default	Minimum royalty for each Reporting Period through the end of the term of the Franchise Agreement	Within 90 days after termination as the result of default	Amount of future minimum royalties which will not be paid
Products	Note 5		
Training	Note 6		

Note 1. All fees are imposed by and are payable to us. You must participate in our electronic funds transfer ("EFT") program (the "Transfer Program") for payment of royalties, fees and penalties imposed by the Franchise Agreement. The Transfer Program gives us the power to draft royalties, advertising and all other fees and penalties imposed by the Franchise Agreement directly from your bank account. Details regarding the manner in which the Transfer Program operates will be furnished to you in writing before your first

royalty payment is due and from time to time thereafter as there are changes in the Transfer Program.

Note 2. You will pay three (3%) percent of your gross sales for regional advertising (the "Ad Charge"). The Ad Charge will be paid at the same time and in the same manner as the royalty fee (the "Royalty" or "Royalties"). We may change the period for reporting gross sales and paying the Ad Charge to a daily basis, monthly basis or some other basis. We may establish an alternate method of calculating and/or collecting your contribution for advertising. The total amount collected will not exceed three (3%) percent of your gross sales. If an alternative method is used and the amount collected is less than three (3%) percent of your gross sales, you must pay the deficiency.

We may institute a national advertising program, in which case you must contribute one (1%) percent of your Gross Sales to the program.

Item 11 contains additional information regarding advertising.

Note 3. You must spend a minimum of \$15,000 for grand opening marketing and initial marketing at the time your restaurant opens. We may require you to deposit that amount in escrow with us on the date the restaurant location is submitted to us for our consent (Franchise Agreement, Paragraph 12.4). In the event of a relocation or re-opening you must spend a minimum of \$5,000 on re-grand opening marketing and initial marketing at the time of the relocation or re-opening. We may require you to deposit that amount in escrow with us at the time the relocation or re-opening is approved. In the event of a transfer, the proposed transferee must spend a minimum of \$5,000 on re-grand opening marketing and initial marketing at the time of the transfer. We will use money deposited with us for your grand opening marketing and initial marketing after you open or re-open as the case may be. We pay invoices you submit to us for your initial marketing and/or to reimburse you for the cost of initial marketing if you submit paid invoices to us (Franchise Agreement, Paragraph 17.2(k)). If you transfer your Franchise Agreement we may require the transferee to deposit \$5,000 in escrow with us at the time of the transfer. Franchisees who enter into a Non-Traditional Addendum are not required to spend funds on local advertising or at the time of a transfer, relocation or re-opening.

Note 4. If you transfer your Franchise Agreement you will pay a transfer fee which will vary depending on the transferee. Specifically, (i) If the transferee is not an existing Hungry Howie's franchisee, \$7,500; (ii) If the transferee has an ownership interest in another Hungry Howie's franchisee but owns less than a fifty (50%) ownership interest in such franchisee, \$7,500; (iii) If the transferee is an existing franchisee, \$3,000; (iv) If the transferee owns at least a fifty (50%) percent ownership interest in an existing franchisee, \$3,000; (v) If the transfer is of an ownership interest to an owner of the same franchisee, \$1,000. If you attempt to assign your franchise, sell the assets of your Restaurant or transfer any ownership interest without the prior written consent of Hungry Howie's, you will be charged a penalty of \$25,000 (Franchise Agreement, Paragraph 17). Neither ownership of a franchise granted by Florida nor an ownership interest in a franchise granted by Florida will entitle you to a transfer fee of less than \$7,500.

Note 5. If your Restaurant is located east of the Mississippi River, you must purchase all Products from Distributing or another designated distributor. If your Restaurant is located

west of the Mississippi River, you must purchase all of your Products from Roma Foods or another Distributor designated by us. Such purchases will represent between ninety-five (95%) percent and one hundred (100%) percent of your overall purchases of such items. The amount of your purchases will vary depending upon the amount of business you are doing (See Item 8).

Note 6. You will be required to attend seminars or training programs during the term of your Franchise Agreement. You must pay your travel, meals and lodging expense. (Franchise Agreement, Paragraph 10.19). There is no charge for attending the seminars or training programs.

Note 7. We require you to adopt a 52/53 week year for income tax purposes. Each week, Monday through Sunday, shall be a reporting period (a "Reporting Period"). Four (4) consecutive Reporting Periods (28 days) are a "Period". Royalties and the Ad Charge shall be due after the end of the Reporting Period on a date specified by us. We may change the Reporting Period. The amount of your Royalty will be the amount on your royalty report or an estimated amount if your royalty report is not filed timely. We will require you to purchase and maintain a point of sale ("POS") system. We may calculate your royalty based upon sales reflected in the POS and may debit the royalty due us from your bank account the first day after the reporting period ends.

Note 8. If the Royalty and Ad Charge are not paid timely, you must pay an additional five (5%) percent of the Royalty and Ad Charge; and beginning the first day after the Reporting Period, you must pay an additional late fee of one and one-half (1-1/2%) percent per Period (but not more than the maximum amount allowed by applicable law) until the Royalties and Ad Charges are paid. We may change the period for reporting gross sales and paying fees to a daily basis, monthly basis or some other basis and impose fees for late payments comparable to those listed in Paragraph 6.2 of the Franchise Agreement. If such a change is made the Minimum Royalty and additional late fee per period will be revised accordingly.

Note 9. If a late fee relating to financial statements, financial information, reinspection, audit, insurance or a penalty relating to an annual meeting or seminar absence is not paid timely, you must pay interest at the rate of one and one-half (1-1/2%) percent per Period, but in no event at a rate greater than applicable law.

Note 10. If you schedule an inspection of your Restaurant by us prior to opening and your Restaurant is not ready to open causing our personnel to make one or more additional visits to your Restaurant you must pay an additional inspection fee and the out-of-pocket expenses of Hungry Howie's incurred in connection with each additional inspection.

Note 11. If you select an architect other than our designated architect you must pay our architect a fee for a review of the drawings prepared by the architect selected by the franchisee.

Note 12. As security for the payment of Royalties and other charges becoming due under the Franchise Agreement, you must grant us a security interest in all of your (i) accounts, documents, instruments, contract rights, general intangibles, choses in action; (ii) inventory and goods, now owned or hereafter acquired; (iii) all equipment, fixtures, machinery, furniture, furnishings and vehicles, together with all accessions, parts and all

substitutions, improvements and replacements thereof and additions thereto now owned or hereafter acquired; and (iv) proceeds of hazard insurance and eminent domain or condemnation awards (collectively the "Collateral").

You authorize us to file and record UCC financing statements and related documents, in such locations, and with such persons and governmental offices as we deem appropriate, desirable, or necessary to perfect, effectuate, complete, preserve, and/or continue our security interest in the Collateral.

**Item 7: Estimated Initial Investment**

**YOUR ESTIMATED INITIAL INVESTMENT**

<b>Column 1 Type of Expenditure</b>	<b>Column 2 Amount</b>	<b>Column 3 Method of Payment</b>	<b>Column 4 When Due</b>	<b>Column 5 To Whom Payment is to be Made</b>
Initial Franchise Fee	\$15,000 - \$20,000 Note 1	Lump Sum	At signing of Franchise Agreement	Us
Real Estate	\$1,000 - \$4,000 per month	Note 2	Note 2	Note 2
Security Deposits	\$1,000 - \$4,000	Lump Sum	Prior to Opening	Note 3
Leasehold Improvements	\$60,000 - \$140,000 Note 3	Lump Sum	Prior to Opening	Contractors
Floor Plan Design	\$5,500 - \$7,500	Lump Sum	Prior to Opening	Licensed Architect
Equipment and Fixtures	\$90,000 - \$110,000 Note 4	Lump Sum	Prior to Opening	Vendors
Point of Sale System	\$18,000 - \$23,000	Lump Sum	Prior to Opening	Vendor
Opening Inventory	\$6,000 - \$10,000	Lump Sum	Prior to Opening	Distributing or other approved supplier
Grand Opening and Initial Marketing	\$15,600 Note 5	Lump Sum	At submission of the Restaurant location for our consent Note 5	Various media and direct mail advertisers Note 6
Insurance	\$2,000 - \$3,000 Note 7	Lump Sum	Prior to Opening	Insurance companies Note 7
Signs	\$5,000 - \$11,000	Lump Sum	Prior to Opening	Contractors
Travel and Living Expenses During Training	\$1,200 - \$4,000	As Incurred	Prior to Opening	Motels, restaurants, etc.
Additional Funds - 3 Months	\$0 - \$20,000 Note 8	As Incurred	As Incurred	Employees, vendors, landlord, utilities



<b>Column 1 Type of Expenditure</b>	<b>Column 2 Amount</b>	<b>Column 3 Method of Payment</b>	<b>Column 4 When Due</b>	<b>Column 5 To Whom Payment is to be Made</b>
TOTAL Notes 9 & 10	\$219,700 - \$371,500			

Note 1. The franchise fee for your first franchise will be \$20,000 and for each additional franchise \$15,000 (or the reduced fee which is in effect at the time the additional franchise agreement is signed). The franchise fee under a Non-Traditional Addendum will be established by Hungry Howie's on an individual basis. If a MUA is signed, you must pay the full franchise fee for the first franchise and fifty (50%) percent of the franchise fee for each additional franchise at the time the MUA is signed. No payment to us is refundable. The franchise fee for qualifying veterans for a Traditional Restaurant will be \$10,000 if the veteran has a fifty-one (51%) percent or more ownership interest in the Traditional Restaurant.

Note 2. You must secure suitable real estate for your Restaurant. Typical locations for Traditional Restaurants are between 1,200 and 1,600 square feet. Ordinarily, the real estate is leased. The amounts indicated assume the real estate is leased and reflect a typical range of monthly rentals. The amount of your rent is dependent upon such factors as size, condition and location. Neither Hungry Howie's nor its affiliates will lease real estate to you. The amount of rent, the time at which the rent is due and to whom the rent must be paid is subject to negotiation by you and the landlord. Security deposits are payable to landlords and utility companies. This estimate contemplates a security deposit equal to one month's rent. You may be required to pay a larger security deposit. The space and monthly rent for a Non-Traditional Restaurant will be dependent upon the venue in which the Non-Traditional Restaurant is located.

Note 3. The amount of leasehold improvements is before any landlord provided tenant improvements or allowances.

Note 4. The amount shown is for the purchase of equipment and fixtures for a Traditional Restaurant. If you lease these items, your initial investment will be less than the amount shown but there will be a monthly lease payment.

Note 5. You must spend a minimum of \$15,000 on grand opening marketing and initial marketing at the time your Restaurant opens. We may require you to deposit that amount in escrow with us on the date the Restaurant location is submitted to us for our consent. In the event of a relocation or re-opening you must spend a minimum of \$5,000 on re-grand opening marketing and initial marketing at the time of relocation or re-opening. We may require you to deposit that amount in escrow with us at the time you submit your new site to us for our consent in the case of a relocation or when a reopening date is submitted to us for our consent. In the event of a transfer, the proposed transferee must spend a minimum of \$5,000 on re-grand opening marketing and initial marketing at the time of the transfer. We may require the proposed transferee to deposit such funds in escrow with us at the time of the transfer. We will use money deposited with us for your grand opening marketing and initial marketing after you open or re-open as the case may be. We will pay invoices you submit to us for your initial marketing and/or to reimburse you for the cost of initial marketing if you submit paid invoices to us, (Franchise Agreement, Paragraph 12.4).

Franchisees who enter into a Non-Traditional Addendum are not required to spend funds on local advertising or at the time of a transfer, relocation or re-opening.

Note 6. Media and direct mail advertising must be approved by us.

Note 7. The amount shown includes an initial deposit and the first required insurance payment. Your initial payment may vary depending on the period of time your insurance policy covers and the amount of time over which it is paid. You must maintain the following insurance coverage: workers' compensation and occupational disease; general liability, including products liability with a limit of not less than \$1,000,000 per occurrence and non-owned and hired auto liability with the highest attainable limit available in the state in which your Restaurant is located and business interruption insurance. If you own, individually or with others, more than fifty (50%) percent of five (5) or more Restaurants which have the right to deliver, you must also maintain excess liability insurance of at least \$2,000,000. Franchisees that enter into a Non-Traditional Addendum are not required to maintain non-owned and hired auto liability insurance. We may require you to purchase other types of insurance and we may require you to increase coverage limits.

Note 8. This estimates your initial start-up expenses including payroll costs. These estimates are for owner operated Restaurants and no owner's draw or salary is included in the estimate. These figures are our estimates and we cannot guaranty that you will not have additional expenses starting your business. Your costs will depend upon such factors as: the extent to which you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for the our product; the prevailing wage rate; competition; the sales level reached during the initial period; and occupancy costs for your Restaurant.

Note 9. We have relied on our experience in the pizza/submarine sandwich business to complete these estimates. **You should review these figures carefully with a business advisor before making any decision to purchase the franchise.**

Note 10. We do not offer direct financing to franchisees for any items. We will provide you with a list of preferred lenders.

### **Item 8: Restrictions on Sources of Products and Services**

You must purchase all of your Products from Distributing or another distributor designated by us. You may only use the Products at your Restaurant and you are prohibited from re-selling, transferring or sharing the Products with any other person. Officers Steven E. Jackson and James R. Hearn own an interest in Distributing. Hungry Howie's is not a designated supplier of the Products but is a designated supplier for sign boards. Distributing does not supply Products west of the Mississippi River. States west of the Mississippi River are served by Roma Foods or other distributors designated by us. Distributors are selected based on their ability to supply you with the same Products as Distributing on a regularly scheduled basis. We retain the right to substitute, add/or delete distributors at anytime in our discretion. Distributing does not supply packaged beverages and postmix products (collectively "Beverages"). All Beverages must be purchased from a beverage supplier we designate. Only those Beverages approved by us may be sold by you.

You must purchase your sign boards only from us or from a vendor designated by us. Our revenue for calendar year 2011 from the sale of sign boards was \$342. Our total revenue for 2011 was \$7,669,963. Revenue from the sale of sign boards in 2011 was less than one (1%) percent of our revenue. The amount of income was the difference between revenue from such sales and the cost of the sign boards and operating expenses attributable to such sales.

We will require you to purchase certain integrated computer hardware or software designated by us. The designation may include the manufacturer or developer as well as the model number or other similar designation. Alternate suppliers will **not** be acceptable (Franchise Agreement, Paragraph 9, and Disclosure Document, Item 11). We may derive revenue but we are not currently deriving revenue, based upon required purchases or leases of computer hardware or software.

We may assign an email address to you and require you to maintain the email address at your cost. You will not have the right to change the email address without our consent.

You must have computer equipment for access to the Howie's Online Management Exchange ("HOME"). In the future we may require you to purchase computer equipment designated by us so you can access HOME for training.

We may require you to purchase a certain video surveillance system designated by us which will allow us or a designated third party to view your Restaurant. We are currently testing video surveillance equipment to determine if it will reduce theft and improve product consistency. The designation may include the manufacturer or supplier as well as the model number or other similar designation. Alternate suppliers will **not** be acceptable (Franchise Agreement, Paragraph 9, and Disclosure Document, Item 11). We may derive revenue but we are not currently deriving revenue, based upon required purchases or leases of video surveillance equipment.

We do not now but, in the future, may require franchisees to purchase casualty, liability, workers' compensation and occupational disease, non-owned auto, business interruption and similar insurance from an insurer or insurers designated by us. Currently insurance may be acquired from any insurance carrier approved by us. While we do not currently derive revenue on the purchase of such insurance we may do so in the future. The insurer may allow us to purchase insurance we cannot obtain unless substantially all franchisees acquire insurance from the same insurer.

We may derive revenue from Distributing with respect to any items purchased by you from Distributing which bear any of the Hungry Howie's service marks or trademarks. However, there is no presently existing agreement which requires Distributing to pay any amount to us with respect to the purchase of such items by you.

Changes are issued to franchisees by us through changes in the Manuals.

Specifications and standards are issued to franchisees, Florida, Distributing and any other approved suppliers.

There are no purchasing or distribution cooperatives.

We negotiate purchase arrangements with certain suppliers for the benefit of franchisees, including price terms.

We do not provide material benefits to a franchisee based on use of designated or approved suppliers.

Distributing will derive revenue from the sale of the Products to you. The cost of your opening inventory from Distributing or another designated distributor will represent between three and 50/100 (3.5%) percent and four and 50/100 (4.50%) percent of your total purchases and lease payments in connection with the establishment of your Restaurant. The purchase of Products from Distributing or another designated supplier will represent between thirty (30%) percent and forty (40%) percent of your overall purchases of goods and services necessary to operate your Restaurant. The purchase of Products from Distributing or our designated distributors will represent between ninety-five (95%) percent and one hundred (100%) percent of your overall purchases of such items.

The revenue of Distributing for the calendar year 2011 was \$82,451,652. Of that amount, sales to Hungry Howie's franchisees were \$82,081,472 or 99.5% of the total. Distributing derived income from sales to Hungry Howie's franchisees for calendar year 2011. The amount of income was the difference between the revenue from such sales and the cost of goods sold and operating expenses of Distributing attributable to such sales.

Certain vendors pay us rebates based upon purchases by franchisees, Distributing and other designated distributors. The rebates range between 1.68% and 13.6% of purchases. Certain vendors may designate rebates for a particular use.

We will designate an accounting firm to prepare financial statements you are required to furnish to us. After the first full year of operations, you may suggest an accounting firm ("Accounting Firm") for approval by us, which approval will not be unreasonably withheld (Franchise Agreement, Paragraph 6.3). Any request must be in writing and must state your name and the name and address of the Accounting Firm. Within thirty (30) days after your request, we will inform you if the Accounting Firm has been approved. We will conduct an investigation to determine if the Accounting Firm can competently complete our standard profit and loss statements. No fee is paid to us to secure approval. There is no procedure to revoke Accounting Firm approvals. However, if an Accounting Firm is approved by us and subsequently we determine that such Accounting Firm is not performing competently and timely, we will notify you in writing that you must change Accounting Firm within a reasonable period of time.

We may designate a firm to provide payroll services to you. You may suggest a firm to provide payroll services ("Payroll Provider") for approval by us, which approval will not be unreasonably withheld (Franchise Agreement, Paragraph 6.3). Any request must be in writing and must state your name and the name and address of the Payroll Provider. Within thirty (30) days after your request, we will inform you if the Payroll Provider has been approved. We will conduct an investigation to determine if the Payroll Provider can competently perform the tasks necessary. No fee is paid to us to secure approval. There is no procedure to revoke Payroll Provider approvals. However, if a Payroll Provider is approved by us and subsequently we determine that such Payroll Provider is not

performing competently and timely, we will notify you in writing that you must change Payroll Provider within a reasonable period of time.

We will designate a licensed architect to prepare a floor plan and drawings for your Restaurant. You may suggest a licensed architect (the “Alternate”) for approval by us, which approval will not be unreasonably withheld. Any request must be in writing, must state your name and the name and address of the Alternate. Within thirty (30) business days after the request we will inform you if the Alternate has been approved. We will have an architect approved by us review the floor plan and drawings prepared by the Alternate. You must pay our architect a fee of approximately \$2,500 for their review.

There is no procedure to revoke approval. However, if an Alternate is approved by us and subsequently we determine that the Alternate is not performing competently and timely, we shall notify you in writing that you must immediately select another licensed architect for approval by us.

### **Item 9: Franchisee’s Obligations**

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

<b>Obligation</b>	<b>Paragraph in Franchise Agreement (FA)/MUA</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	FA Paragraph 8 MUA Paragraph 2	Items 1 and 11
b. Pre-opening purchases/leases	FA Paragraph 8 MUA Paragraph 2	Item 7
c. Site development and other pre-opening requirements	FA Paragraph 9	Item 7
d. Initial and ongoing training	FA Paragraph 13	Item 11
e. Opening	FA Paragraph 6.1 MUA Paragraph 1	Item 11
f. Fees	FA Paragraph 6 MUA Paragraph 3	Items 5 and 6
g. Compliance with standards and policies/ Operating Manual	FA Paragraph 2	
h. Trademarks and proprietary information	FA Paragraph 15	Item 13
i. Restrictions on products/services offered	FA Paragraph 10.2	Item 16
j. Warranty and customer service	Not Applicable	Not Applicable
k. Territorial development and sales quotas	MUA Paragraph 1	Item 5
l. Ongoing products/service purchases	FA Paragraph 10	Item 8
m. Maintenance, appearance and remodeling requirements	FA Paragraph 9	Not Applicable

Obligation	Paragraph in Franchise Agreement (FA)/MUA	Disclosure Document Item
n. Insurance	FA Paragraph 10.11	Item 8
o. Advertising	FA Paragraph 12	Item 6
p. Indemnification	FA Paragraph 10.10	
q. Owner's participation/management/staffing	FA Paragraph 10.14	Item 15
r. Records and reports	FA Paragraph 6	Item 6
s. Inspections/audits	FA Paragraphs 6.3 and 14	Items 6 and 11
t. Transfer	FA Paragraph 17 MUA Paragraph 8(e)	Item 17
u. Renewal	FA Paragraph 5	Item 17
v. Post-termination obligations	FA Paragraphs 16, 17 and 18.5	Item 17
w. Non-competition covenants	FA Paragraph 16	Item 17
x. Dispute resolution	Not Applicable	Not Applicable
y. Security Interest	FA Paragraph 6.4	Not Applicable

The stockholders, members or partners of the franchisee (the "Owners") must guaranty your obligations to us.

The Standard Lease Rider (Exhibit H) may be used to satisfy the requirement of paragraph 8.1(a)-(d) of the Franchise Agreement.

If you sign a MUA, you must open Restaurants according to the Schedule. A franchise agreement must be signed for each Restaurant opened pursuant to a MUA.

If you or the Owners are parties to any Hungry Howie's franchise agreements, we may require you or the Owners to amend such agreements so that they conform to the Franchise Agreement. The amendment will not change the term, location or royalty rate in any existing franchise agreement.

### **Item 10: Financing**

Neither we nor any of our affiliates offers direct or indirect financing. Neither we nor any of our affiliates will guaranty your note, lease or obligations.

### **Item 11: Franchisor's Assistance, Advertising, Computer Systems, and Training**

**Except as listed, Hungry Howie's is not required to provide you with any assistance.**

#### **Pre-Opening Obligations**

Before you open your business, we will:

1. Assist you with and approve the location which you select (Franchise Agreement, Paragraph 8). We do not own or lease the building in which you will operate your business. The location you select for a Traditional Restaurant must be within the geographic area specified on Attachment A to the Franchise Agreement. In evaluating the site for approval, we take into account local competition, whether there is an unobstructed

view of the location from the street, the number of people and households within the geographic area of the proposed site, the median age of the area residents, the average income of such residents and the size of the store. The optimum Traditional Restaurant size is between 1,200 and 1,600 square feet. The location of a Non-Traditional Restaurant will be set forth on Schedule A to the Non-Traditional Addendum before the Franchise Agreement is signed. The size of a Non-Traditional Restaurant will be dependent upon the venue in which it is located.

2. Assist you with the layout of your Restaurant (Franchise Agreement, Paragraphs 7 and 9).

3. Provide you with an Operations Manual, Construction Manual and Marketing Manual (collectively the "Manuals") (Franchise Agreement, Paragraph 2.2). The Manuals may be provided on our website and POS System.

4. Assist you with the selection of fixtures and equipment for your Restaurant. Specifications for fixtures and equipment are in the Manuals. You will purchase all fixtures and equipment (Franchise Agreement, Paragraph 7).

5. Designate approved sources of supply (Franchise Agreement, Paragraph 10.4).

6. Train you or the individual who will be personally involved in the conduct and operation of your Restaurant (Franchise Agreement, Paragraph 13).

### **Time to Open**

Franchisees typically open their Restaurants three to six months after they sign a Franchise Agreement. The factors that affect this time are the ability to obtain a lease, financing or building permits, zoning and local ordinances, weather conditions, shortages and delayed installation of equipment, fixtures and signs. We must approve your Restaurant before opening and we will designate the date you will open for business. One of our employees will perform an on-site inspection and visit your Restaurant to judge if it is ready to open. The employee will have the power to inform you of action you must take in order to open. In lieu of an on-site inspection, we may require you to furnish photos and videos of your Restaurant. We will designate the date on which you shall open your Restaurant for business.

If your Restaurant is not open and doing business within one (1) year after we sign the Franchise Agreement, we may terminate the Franchise Agreement and keep the franchise fee which you paid (Franchise Agreement, Paragraph 6).

### **Obligations After Opening**

During the operation of your business, we will:

1. Periodically meet or consult with you concerning the operation of your business. **We do not have an obligation to meet or consult with you according to any schedule or at any specified time, rate or frequency** (Franchise Agreement, Paragraph 7).

2. Loan you a copy of each of the Manuals. The Manuals are confidential and remain our property. We may modify the Manuals but the modification will not alter your status and rights under the Franchise Agreement (Franchise Agreement, Paragraph 2.2).

## **Advertising**

The Ad Charge will be debited from your bank account.

We may establish an alternate method of calculating and/or collecting your contribution for advertising. The total amount collected will not exceed three (3%) percent of your gross sales on an annual basis.

If an alternative method of collecting advertising funds is used, on an annual basis we will compare the amount collected from you to three (3%) percent of your gross sales for such year. If the amount collected is less than three (3%) percent of gross sales we will bill you for the amount due (the "Ad Charge Deficiency"). You must pay the Ad Charge Deficiency within ten (10) days after receipt of the invoice. Failure to pay the Ad Charge Deficiency timely will subject the Ad Charge Deficiency to the Late Fee as though the Ad Charge Deficiency were a Royalty. We may debit the Ad Charge Deficiency from your bank account. If the amount collected from you exceeds three (3%) percent of your gross sales we will refund the excess to you.

Restaurants owned by or under the control of the officers of Hungry Howie's and owned by Properties pay the Ad Charge in the same manner as every other franchisee.

Certain vendors may contribute money for advertising. There is no assurance that such vendors will continue to contribute money for advertising. Hungry Howie's may direct amounts contributed by vendors and designated for advertising to Hungry Howie's Advertising Fund, Inc., a Michigan non-profit corporation ("Ad Fund, Inc.").

We may institute a national advertising program, in which case you must contribute one (1%) percent of your Gross Sales to the program. The program will be operated in a manner similar to the existing advertising program.

Ad Fund, Inc. administers advertising programs. Ad Fund, Inc. is organized on a membership basis. Each franchisee is a member. Each member has one (1) vote for each Restaurant opened for business which is not delinquent in the payment of Royalties. Ad Fund, Inc. is managed by five (5) directors. The members elect four (4) of the directors. The president of Hungry Howie's will always be a director. The directors have full decision making authority on behalf of Ad Fund, Inc. and the only authority the members have is to elect and remove directors. The purpose of Ad Fund, Inc. is to manage advertising, marketing and sales promotion programs. Hungry Howie's cannot dissolve Ad Fund, Inc. The power to dissolve Ad Fund, Inc. is vested in the directors of Ad Fund, Inc.

Radio, television, direct mail, newspapers and the internet are all used to advertise our products. Advertising is regional or local in scope. Advertising is produced by and purchased by Ad Fund, Inc. Ad Fund, Inc. decides on the manner in which advertising funds are to be used and approves promotional materials prepared by the advertising agency. Ad Fund, Inc. is guided by its advertising agency. In 2011 eighty nine (89%) percent of the revenue collected by Ad Fund, Inc. was spent on radio, television, direct mail,



social media, sponsorships, billboards, point of sale kits and store grand openings. The remaining eleven (11%) percent represents the cost of production and administrative expenses.

We are not obligated to utilize Ad Fund, Inc. to administer the regional advertising program. We retain the power to direct the Ad Charge and other funds be paid to us or our designee in which case we or our designee will administer the regional advertising program. We will provide you with a copy of the Bylaws of Ad Fund, Inc. upon request.

Ad Fund, Inc. will not make decisions regarding the expenditure of advertising funds in Florida.

All local advertising materials must be either (i) produced utilizing our visual asset library; or (ii) approved by us.

You are not currently required to participate in a local or regional advertising cooperative with respect to the money you are required to use for local advertising.

If Ad Fund, Inc. does not spend all advertising funds received in a fiscal year any amount remaining will be spent in the next fiscal year.

You will only receive an accounting of how advertising funds are spent if you request the same from Ad Fund, Inc. Ad Fund, Inc. is not audited.

No portion of the advertising funds are used for advertising that is principally solicitation for the sale of franchises.

Hungry Howie's may receive money from Ad Fund, Inc. for goods and services provided to Ad Fund, Inc.

Other than the amount paid by franchisees, Hungry Howie's is not required to spend any amount on advertising in the area where your store is located.

There is no other advertising council comprised of franchisees that advises us on advertising policies. No franchisee is currently required to participate in a local or regional advertising cooperative.

## **Computer Equipment**

We will require you to purchase and utilize an integrated computer system, including point of sale system, which will provide point of sale information, customer data base, files by zip code, and perform accounting, marketing, scheduling and inventory functions as specified by us (Franchise Agreement, Paragraph 9). We may designate a provider which will allow customers to order from you online or a central online site and we may require you to purchase equipment for online ordering including equipment required by the designated provider. We may designate the manufacturer, model number and other similar requirements. The estimated cost of the computer system and any peripheral equipment is \$18,000 to \$23,000. We may also require you to furnish certain data in hard copy, via an electronic file transfer and on disk or flash drive. We may designate the vendor from which

you shall purchase hardware, software and technical support. You must purchase is a Revention 6 Station System.

You must enter into service contracts as described in the Manuals for maintenance, repairs, upgrades and updates. You must upgrade the system as designated by us. We may periodically require you to deposit funds in escrow with us sufficient to fund upgrades. The estimated annual cost of a service contract is \$1,200. We will have access to all information in your computer system.

We may require you to purchase and utilize a video surveillance system which will allow us or a designated third party to view your Restaurant (Franchise Agreement, Paragraph 9). We may designate the manufacturer, model number and other similar requirements. We may also require you to enter into service contracts as described in the Manuals for the monitoring and maintenance of the video surveillance system.

### **Table of Contents of Manuals**

The Tables of Contents of our Manuals are attached as Exhibit E.

### **Training**

Our training program is mandatory. You or the individual who will be involved in the conduct and operation of your Restaurant must successfully complete the training program to our satisfaction.

We maintain a formal training staff. Training is provided under the direction of our Director of Training, who has been involved with operations of Hungry Howie's units for more than five years. Other employees of Hungry Howie's also participate in the training program.

The four (4) week training program is conducted approximately eight (8) times a year. Classroom training program is conducted at our headquarters in Michigan. On the job training is conducted at restaurants located in the Metropolitan Detroit area which are operated by our franchisees.

Training is supervised by Alan Newman, who is the Director of Training. Mr. Newman has thirty four (34) years of experience in the pizza business and he has been employed by us for eighteen (18) years. Erick Harris, the franchise trainer, has twelve (12) years of experience in the pizza business and he has been employed by us for eight (8) years. All instructors have a minimum of two (2) years of experience managing, operating and training in a Hungry Howie's restaurant.

### **TRAINING PROGRAM**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-The-Job Training</b>	<b>Location</b>
Operational Procedures	7	44	Madison Heights, MI

Management Procedures, Positional Responsibilities	-0-	47.5	Madison Heights, MI
Operations, Laws that affect your business, tools and ideas to expand your business	35.5	-0-	Madison Heights, MI
Management, Opening and Closing Procedures	.5	50.5	Madison Heights, MI

You are responsible for personal expenses in connection with the training program including costs and expenses of transportation, lodging, meals, wages and employee benefits. There is no cost for the training program. You will ordinarily attend the first training program after you sign our franchise agreement. The training program is generally completed at least two weeks before your Restaurant will be open for business. Upon completion of the training program you must pass an examination administered by us which tests you on the subjects covered during the training program. We may require you to attend seminars or training programs during the term of your franchise agreement.

### **Item 12: Territory**

The general area in which a Traditional Restaurant will be located will be specified on Attachment A to the Franchise Agreement. The general area may be a city or an area bounded by streets or roads. You will select the specific location of your Restaurant within the area on Attachment A. The specific location must be approved by us. (Franchise Agreement, Paragraph 4 and Disclosure Document, Item 11) We will not operate Traditional Restaurants or grant franchises for a Traditional Restaurant using the trademarks described in Item 13 for a similar or competitive business within a one (1) mile radius of your Restaurant (the "Exclusive Territory").

The location of a Non-Traditional Restaurant will be specified on Schedule A to the Non-Traditional Addendum. The location must be approved by us. (Franchise Agreement, Paragraph 4 and Disclosure Document, Item 11). A Non-Traditional Restaurant does not have any territorial protection.

Other Hungry Howie's franchisees may make deliveries into your Exclusive Territory. You are not prohibited from delivering into the Exclusive Territory of any other Hungry Howie's franchisee. There are no restrictions on you or any franchisee from soliciting or accepting orders from consumers in the Exclusive Territory of any franchisee. Hungry Howie's reserves the exclusive right to solicit and accept orders from consumers in and outside of your Exclusive Territory through channels of distribution other than a Restaurant, including the use of channels of distribution, such as the Internet, telemarketing or other direct marketing. Hungry Howie's may, directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged Menu Items under the Trademarks to retail outlets (*i.e.* supermarkets, grocery stores, markets, gourmet shops, convenience stores and other similar retailers) and non-retail outlets (*i.e.* warehouse clubs, pharmacies, drug stores and other similar non-retailers) in and outside of your Exclusive Territory. We will not pay you any compensation for soliciting or accepting orders in your Exclusive Territory.

We may establish other outlets selling products similar to the Menu Items described in Item 16 under trademarks and service marks other than those described in Item 13.

If you cannot maintain your Restaurant at the location approved by us because of eminent domain proceedings or due to the expiration of your lease after all options to extend have been exercised, other than termination for default, the Franchise Agreement shall terminate. However, we will consider approving a relocation of a Traditional Restaurant if you identify another location in the Exclusive Territory within one (1) year. The new location for the Traditional Restaurant must be approved by us and must not violate the Exclusive Territory of any franchisee. We will consider approving a relocation of a Non-Traditional Restaurant if you identify another location in facility in which the Non-Traditional Restaurant is located within one (1) year. The new location for the Non-Traditional Restaurant must be approved by us. (Franchise Agreement, Paragraphs 4 and 8.3) You cannot relocate your Restaurant without our consent.

Under the MUA, all Restaurants must be located in the geographic area specified on Exhibit 1 to the MUA (the "MUA Territory"). The MUA Territory may be a city, all or part of a county, more than one county or an area designated by specified boundaries such as roads. While the MUA is in effect and the franchisee is not in default, we will not franchise or establish Restaurants in the MUA Territory. If the franchisee defaults under the MUA, we may franchise or establish Restaurants in the MUA Territory. Once all Restaurants purchased under the MUA are open for business, we may, subject to your right of first refusal, franchise or establish other Restaurants in the MUA Territory.

Neither we nor our affiliates have established other franchises, company owned outlets or other channels of distribution selling Hungry Howie's Menu Items or similar products under a different trademark. There is, however, nothing which prevents us or our affiliates from doing so.

You do not have the right to acquire additional franchises within your Exclusive Territory.

The continuation of your Exclusive Territory does not depend upon achieving a certain sales volume, market penetration, or other contingency.

There are no circumstances which would permit us to alter, modify or eliminate your Exclusive Territory.

### **Item 13: Trademarks**

The principal Hungry Howie's commercial symbol which we will license to you appears on the cover of this disclosure document.

As used in this Disclosure Document and the Franchise Agreement, the term "Trademarks" includes our trademarks, service marks, trade names, logos and commercial symbols and also includes our copyrighted materials and other intellectual property. The principal Trademarks include those that you will use to identify the franchised business.

The following is a description of the principal Trademarks which we will license to you:

<b>Registration Number</b>	<b>Description of Mark</b>	<b>Principal or Supplemental Register of the United States Patent and Trademark Office</b>	<b>Registration Date</b>
1,478,125	"Hungry Howie's"	Principal	February 23, 1988
2,275,180	"Flavored Crust"	Principal	September 7, 1999
3,900,799	Design, consisting of a cartoon character of a smiling boy within a shaded circle	Principal	January 4, 2011
3,916,530	"Hungry Howie's Flavored Crust Pizza" plus design	Principal	February 8, 2011

We have filed all required Trademark registrations as the same have become due.

We have filed all required affidavits.

We use several variations of the principal Trademarks described above. You will be informed of the particular Trademarks which you must use in connection with your Restaurant. The specific Trademarks which you are required to use is subject to periodic revision by us.

You must follow our rules when you use the Trademarks. You cannot use the Hungry Howie's name as part of a corporate, partnership, or limited liability company name. You may not use Hungry Howie's registered name in connection with a sale of an unauthorized item or in a manner not authorized in writing by us.

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

We do not know of any infringing uses that could materially affect your use of our Trademarks.

No agreements significantly limit our right to use or license the use of the Trademarks.

Hungry Howie's has no obligation to protect your right to use the Trademarks. We will defend you against any claim of infringement arising out of your use of the Trademarks. We are not obligated to protect you against unfair competition arising out of your use of the Trademarks. You must promptly notify us of any claim or demand concerning the Trademarks. You are not obligated to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to the Trademarks. We are not obligated to take affirmative action if notified of these uses or claims. We have the exclusive right and sole discretion concerning any action to be taken to protect against the infringement of the Trademarks, including any decision to prosecute, defend against, or settle any lawsuit. We are not obligated to indemnify you for expenses or damages if you are a party to a

proceeding concerning the Trademarks. We have the right to acquire, adopt, develop or designate the use of the Trademarks.

#### **Item 14: Patents, Copyrights, and Proprietary Information**

We have no patents and no pending patent applications which are material to the franchise.

Our Operations Manual was registered in the United States Copyright Office on December 21, 1987. The duration of the copyright is seventy-five (75) years. The copyright registration number is TXU 307 853. We intend to renew this copyright. The Table of Contents of the Operations Manual is attached as part of Exhibit E.

Our right to use the Operations Manual is not materially limited by any agreement or known infringing use. You must tell us immediately if you learn about an infringement or challenge to our use of the Operations Manual. We will take the action that we deem appropriate. You must also not contest our interest in the Operations Manual.

There are no effective determinations of the United States Copyright Office or any court or any pending material litigation regarding our copyright or the Operations Manual.

We have proprietary rights to Manuals. The Manuals remain our property and are to be returned to us upon termination of the Franchise Agreement.

There are no agreements currently in effect which significantly limit our rights to use or license the use of the copyright for the Operations Manual in a manner material to the franchise.

Hungry Howie's has no obligation to protect your right to use the Operations Manual nor does Hungry Howie's have any obligation to protect you against claims of infringement or unfair competition arising out of your use of the Operations Manual.

Hungry Howie's does not know of either superior prior rights or infringing uses that could materially affect your use of the Operations Manual in any state.

#### **Item 15: Obligation to Participate in the Actual Operation of the Franchise Business**

You must personally be involved in the conduct and operation of your Restaurant. If you are not on the premises, a trained manager under your supervision must be at the Restaurant while it is open for business. The manager cannot have an interest or business relationship with any of our competitors nor can the manager be employed by any other Hungry Howie's franchisee at the time hired.

If the franchisee is not an individual, an individual having a fifteen (15%) percent or greater ownership interest in the franchisee must be involved in the conduct and operation of the Restaurant. The individual who will be involved in the conduct and operation of the Restaurant must be designated by you on Attachment B to the Franchise Agreement at the time the Franchise Agreement is signed (the "Owner Operator"). The Owner Operator may not be changed unless Hungry Howie's agrees in writing. If the Owner Operator is not at the Restaurant while it is open for business, a trained manager under the supervision of the

Owner Operator must be present. You or the Owner Operator, if the franchisee is a business entity, must successfully complete our training program.

If you own more than one Hungry Howie's franchise, the Owner Operator must be personally involved in the conduct and operation of one Restaurant and each additional Restaurant must have a manager who will be personally involved in the conduct and operation of the Restaurant (the "Manager"). Either the Owner Operator or the Manager shall be at the Restaurant when it is opened for business. If the Manager is not acceptable to us you shall replace the Manager upon five (5) days' notice from us.

We may adopt a program requiring all managers to become "certified." We may require the Manager to successfully complete training, pass tests and have a minimum amount of on the job training, as specified by us in order to become certified. You shall pay the cost of any such training. If a computer is required for training, you, at your cost, shall purchase the computer and software. We shall have the power to designate the vendor, manufacturer and model number of all hardware or software necessary for the training.

If the Owner Operator is no longer personally involved in the conduct and operation of your Restaurant, you must notify us in writing within five (5) business days after the earlier of: (i) you being notified that the Owner Operator will no longer be personally involved or (ii) the date such involvement ends.

Within thirty (30) days after the date on which the Owner Operator is no longer personally involved in the conduct and operation of the Restaurant, you shall suggest to us a person or persons to become the Owner Operator. If, within sixty (60) days after the date on which the Owner Operator is no longer personally involved in the conduct and operation of the Restaurant, we have not approved a replacement Owner Operator, you shall have six (6) months within which to dispose of the franchise. If you do not dispose of the franchise within such six (6) month period, the Franchise Agreement shall automatically terminate.

If we have approved a replacement Owner Operator, that person must attend and successfully complete the next scheduled training program.

While you are a Hungry Howie's franchisee, you may not become involved in any business engaged in the sale of pizza ("Competing Business") or give access to Hungry Howie's proprietary information to anyone in competition with Hungry Howie's or who is about to enter into any activity competitive with Hungry Howie's. We may allow you to become a Hungry Howie's franchisee even if you are engaged in a Competing Business. However, after becoming a Hungry Howie's franchisee you may not increase your ownership in such Competing Business by acquiring additional units of such Competing Business, increasing your stock ownership, partnership interest or membership interest in such Competing Business, or otherwise.

The Owners must sign the guaranty (Attachment D to the Franchise Agreement) agreeing to personally discharge all of your obligations under the Franchise Agreement and agreeing to be personally bound by certain provisions in the Franchise Agreement relating to, among other items, competition and sale of interests in the entity owning the Restaurant.

No obligation is imposed under the MUA to personally participate in the operation of your Restaurant. Such obligation is contained in the Franchise Agreements which must be signed for each Restaurant under the MUA.

**Item 16: Restrictions on What the Franchisee May Sell**

We will prescribe a menu consisting of pizza, submarine sandwiches, salads, desserts, Beverages and other approved items which you must offer for sale. A Traditional Restaurant must offer for sale all items listed on the menu and no other items. A Non-Traditional Restaurant must offer for sale all items listed on the limited menu, which will be attached to the Non-Traditional Addendum before signing, and no other items. We may revise the menu periodically, adding or deleting items, and you must revise your menu offerings accordingly. We will provide free assistance to you with respect to the preparation and marketing of any new Menu Items. There is no limitation upon the customers to whom you may sell Menu Items.

You may not sell or allow the sale of any food products from your Restaurant that are not our menu items. A Traditional Restaurant may not share its Restaurant with any other business. You may not engage in co-branding. Only our menu items may be sold in your Restaurant (Franchise Agreement, Paragraph 9).

We have the power to establish the minimum prices for which you are to sell menu items (Franchise Agreement, Paragraph 10.5).

**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.

<b>Provision</b>	<b>Paragraph in Franchise Agreement</b>	<b>Summary</b>
a. Length of the franchise term	Paragraph 5  Non-Traditional Addendum Paragraph 3	10 years  Established on an individual basis
b. Renewal or extension of the term	Paragraph 5  Non-Traditional Addendum Paragraph 3	Term in effect at the time a new franchise agreement is signed  Established on an individual basis



Provision	Paragraph in Franchise Agreement	Summary
c. Requirements for franchisee to renew or extend	Paragraph 5  Non-Traditional Addendum Paragraph 3	You must not have committed a material breach during the final 5 years of the initial term. You may be asked to sign an agreement with materially different terms and conditions than your original agreement, but the boundaries of the Territory will remain the same, and the continuing royalty on renewal will not be greater than the continuing royalty that we then impose on franchisees signing the then current franchise agreement. You must pay a renewal fee of \$1,000. You must agree to update your Restaurant.  You must not have committed a material breach during the initial term.
d. Termination by franchisee	None	Not Applicable
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by franchisor with cause	Paragraph 18	We can terminate only if Franchisee defaults.
g. "Cause" defined – curable defaults	Paragraph 18.3	Unauthorized use of service marks or trademarks; operation under any name other than Hungry Howie's; use of products purchased from an unauthorized supplier; disclosure of confidential information; failure to pay any supplier or vendor; failure to comply with laws material to the operation of the Restaurant; entry of a judgment which is not satisfied or indemnified against; default under other agreements with Hungry Howie's

Provision	Paragraph in Franchise Agreement	Summary
h. "Cause" defined – non-curable defaults	Paragraph 18.2	Abandonment of the Restaurant; material misrepresentation in connection with the acquisition of the franchise; conduct which reflects unfavorably on the reputation of Hungry Howie's; conviction of or pleading guilty to a felony or other misconduct relevant to the operation of the Franchise; conduct which constitutes an imminent danger to public health; dissolution, merger or reorganization; insolvency or commencement of bankruptcy proceedings; failure to pay royalties; failure to furnish financial statements and/or financial information; failure to operate the Restaurant; violation of Paragraph 16.1 of the Franchise Agreement; failure to maintain insurance; unauthorized transfer or assignment, breach of anti-terrorism laws
i. Franchisee's obligation on termination/non-renewal	Paragraph 18.5	Obligations include complete payment of amounts due (also see r, below)
j. Assignment of contract by franchisor	Paragraph 22	No restriction on our right to assign
k. "Transfer" by franchisee - defined	Paragraph 17.1	Includes transfer of contract, assets, lease or ownership change
l. Franchisor's approval of transfer by franchisee	Paragraph 17.2	Approval will not be unreasonably withheld
m. Conditions for franchisor's approval of transfer	Paragraph 17.2	New franchisee qualifies, completes training program, transfer fee paid, necessary upgrades performed, transfer forms signed, release and subordination agreement signed by you; new franchisee may be required to sign the then-current form of franchise agreement (also see r, below)
n. Franchisor's right of first refusal to acquire franchisee's business	Paragraph 17.1	We may match any offer for your business or the ownership interest of any Owner
o. Franchisor's option to purchase franchisee's business	Paragraph 18.5	Upon termination or expiration of the Franchise Agreement, we have the option to acquire your business or the assets used in your business

<b>Provision</b>	<b>Paragraph in Franchise Agreement</b>	<b>Summary</b>
p. Death or disability of franchisee	Paragraphs 17.4 and 10.14	Franchise must be assigned by estate to approved buyer within 1 year or the franchise automatically terminates. "Owner Operator" must be replaced within the time limits specified in Paragraph 10.14 of the Franchise Agreement or the franchise will automatically terminate in 6 months
q. Non-competition covenants during the term of the franchise	Paragraph 16	No involvement in competing business except to the extent existing at time the Franchise Agreement is signed if the same is fully disclosed to us; involvement in a Competing Business may not increase after you become a Hungry Howie's franchisee
r. Non-competition covenants after the franchise is terminated or expires	Paragraph 16.1(b)	No competing business for 5 years within 5 miles of (i) the franchised location, or (ii) any Hungry Howie's franchise
s. Modification of the agreement	Paragraphs 2.2 and 20	No modifications except as caused by change in law but the Manuals are subject to change and policies or standards may be revised or established concerning any aspect of the system
t. Integration/merger clause	Paragraph 32	Only the terms of the Franchise Agreement are binding. The Franchise Agreement supersedes any prior agreements. Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	18.5(g)	Limited to determining the fair market value of your assets
v. Choice of forum	Paragraph 26	Michigan
w. Choice of law	Paragraph 25	Michigan

<b>Provision</b>	<b>Paragraph in MUA</b>	<b>Summary</b>
a. Length of Agreement	Paragraph 1	Negotiated with us. The term of a MUA generally does not exceed 5 years.
b. Renewal or extension of the term	Paragraph 1	The deadline for opening a particular Restaurant shall be extended for a reasonable period of time following any delay in opening due to a strike, material shortage, tornado or other similar occurrence beyond your control.
c. Requirements for franchisee to renew or extend	None	Not Applicable

<b>Provision</b>	<b>Paragraph in MUA</b>	<b>Summary</b>
d. Termination by franchisee	None	Not Applicable
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by franchisor with cause	Paragraph 7	Your failure to open a Restaurant by the deadline in Paragraph 1 or other default. Default also includes a default under any franchise agreement with respect to any franchise purchased under the MUA.
g. "Cause" defined – curable defaults	Paragraph 7	Your failure to open a Restaurant by the deadline in Paragraph 1
h. "Cause" defined – non-curable defaults	None	Not Applicable
i. Franchisee's obligation on termination/non-renewal	None	Not Applicable
j. Assignment of contract by franchisor		No restriction on our right to assign
k. "Transfer" by franchisee definition	Paragraph 8(e)	None of your rights may be transferred or assigned without our prior written consent
l. Franchisor's approval of transfer by franchisee	Paragraph 8(e)	None of your rights may be transferred or assigned without our prior written consent
m. Conditions for franchisor's approval of transfer	Paragraph 8(e)	None of your rights may be transferred or assigned without our prior written consent.
n. Franchisor's right of first refusal to acquire your business	None	Not Applicable
o. Franchisor's option to purchase your business	None	Not Applicable
p. Death or disability of franchisee	None	Not Applicable
q. Non-competition covenants during the term of the franchise	Paragraph 4	If you are not in default, we will not sell a Hungry Howie's Restaurant franchise or open a Hungry Howie's Restaurant in the Exclusive Territory specified on Exhibit 1 until you have purchased all Restaurants under the MUA
r. Non-competition after the franchise is terminated or expires	None	Not Applicable
s. Modification of the agreement	None	Not Applicable

Provision	Paragraph in MUA	Summary
t. Integration/merger clause	Paragraph 8(l)	All prior agreements are superseded
u. Dispute resolution by arbitration or mediation	None	Not Applicable
v. Choice of forum	Paragraph 8(f)	Michigan
w. Choice of law	Paragraph 8(c)	Michigan

See the State Addenda to this Disclosure Document attached as Exhibit A for special state disclosures.

### **Item 18: Public Figures**

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

### **Item 19: Financial Performance Representations**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in this 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.

The financial performance representations below are based on the historic performance of a subset of existing Restaurants.

#### **Average Weekly Gross Sales of Restaurants Opened after December 28, 2009**

Average Weekly Gross Sales of Restaurants Opened after December 28, 2009	\$12,358.21
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#### **Explanatory Notes:**

**Calculation:** Seventeen Restaurants opened after December 28, 2009 and before December 25, 2011 (the "Measuring Period"). Gross Sales are divided by the number of weeks the Restaurants were opened after December 28, 2009.

One of the 17 Restaurants which opened after December 28, 2009 closed before December 25, 2011.

One of the 17 Restaurants which opened in 2011 replaced a Restaurant which had been opened for several years. The new Restaurant is located approximately 1.5 miles from the Restaurant which closed.

Six of the 17 Restaurants (or 35.29%) attained or surpassed average weekly sales of \$12,358.21.

**Source of Information:** Gross Sales are based on royalty reports received from all 17 Restaurants during the Measuring Period. The 17 Restaurants are all Traditional Restaurants located in North Carolina, Alabama, Pennsylvania, Louisiana, Utah, Georgia, Michigan and Connecticut. The total number of our Restaurants (excluding Florida) as of December 31, 2011 was 343.

Changes in our site selection process, and enhanced brand image resulting from refreshed restaurant design and an aggressive advertising program with a strong retail offering had a positive impact on the average weekly Gross Sales of the Restaurants which opened for business after December 28, 2009.

**Average Annual Gross Sales of Restaurants for the 52 weeks ended  
December 25, 2011**

Average Annual Gross Sales of Restaurants for the Measuring Period	\$488,042.51
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**Explanatory Notes:**

**Calculation:** Only Restaurants that were open and reported sales during the entire 52 week period from December 27, 2010 to December 25, 2011 are included in the calculation.

138 of the 324 Restaurants (or 42.59%) attained or surpassed average annual gross sales of \$488,042.51.

**Measuring Period:** The 52 weeks ended December 25, 2011.

**Source of Information:** Gross sales were calculated based on the royalty reports received for the Measuring Period for 324 Restaurants including those of Properties. All Restaurants are Traditional Restaurants. Of the 324 Restaurants 189 are located in Michigan. The total number of our Restaurants (excluding Florida) as of December 31, 2011 was 343.

**Average Gross Sales and Certain Cost Information for Sample Restaurants**

Average Annual Gross Sales of Sample Restaurants for the Measuring Period	\$492,077.46
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Costs	Percentage of Gross Sales of the Sample Restaurants
Food Cost	28.26%
Paper Cost	3.71%
Labor Cost (excluding amounts paid to Managers and/or Owners)	18.18%

Of the Sample Restaurants, 94 (or 50.54%) reported Food Cost percentages less than or equal to 28.26%.

Of the Sample Restaurants, 83 (or 44.62%) reported Paper Cost percentages less than or equal to 3.71%.

Of the Sample Restaurants, 99 (or 53.23%) reported Labor Cost percentages less than or equal to 18.18%.

Of the Sample Restaurants 80 (or 43.00%) attained or surpassed annual gross sales of \$492,077.46.

### **Explanatory Notes:**

**Calculation:** Percentages were calculated by aggregating the food cost, paper cost and labor cost, as the case may be, for the Measuring Period of the Sample Restaurants and dividing the same by the aggregate Gross Sales of the Sample Restaurants for the Measuring Period.

**Measuring Period:** The 52 week period ended December 25, 2011. The Sample Restaurants were open during the entire Measuring Period.

**Sample Restaurants:** The Sample Restaurants are 186 Traditional Restaurants (including those of Properties) located in strip malls or as free standing buildings within metropolitan and suburban areas. The Sample Restaurants are located in 16 states. Of the Sample Restaurants 118 are located in Michigan. No Restaurants of Florida are Sample Restaurants.

**Source of Information:** Gross Sales and cost information was obtained from income statements received by us from the Sample Restaurants as of March 19, 2012 for the Measuring Period. We have not independently audited the income statements. Restaurants which did not submit income statements or whose income statements were incomplete or not properly prepared were excluded from the Sample Restaurants. The total number of our Restaurants (excluding Florida) as of December 31, 2011 was 343.

**Food Cost:** "Food Cost" means all food and beverages purchased to produce the Menu Items sold at the Sample Restaurants. The Menu Items sold at the Sample Restaurants are substantially the same.

**Paper Costs:** "Paper Cost" means all pizza boxes and other packaging purchased for the Menu Items sold at the Sample Restaurants. The pizza boxes and other containers used in the Sample Restaurants are substantially the same.

**Labor Cost:** "Labor Cost" means the actual labor cost of all production and delivery personnel in the Sample Restaurants, but excludes any amounts paid to Managers and/or the Owners.

Gross Sales and costs are averages of specific Restaurants and should not be considered as the actual or potential Gross Sales or costs that will be realized by any franchisee. We

do not represent that any franchisee can expect to attain these results. A new franchisee's financial results are likely to differ from the results stated.

The actual Gross Sales and costs of all Restaurants vary. The experience of our franchisees indicates that a variety of factors affect sales and certain costs, including, but not limited to: the economy; competition; accessibility and visibility of a location; the Owner Operator or Manager's business and restaurant experience, ability, business acumen and commitment to marketing the Restaurant; and adherence to System standards, policies and procedures.

Written substantiation regarding the financial performance representations in this Item 19 will be furnished to you upon request.

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records, of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brian Ognian at 30300 Stephenson Highway, Madison Heights, Michigan 48071 (248.414.3300), the Federal Trade Commission, and the appropriate state regulatory agencies.

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**Item 20: Outlets and Franchisee Information**

**TABLE NO. 1  
SYSTEM WIDE OUTLET SUMMARY  
FOR YEARS 2009 TO 2011**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
<b>Franchised</b>	<b>2009</b>	<b>555</b>	<b>540</b>	<b>-15</b>
	<b>2010</b>	<b>540</b>	<b>537</b>	<b>-3</b>
	<b>2011</b>	<b>537</b>	<b>526</b>	<b>-11</b>
<b>Company Owned*</b>	<b>2009</b>	<b>20</b>	<b>20</b>	<b>0</b>
	<b>2010</b>	<b>20</b>	<b>20</b>	<b>0</b>
	<b>2011</b>	<b>20</b>	<b>20</b>	<b>0</b>
<b>Total Outlets</b>	<b>2009</b>	<b>575</b>	<b>560</b>	<b>-15</b>
	<b>2010</b>	<b>560</b>	<b>557</b>	<b>-3</b>
	<b>2011</b>	<b>557</b>	<b>545</b>	<b>-12</b>

\*Designates outlets owned by Hungry Howie's Properties, Inc. Hungry Howie's Properties, Inc. is a wholly owned subsidiary of Hungry Howie's Distributing, Inc., which is an affiliate of Hungry Howie's Pizza & Subs, Inc.

**TABLE NO. 2  
TRANSFERS OF OUTLETS FROM FRANCHISEES TO  
NEW OWNERS OTHER THAN THE FRANCHISOR  
FOR YEARS 2009 TO 2011**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2009	2
	2010	3
	2011	1
Arizona	2009	6
	2010	2
	2011	18
California	2009	1
	2010	2
	2011	1
Florida	2009	10
	2010	14
	2011	16
Georgia	2009	2
	2010	0
	2011	0
Indiana	2009	1
	2010	2
	2011	0
Michigan	2009	8
	2010	3
	2011	5
North Carolina	2009	0
	2010	3
	2011	0
Ohio	2009	4
	2010	2
	2011	0
Oklahoma	2009	0
	2010	1
	2011	0
South Carolina	2009	1
	2010	0
	2011	0
Texas	2009	1
	2010	0
	2011	0
<b>TOTALS</b>	2009	36
	2010	32
	2011	42

**TABLE NO. 3  
STATUS OF FRANCHISE OUTLETS  
FOR YEARS 2009 TO 2011**

Col. 1 State	Col.2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
Alabama	2009	15	1	0	0	0	0	16
	2010	16	5	1	0	0	0	20
	2011	20	1	0	0	0	1 <sup>1</sup>	20
Arizona	2009	26	0	1	0	0	0	25
	2010	25	0	1	0	0	0	24
	2011	24	2	2	0	0	0	24
California	2009	20	3	2	0	0	2	19
	2010	19	0	2	0	0	0	17
	2011	17	0	1	0	0	0	16
Colorado	2009	1	0	0	0	0	1	0
	2010	0	0	0	0	0	0	0
	2011	0	0	0	0	0	0	0
Connecticut	2009	0	0	0	0	0	0	0
	2010	0	0	0	0	0	0	0
	2011	0	1	0	0	0	1	0
Delaware	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Florida	2009	200	9	0	0	0	5	204
	2010	204	6	7	0	0	0	203
	2011	203	7	0	0	0	7	203
Georgia	2009	7	1	0	0	0	0	8
	2010	8	0	0	0	0	0	8
	2011	8	1	0	0	0	1	8
Idaho	2009	0	0	0	0	0	0	0
	2010	0	0	0	0	0	0	0
	2011	0	0	0	0	0	0	0
Illinois	2009	0	0	0	0	0	0	0
	2010	0	0	0	0	0	0	0
	2011	0	0	0	0	0	0	0
Indiana	2009	15	0	0	0	0	0	15
	2010	15	0	2	0	0	1	12
	2011	12	0	2	0	0	0	10
Kentucky	2009	2	0	0	0	0	0	2
	2010	2	0	1	0	0	0	1
	2011	1	0	0	0	0	0	1
Louisiana	2009	0	1	0	0	0	0	1
	2010	1	2	0	0	0	0	3
	2011	3	1	0	0	0	0	4
Marvland	2009	1	0	0	0	0	0	1

<sup>1</sup> Alabama Store #02315 temporarily ceased operations on December 6, 2010 due to a fire, but inadvertently was not included on the Exhibit of Non-Operational Franchisees, for December 31, 2010.

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Michigan	2009	210 <sup>2</sup>	0	5	1	0	1 <sup>3</sup>	203 <sup>4</sup>
	2010	183	1 <sup>3</sup>	0	0	0	2	182
	2011	182	1	4	1	0	1	177
Mississippi	2009	1	1	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Nevada	2009	3	0	0	0	0	0	3
	2010	3	0	1	0	0	1	1
	2011	1	0	0	0	0	0	1
North Carolina	2009	13	1	2	0	0	1	11
	2010	11	2	0	0	0	0	13
	2011	13	0	0	0	0	0	13
Ohio	2009	32	1	10	0	0	2	21
	2010	21	3 <sup>5</sup>	0	0	0	0	24
	2011	24	0	1	0	0	1	22
Oklahoma	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Oregon	2009	2	0	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	0	2	0	0	0	0
Pennsylvania	2009	2	1	0	0	0	0	3
	2010	3	1	0	0	0	0	4
	2011	4	0	0	0	0	0	4
South Carolina	2009	6	0	1	0	0	0	5
	2010	5	0	0	0	0	0	5
	2011	5	0	0	0	0	0	5
Tennessee	2009	3	0	0	0	0	1	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Texas	2009	11	3	1	0	0	0	13
	2010	13	0	4	0	0	0	9
	2011	9	0	1	0	0	0	8
Utah	2009	1	1	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	1	0	0	0	0	3

<sup>2</sup> The Outlets at the start of the year inadvertently included twenty Company owned outlets where were also included in Table No. 4.

<sup>3</sup> Michigan Store #1097 was in the process of relocating at the end of 2009 and was listed on the 12/31/2009, List of Non-Operational Franchisees. Michigan Store #1097 completed the relocation process and opened for operation in 2010.

<sup>4</sup> The Outlets at the end of the year inadvertently included twenty Company owned outlets where were also included in Table No. 4.

<sup>5</sup> Ohio Stores #872, 873, and #874 were transferred in 2009 and were listed on the 12/31/2009, List of Non-Operational Franchisees. Each location opened for operation in 2010.

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termi- nations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
Wisconsin	2009	2	0	1	0	0	1	0
	2010	0	0	0	0	0	0	0
	2011	0	0	0	0	0	0	0
TOTALS	2009	575 <sup>2</sup>	23	23	1	0	14	560 <sup>4</sup>
	2010	540	20	19	0	0	4	537
	2011	537	15	13	1	0	12	526

**TABLE NO. 4  
STATUS OF COMPANY-OWNED OUTLETS  
FOR YEARS 2009 TO 2011**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of the Year
Michigan	2009	20	0	0	0	0	20
	2010	20	0	0	0	0	20
	2011	20	0	0	0	0	20
Totals	2009	20	0	0	0	0	20
	2010	20	0	0	0	0	20
	2011	20	0	0	0	0	20

**TABLE NO. 5  
PROJECTED OPENINGS AS OF DECEMBER 31, 2011**

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 Current Fiscal Year
Alabama	0	3	0
Arizona	3	3	0
Arkansas	1	0	0
California	4	3	0
Colorado	0	0	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	2	2	0
Georgia	2	2	0
Idaho	0	0	0

<b>Column 1 State</b>	<b>Column 2 Franchise Agreements Signed but Outlet Not Opened</b>	<b>Column 3 Projected New Franchised Outlets in the Next Fiscal Year</b>	<b>Column 4 Projected New Company-Owned Outlets in the Current Fiscal Year</b>
Illinois	0	0	0
Indiana	1	2	0
Kentucky	0	0	0
Louisiana	2	2	0
Maryland	0	0	0
Michigan	13	5	0
Mississippi	0	0	0
Nevada	0	0	0
New York	0	2	0
North Carolina	3	2	0
Ohio	5	3	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	2	2	0
South Carolina	0	3	0
Tennessee	0	0	0
Texas	3	4	0
Utah	1	0	0
Washington	0	0	0
West Virginia	1	0	0
Wisconsin	0	0	0
<b>TOTAL</b>	<b>43</b>	<b>38</b>	<b>0</b>

Exhibit J lists the names of all current franchisees and the addresses and telephone numbers of their outlets.

Exhibit K lists the name, city, state, and business telephone number or email address of each current franchisee who has signed a Franchise Agreement but who is not opened for business as of December 31, 2011.

Exhibit L lists the name, city and state, and current business telephone number or email address of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the twelve months ended December 31, 2011, or who has not communicated with Hungry Howie's within ten (10) weeks of the issuance date of this Disclosure Document.

Franchisees are not required to sign confidentiality clauses upon leaving the franchise system. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no trademark specific franchisee associations associated with the Hungry Howie's franchise system that Hungry Howie's has created, sponsored or endorsed. There are no trademark specific franchisee associations associated with the Hungry Howie's franchise system that are incorporated or otherwise organized under state law and that have asked us to be included in this Disclosure Document.

### **Item 21: Financial Statements**

Attached to this disclosure document as Exhibit D are our audited financial statements for the fiscal years ended December 31, 2009, December 31, 2010 and December 31, 2011.

### **Item 22: Contracts**

Copies of the Franchisor's current Franchise Agreement, Multiple Unit Agreement, Standard Lease Rider and General Release are attached as Exhibits F, G, H, and I respectively.

### **Item 23: Receipts**

You will find copies of the detachable receipts in Exhibit M which are the last pages of this Disclosure Document.

**Exhibit A:**  
**State Addenda to Disclosure Document**

The following paragraphs are added to Item 17 of the Disclosure Document:

**CALIFORNIA**

1. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
2. The Franchise Agreement provides for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Secs. 101 et seq.).
3. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision might not be enforceable under California law.
4. The Franchise Agreement requires binding arbitration under Paragraph 18.5(g). The arbitration costs will be divided equally between you and Hungry Howie's. This provision may not be enforceable under California law.
5. The provision in the Franchise Agreement requiring the application of Michigan law may not be enforceable in California.

**ILLINOIS**

1. The conditions under which franchises in Illinois can be terminated and the rights of Illinois franchisees upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.
2. The provision requiring a release as a condition to transfer summarized in Item 17(m) will not be applicable if it does not conform to the Illinois Franchise Disclosure Law.
3. The provision in the MUA requiring actions to be brought in Michigan is not enforceable in Illinois.
4. The provision requiring the application of Michigan law is not enforceable in Illinois.

**INDIANA**

1. The provision requiring a release as a condition to transfer summarized in Item 17(m) does not apply to franchises located in Indiana.
2. With respect to franchises governed by Indiana law, after a franchise is terminated or expires you may not compete for three years within one (1) mile of your Restaurant.



3. The provision in the MUA requiring actions to be brought in Michigan is not enforceable in Indiana.
4. The provision requiring the application of Michigan law is not enforceable in Indiana

### NEW YORK

1. The following paragraphs are added at the beginning of Item 3 of the Disclosure Document:

Neither we, any predecessor, any person identified in Item 2, or an affiliate offering franchises under our principal trademark has an administrative, criminal, or civil action pending against us, it, him, or her alleging a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices, or comparable civil or misdemeanor allegations.

Neither we, any predecessor, any person identified in Item 2, or an affiliate offering franchises under our principal trademark has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

Neither we, any predecessor, any person identified in Item 2, or an affiliate offering franchises under our principal trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

2. The following paragraph is added at the beginning of Item 4 of the Disclosure Document:

Neither we nor any of our affiliates, predecessors, officers, or shareholders have, during the 10-year period immediately preceding the date of this Disclosure Document: (a) filed as debtor (or had filed against us, it, him, or her) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of our, its, his, or her debts under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against us, it, him, or her) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of our, its, his, or her debts under the U.S. Bankruptcy Code

during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

3. The "Summary" section of Item 17(d) of the Disclosure Document, captioned "Termination by franchisee", is amended by adding the following:

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

4. The "Summary" section of Item 17(j) of the Disclosure Document, captioned "Assignment of contract by franchisor", is amended by adding the following:

However, no assignment will be made except to an assignee who in good faith judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

5. The "Summary" section of Item 17(w) of the Disclosure Document, captioned "Choice of law", is amended by adding the following:

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

## MARYLAND

The "Summary" sections of Items 17(c) and (m) of the Disclosure Document, captioned "Requirements for you to renew or extend" and "Conditions for our approval of transfer," are amended by adding the following:

- a. Any general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

- c. You may sue us in Maryland for claims under the Maryland Franchise Registration and Disclosure Law.

- d. Any rights under the Franchise Agreement that allow us to terminate the franchise upon your filing for bankruptcy may not be enforceable under Federal bankruptcy law (11 U.S.C. Section 101 et seq.).

## MINNESOTA

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

2. Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2860.4400J, these sections shall not in any way abrogate or reduce your rights as provided in Minnesota Statutes, Chapter 80C, including the right to submit matters to jurisdiction of the courts of Minnesota.

3. Any release as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.
4. Minnesota Rule Part 2860.4400J prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties, or judgment notes.

#### NORTH DAKOTA

1. The Franchise Agreement contains an agreement not to compete. The enforceability of the agreement not to compete is subject to North Dakota Century Code, Section 9-08-06.
2. The provision in the Franchise Agreement requiring any action to be commenced in the state of Michigan may not be enforceable.
3. The provision in the Franchise Agreement requiring the franchisee to pay liquidated damages may not be enforceable.
4. The provision requiring the application of Michigan law may not be enforceable in North Dakota.
5. The provision requiring waiver of jury trial may not be enforceable in North Dakota.
6. The provision requiring the franchisee to sign a general release upon renewal of the Franchise Agreement may not be enforceable in North Dakota.
7. The provision requiring the franchisee to bring a claim within one (1) year is not enforceable. The statute of limitations under North Dakota law applies.
8. The provision that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement may not be enforceable in North Dakota. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

#### RHODE ISLAND

1. Any provision in the Franchise Agreement restricting jurisdiction or venue to Michigan or requiring the application of Michigan law is void and unenforceable.
2. The provision requiring a release as a condition to transfer summarized in Item 17 (m) will not be applicable if it does not conform with the Rhode Island Franchise Investment Act.
3. The provision requiring the franchisee to bring any claims under the Franchise Agreement within one (1) year is not enforceable.

**Exhibit B:**  
**State Administrators**

<p>California Franchise Division Department of Corporations 71 Stevenson Street Suite 2100 San Francisco, California 94105-2980 Telephone: (415) 972-8559</p>	<p>Connecticut Assistant Director Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, Connecticut 06103-1800 Telephone: (860) 240-8233</p>
<p>Florida Regulatory Consultant Department of Agriculture and Consumer Services Division of Consumer Services P.O. Box 6700 Tallahassee, Florida 32314-6700 Telephone: (850) 488-2221</p>	<p>Hawaii Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, Hawaii 96810 Telephone: (808) 586-2744</p>
<p>Illinois Chief Franchise Bureau Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 Telephone: (217) 782-4465</p>	<p>Indiana Chief Deputy Commissioner Franchise Section Indiana Securities Division Secretary of State 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 Telephone: (317) 232-6681</p>
<p>Iowa Director of Regulated Industries Unit Iowa Securities Bureau 340 Maple Des Moines, Iowa 50319-0066 Telephone: (515) 281-4441</p>	<p>Maryland Franchise Examiner Maryland Division of Securities 200 Saint Paul Place – 20<sup>th</sup> Floor Baltimore, Maryland 21202 Telephone: (410) 576-6360</p>
<p>Michigan Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 6<sup>th</sup> Floor Lansing, Michigan 48933 Telephone: (517) 373-7117</p>	<p>Minnesota Franchise Examiner Minnesota Department of Commerce Market Assurance Division 85 7<sup>th</sup> Place East, Suite 500 St. Paul, Minnesota 55101-2198 Telephone: (651) 296-6328</p>

<p>New York</p> <p>Assistant Attorney General Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23<sup>rd</sup> Floor New York, New York 10271 Telephone: (212) 416-8211</p>	<p>North Dakota</p> <p>Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, North Dakota 58505-0510 Telephone: (701) 328-4712</p>
<p>Oregon</p> <p>Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 Telephone: (503) 378-4140</p>	<p>Rhode Island</p> <p>Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex 69-1 Cranston, Rhode Island 02920-4407 Telephone: (401) 462-9527</p>
<p>South Dakota</p> <p>Franchise Administration Division of Securities 445 East Capitol Avenue Pierre, South Dakota 57501-3185 Telephone: (605) 773-5953</p>	<p>Texas</p> <p>Statutory Document Section Secretary of State P.O. Box 12887 Austin Texas 78711</p> <p>Street Address: 1719 Brazos Austin, Texas 78701 Telephone: (512) 475-1769</p>
<p>Utah</p> <p>Director Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South SM Box 146704 Salt Lake City, Utah 84114-6704 Telephone: (801) 530-6601</p>	<p>Washington</p> <p>Administrator Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98507-9033 Telephone: (360) 902-8760</p>
<p>Wisconsin</p> <p>Franchise Administrator Division of Securities Department of Financial Institutions P.O. Box 1768 Madison, Wisconsin 53701 Telephone: (608) 266-8557</p>	

**Exhibit C:**  
**Agents for Service of Process**

<p>Alabama:</p> <p>The Corporation Company 2000 Interstate Park Drive Suite 204 Montgomery, Alabama 36109</p>	<p>Arizona:</p> <p>C T Corporation System 2394 East Camelback Road Phoenix, Arizona 85016</p>
<p>Arkansas:</p> <p>The Corporation Company 124 West Capitol Avenue, Suite 1900 Little Rock, Arkansas 72201</p>	<p>California:</p> <p>The Commissioner of Corporations 1515 K Street, Suite 200 Sacramento, California 95814-4052</p> <p>The Corporation Company 1232 Q Street Sacramento, California 95814</p>
<p>Colorado:</p> <p>The Corporation Company 1675 Broadway Suite #1200 Denver, Colorado 80202</p>	<p>Delaware:</p> <p>The Corporation Trust Company Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801</p>
<p>Georgia:</p> <p>Corporation Process Company 180 Cherokee Street, N.E. Marietta, Georgia 30060</p>	<p>Idaho:</p> <p>C T Corporation System 1111 West Jefferson, Suite 530 Boise, Idaho 83702</p>
<p>Illinois:</p> <p>Illinois Attorney General 500 South Second Street Springfield, IL 62706</p> <p>The Corporation Company 600 South Second Street Springfield, IL 62704</p>	<p>Indiana:</p> <p>Administrative Office of the Secretary of State 201 State House Indianapolis, IN 46204</p> <p>CT Corporation System 251 E. Ohio Street Suite 1100 Indianapolis, IN 46204</p>
<p>Iowa:</p> <p>C T Corporation System c/o C T Corporation System 2222 Grand Avenue Des Moines, Iowa 50312</p>	<p>Kansas:</p> <p>The Corporation Company, Inc. 515 South Kansas Avenue Topeka, Kansas 66603</p>

<p>Kentucky:</p> <p>C T Corporation System  Kentucky Home Life Building  Louisville, Kentucky 40202</p>	<p>Louisiana:</p> <p>C T Corporation System  5615 Corporate Blvd  Suite 400B  Baton Rouge, LA 70808</p>
<p>Maryland:</p> <p>The Corporation Trust Incorporated  300 East Lombard Street  Baltimore, Maryland 21202</p> <p>Maryland Securities Commissioner  200 St. Paul Place  Baltimore, MD 21202-2020</p>	<p>Michigan:</p> <p>Steven E. Jackson  30300 Stephenson Highway  Suite 200  Madison Heights, MI 48071</p>
<p>Minnesota:</p> <p>Commissioner of Commerce  133 East Seventh Street  St. Paul, Minnesota 55101</p> <p>C T Corporation System Inc.  100 South 5th Street, Suite 1075  Minneapolis, Minnesota 55402</p>	<p>Mississippi:</p> <p>C T Corporation System  645 Lakeland East Drive  Suite 101  Flowood, Mississippi 39232</p>
<p>Nevada:</p> <p>The Corporation Trust Company of Nevada  311 S. Division Street  Carson City, Nevada 89703</p>	<p>North Carolina:</p> <p>C T Corporation System  225 Hillsborough Street  Raleigh, North Carolina 27603</p>
<p>North Dakota:</p> <p>C T Corporation System  314 East Thayer Avenue  PO Box 400  Bismarck, North Dakota 58501</p>	<p>New York:</p> <p>New York Secretary of State  162 Washington Avenue  Albany, New York 12231</p> <p>C T Corporation System  111 Eighth Avenue  New York, New York 10011</p>
<p>Ohio:</p> <p>C T Corporation System  1300 East 9th Street  Cleveland, Ohio 44114</p>	<p>Oklahoma:</p> <p>The Corporation Company  735 First National Building  120 North Robinson  Oklahoma City, Oklahoma 73102</p>

<p>Oregon:</p> <p>C T Corporation System 388 State Street, Ste. 420 Salem, Oregon 97301</p>	<p>Pennsylvania:</p> <p>CT Corporation System 116 Pine Street Suite 320 Harrisburg, PA 17101</p>
<p>Rhode Island:</p> <p>C T Corporation System 10 Weybosset Street Providence, Rhode Island 02903</p>	<p>South Carolina:</p> <p>C T Corporation System 75 Beattie Place Greenville, South Carolina 29601</p>
<p>South Dakota:</p> <p>C T Corporation System 319 S. Coteau Street Pierre, South Dakota 57501</p>	<p>Tennessee:</p> <p>C T Corporation System 800 S. Gay Street, Suite 2021 Knoxville, Tennessee 37929</p>
<p>Texas:</p> <p>C T Corporation System 350 N. St. Paul Street Dallas, Texas 75201</p>	<p>Utah:</p> <p>C T Corporation System 136 East South Temple Suite 2100 Salt Lake City, UT 84111</p>
<p>Washington:</p> <p>Department of Financial Institutions Securities Division 210 11th Avenue SW Olympia, WA 98504</p> <p>C T Corporation System 1801 West Bay Drive, NW, Suite 206 Olympia, WA 98502</p>	<p>Wisconsin:</p> <p>Commissioner of Securities 101 East Wilson, 4th Floor Madison, WI 53703</p> <p>C T Corporation System 8040 Excelsior Drive Suite 200 Madison, Wisconsin 53717</p>
<p>West Virginia:</p> <p>C T Corporation System 707 Virginia Street East Charleston, West Virginia 25301</p>	



**Exhibit D:**  
**Financial Statements**

KATZ & ASSOCIATES, C.P.A., P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
3290 WEST BIG BEAVER ROAD, SUITE 455  
TROY, MICHIGAN 48084

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(248) 649-7272

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**INDEPENDENT AUDITORS' REPORT**

March 19, 2012

Board of Directors and Shareholders  
Hungry Howie's Pizza & Subs, Inc.  
Madison Heights, Michigan

We have audited the accompanying balance sheets of Hungry Howie's Pizza & Subs, Inc. (an S corporation) as of December 31, 2011, 2010 and 2009 and the related statements of operations and retained earnings, and cash flows for the three years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hungry Howie's Pizza & Subs, Inc. as of December 31, 2011, 2010 and 2009 and the results of its operations and its cash flows for the three years then ended in conformity with accounting principles generally accepted in the United States of America.

*Katz + Associates CPA P C*  
Certified Public Accountants

## HUNGRY HOWIE'S PIZZA &amp; SUBS, INC.

BALANCE SHEETS

DECEMBER 31, 2011, 2010, AND 2009

ASSETS

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>CURRENT ASSETS:</b>			
Cash	\$ 2,582,470	\$ 2,514,314	\$ 2,227,211
Receivables, Trade, net of allowance for doubtful accounts of \$110,000, \$85,000 and \$200,000 in 2011, 2010 and 2009, respectively	297,536	309,957	329,575
Notes and loans receivable, franchisees	30,399	150,421	61,019
Inventories	2,870	2,870	6,819
Prepaid expenses	<u>39,460</u>	<u>37,833</u>	<u>52,180</u>
<b>TOTAL CURRENT ASSETS</b>	<b>2,952,735</b>	<b>3,015,395</b>	<b>2,676,804</b>
<b>PROPERTY AND EQUIPMENT, at cost:</b>			
Furniture and fixtures	378,634	370,577	294,021
Office equipment	368,264	340,644	327,407
Website and custom software	391,169	247,066	209,214
Leasehold improvements	<u>30,465</u>	<u>30,465</u>	<u>18,518</u>
	1,168,532	988,752	849,160
Less: Accumulated depreciation	<u>822,361</u>	<u>660,417</u>	<u>522,269</u>
	346,171	328,335	326,891
<b>OTHER ASSETS:</b>			
Deposits	9,250		
Intangible costs, net of amortization of \$7,601, \$7,351 and \$7,101 in 2011, 2010 and 2009, respectively	<u>2,751</u>	<u>3,001</u>	<u>3,251</u>
	<u>12,001</u>	<u>3,001</u>	<u>3,251</u>
	<u>\$ 3,310,907</u>	<u>\$ 3,346,731</u>	<u>\$ 3,006,946</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

	<u>2011</u>	<u>2010</u>	<u>2009</u>
CURRENT LIABILITIES:			
Accounts payable	\$ 232,909	\$ 228,813	\$ 89,547
Accrued expenses and other current liabilities:			
Reimbursable promotional fees	306,081	298,476	285,923
Accrued wages and payroll taxes	59,332	167,107	87,067
Retirement contribution payable	90,000	90,000	90,000
Other	23,710	16,812	1,650
Deferred franchise and transfer fees	<u>419,000</u>	<u>504,000</u>	<u>529,500</u>
 TOTAL CURRENT LIABILITIES	 1,131,032	 1,305,208	 1,083,687
 COMMITMENTS			
 SHAREHOLDERS' EQUITY:			
Common stock, \$1 par value per share; Authorized 50,000 shares; 7,000 shares issued and outstanding	7,000	7,000	7,000
Additional paid in capital	33,810	33,810	33,810
Retained earnings	<u>2,139,065</u>	<u>2,000,713</u>	<u>1,882,449</u>
	<u>2,179,875</u>	<u>2,041,523</u>	<u>1,923,259</u>
	 <u>\$ 3,310,907</u>	 <u>\$ 3,346,731</u>	 <u>\$ 3,006,946</u>

See accompanying notes.

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## HUNGRY HOWIE'S PIZZA &amp; SUBS, INC.

STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

THREE YEARS ENDED DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>	<u>2009</u>
REVENUE (includes franchise fee revenue of \$248,000, \$215,250, and \$207,500 for 2011, 2010, and 2009, respectively)	\$ 7,669,963	\$ 7,303,355	\$ 7,180,020
EXPENSES	<u>5,362,742</u>	<u>4,976,748</u>	<u>4,790,490</u>
INCOME BEFORE OTHER INCOME	2,307,221	2,326,607	2,389,530
OTHER INCOME :			
Interest and dividend income	26,103	49,169	60,021
Source fee income	656,082	629,087	79,277
Other income	80,581	37,720	41,331
Bad debt recovery		<u>3,279</u>	<u>13,240</u>
	<u>762,766</u>	<u>719,255</u>	<u>193,869</u>
NET INCOME	3,069,987	3,045,862	2,583,399
RETAINED EARNINGS -			
Beginning of year	2,000,713	1,882,449	1,436,369
Less: Shareholders' distributions	<u>2,931,635</u>	<u>2,927,598</u>	<u>2,137,319</u>
RETAINED EARNINGS -			
End of year	<u>\$ 2,139,065</u>	<u>\$ 2,000,713</u>	<u>\$ 1,882,449</u>

See accompanying notes.

STATEMENTS OF CASH FLOWS

THREE YEARS ENDED DECEMBER 31, 2011

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income	\$ 3,069,987	\$ 3,045,862	\$ 2,583,399
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	161,944	138,148	81,339
Amortization	250	250	1,142
Allowance for bad debt	25,000	(115,000)	(200,000)
(Increase) decrease in:			
Receivables	107,443	45,216	529,031
Inventory		3,949	(4,445)
Deposits	(9,250)		46,780
Prepaid expenses	(1,627)	14,347	33,983
Increase (decrease) in :			
Accounts payable	4,096	139,266	(30,233)
Accrued expenses and other current liabilities	(93,272)	107,755	(39,116)
Deferred franchise fees	(85,000)	(25,500)	(3,000)
	<u>109,584</u>	<u>308,431</u>	<u>415,481</u>
<b>NET CASH PROVIDED BY OPERATIONS</b>	<b>3,179,571</b>	<b>3,354,293</b>	<b>2,998,880</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Capital expenditures	(179,780)	(139,592)	(267,825)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Shareholder distributions	(2,931,635)	(2,927,598)	(2,137,319)
<b>NET INCREASE IN CASH</b>	<b>68,156</b>	<b>287,103</b>	<b>593,736</b>
<b>CASH AT</b>			
BEGINNING OF YEAR	<u>2,514,314</u>	<u>2,227,211</u>	<u>1,633,475</u>
<b>CASH AT</b>			
END OF YEAR	<u>\$ 2,582,470</u>	<u>\$ 2,514,314</u>	<u>\$ 2,227,211</u>

NOTES TO FINANCIAL STATEMENTS

THREE YEARS ENDED DECEMBER 31, 2011

Note 1 - Summary of Significant Accounting Policies

Nature of Operations

The Company is engaged in the franchising of restaurants under the name of Hungry Howie's Pizza & Subs, Inc. H. H. Pizza, Inc. and James R. Hearn, its sole shareholder, have exclusive rights to sell franchises and collect royalties in the State of Florida.

Cash Equivalents

For purposes of the statements of cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Trade Accounts Receivable

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances which are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable.

Property and Equipment

Depreciation of property and equipment is calculated using straight-line and accelerated methods over their estimated useful lives.

Intangible Costs

Franchise costs are amortized over the lesser of forty years or the period benefited by the straight-line method.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

THREE YEARS ENDED DECEMBER 31, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

Income Taxes

The Company has elected to be taxed under the provisions of subchapter S of the Internal Revenue Code. Under such provisions, the Company's federal taxable income or loss and tax credits are passed through to the individual shareholders. Therefore, the shareholders are personally liable for substantially all income taxes. The Company is required to pay income and other taxes in many of the states in which the Company has sold franchises. The provisions for state income and other taxes for the years ended December 31, 2011, 2010, and 2009 are \$137,107, \$138,473, and \$114,425, respectively.

Recognition of Income

Income from the sale of franchises is recognized when substantially all material services or conditions relating to the initial sale have been performed or satisfied by the franchisor. The earliest time that franchise fee income is recognized is when the franchisee opens for business. Fees received pursuant to development agreements which grant the right to develop franchised restaurants in future periods in specific geographic areas are deferred and recognized on a pro rata basis as the franchised restaurants subject to the development agreements begin operations. Franchise fees are nonrefundable. Franchise royalties, which are based on a percentage of franchise restaurants' sales, are recognized as revenues in the period in which sales are made by the franchisees.

Advertising

The Company expenses advertising costs as they are incurred. Advertising costs for the years ended December 31, 2011, 2010 and 2009, are \$83,769, \$87,048, and \$79,036, respectively.

Compensated Absences

The Company has a formal vacation policy allowing for paid time off based on years of service. The policy does not allow the accumulation or carryover of unused vacation to future periods. Accordingly, the Company recognizes the costs of compensated absences when actually paid to employees, and does not accrue a liability for unused vacation time.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

THREE YEARS ENDED DECEMBER 31, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

Estimates

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

Note 2 - Commitments

The Company leases its office space on a month to month basis from an affiliated company having common shareholders. Rent expense is \$102,000 for each of the three years ended December 31, 2011.

Note 3 - Retirement Plan

The Company maintains a noncontributory profit sharing plan covering all eligible employees. The Company's Board of Directors determines the annual contribution to be made to this plan based on current profits. The vested benefits are limited to the asset values in the plan.

Profit sharing expense is \$90,000 for each of the three years ended December 31, 2011.

Note 4 - Concentrations of Risk

The Company maintains its cash in a commercial bank, where the FDIC insures balances up to \$250,000. The Company's uninsured cash balance for the years ended December 31, 2011, 2010, and 2009 were \$2,344,032, \$2,268,137, and \$1,756,038, respectively.

Note 5 - Related Party Transactions

The Company pays an affiliated company for providing training to Company franchisees. Training expenses paid to this affiliate for the years ended December 31, 2011, 2010, and 2009 are \$37,400, \$31,300, and \$54,600, respectively.

The Company also leases office space from an affiliated company (See Note 2).

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KATZ & ASSOCIATES, C.P.A., P.C.

HUNGRY HOWIE'S PIZZA & SUBS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

THREE YEARS ENDED DECEMBER 31, 2011

Note 6 – Subsequent Events

Management has evaluated subsequent events through March 19, 2012, the date that the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment of or disclosure in the accompanying financial statements.

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**Exhibit E:**  
**Manuals**

**Operations Manual**

	<b><u>Number of Pages</u></b>
WELCOME ABOARD .....	1
MISSION STATEMENT .....	1
CONTACTS .....	1
OUR HISTORY .....	1
COMPOSITE AND STRUCTURE .....	1
DOUGH PREPARATION	
CREATING QUALITY DOUGH .....	1
HOBART P-600/660 .....	3
VERTICAL CUTTER/MIXER (VCM) .....	3
ROLLING THE DOUGH .....	1
PLACING DOUGH ON TRAYS .....	1/2
DETERMINING DOUGH FRESHNESS .....	1/2
DOUGH PROJECTION CHART .....	2
SHEET-OUTS .....	1
SHEETER STRETCHING .....	2
PROPER SHEETER CARE .....	1
HAND STRETCHING .....	1
BREAD SHEET-OUTS .....	1
SHEET-OUT (PAN) PROJECTION CHART .....	4
PRODUCT ASSEMBLY	
APPROVED MENU .....	1
PIZZA SPECIFICATIONS .....	1/3
DOCKING .....	1/3
SAUCE .....	1/3
CHEESE .....	1/2
FLAVORED CRUST .....	1/2
TOPPINGS .....	1
PROPER BAKING .....	1/2
CUTTING AND PACKAGING .....	1/2
PIZZA CHOICES	
CRUST .....	1
TOPPINGS .....	2
ORDER SEQUENCE .....	1/2
HOLDING TIME .....	1/2
SERVICE TIMES .....	1
CALZONE STYLE SUBS .....	1/5
PIZZA SUB .....	1/5
PIZZA SUB DELUXE .....	1/5
DELUXE ITALIAN .....	1/5
STEAK CHEESE & MUSHROOM .....	1/5
HAM & CHEESE .....	1/4
VEGETARIAN .....	1/4

TURKEY SUB .....	1/4
TURKEY CLUB SUB .....	1/4
FRESHLY MADE SALADS .....	4
ANTIPASTO .....	1
GREEK .....	1
CHEF .....	1
GARDEN .....	1
BREAD AND SAUCE .....	2 1/2
HOWIE BREAD .....	1
THREE CHEESER BREAD .....	1/2
CINNAMON BREAD .....	1/2
CAJUN BREAD .....	1.2
CHICKEN PRODUCTS .....	1
HOWIE WINGS .....	1/2
CHICKEN TENDERS .....	1/2
OFFSITE SALES.....	1
PREPARING AND STORING FOOD .....	1
CLEANING PREPARATION AREAS .....	1/3
FOOD PREPARATION .....	1/3
THAWING FROZEN FOOD .....	1/3
CHECKING FOR SPOILED FOOD .....	1
LETTUCE .....	1/2
TOMATOES .....	1/2
PREP / BACK-UP CHART .....	1
RECEIVING A FOOD ORDER .....	1/2
PROPER STORAGE .....	1/2
IMAGE .....	1
TEAM MEMBER IMAGE .....	1/2
UNIFORM POLICY .....	1/2
PERSONAL APPEARANCE .....	1/2
APPROPRIATE BEHAVIOR .....	1/2
GUIDELINES FOR ORDER TAKING .....	7
STORE IMAGE .....	1/2
STORE CLEANLINESS .....	1/2
DELIVERY IMAGE .....	2
SAFETY AND SECURITY .....	1
STORE SAFETY.....	1
SECURITY TIPS .....	1
DRIVER SAFETY .....	1
MANAGEMENT .....	1
OPENING PROCEDURES .....	1
CLOSING PROCEDURES .....	2
ON SHIFT DUTIES .....	1
TEAM MEMBER DEVELOPMENT .....	1/2
RECRUITMENT .....	1/2
INTERVIEWING .....	3
EMPLOYEE RETENTION .....	1
TRAINING TECHNIQUES .....	1
PERFORMANCE EVALUATION .....	1

DISCIPLINARY ACTION .....	1/2
TERMINATION .....	1/2
LEADERSHIP .....	1/2
WHAT MAKES A LEADER .....	1/2
MANAGEMENT STYLES .....	5
CONTROLLING COSTS .....	1
ESTABLISHING LABOR GOALS .....	1
SCHEDULING .....	4
ESTABLISHING FOOD GOALS .....	1
DEVELOPING A BUILD-TO CHART .....	2
PAPER AND SUPPLIES .....	1/3
INVENTORY .....	1/3
BREAK-EVEN ANALYSIS .....	1/3
CUSTOMER SERVICE .....	1
BUILDING CUSTOMER LOYALTY .....	1
CUSTOMER COMPLAINTS .....	1
CUSTOMER FEEDBACK .....	2
SUCCESS .....	1
APPENDIX .....	1
HOWIE HIGHLIGHTS UPDATES .....	1
GLOSSARY .....	2
RECOMMENDED READING .....	1

Construction Manual

	<u>Number of Pages</u>
INTRODUCTION LETTER .....	1
120 DAY TIMELINE CHECKLIST .....	2
STORE CONSTRUCTION & EQUIPMENT STANDARDS .....	14
SIGNAGE STANDARDS & ORDER FORM .....	15
EQUIPMENT ORDERING FORM .....	2
PEPSI COLA WELCOME LETTER .....	7
P.O.S SYSTEM .....	22
MISCELLANEOUS .....	35
BOFI XLT OVENS EQUIPMENT SPECIFICATIONS .....	25
AVTEC HOOD VENTILATION SYSTEM .....	14
PIZZA DOUGH ROLLER and HOBART DOUGH MIXER .....	22
RANDELL REFRIGERATION .....	9
IMPERIAL WALK-IN COOLER/BALLY WALK-IN COOLER .....	1
BALLY WALK-IN COOLER .....	1
PIZZA HOLDING / WARMER .....	13
TABLES/SINKS/SHELVING/WATER DRINKING COOLER .....	17
LOBBY BENCH/DINE-IN SEATING PRODUCTS .....	3
REVENTION P.O.S. SYSTEM .....	22
FIDELITY COMMUNICATION EQUIPMENT .....	7
HUNGRY HOWIE'S MENU BOARD .....	12
C.S.S. SAFE COMPANY CYBRCOLLECT CHECK COLLECTION .....	12
ELIASON EASY DOOR AIR DOOR/AIR PRO .....	5
VENDOR CONTACT INFORMATION .....	1

Marketing Manual

	<u>Number of Pages</u>
SIX BENEFITS OF A FRANCHISE SYSTEM .....	1
UNDERSTANDING YOUR FRANCHISE .....	1
IMPORTANT SUPPORT PROGRAMS PROVIDED BY YOUR FRANCHISOR .....	1
MAXIMIZING GROWTH OPPORTUNITIES THROUGH THE FRANCHISE RELATIONSHIP .....	2/3
BUILD YOUR SYSTEM: BUILD YOUR BUSINESS .....	1/2
ONE MONTH TIMELINE .....	1
KEY PERSONNEL CHECKLIST .....	1
WEEK OF OPENING .....	1/2
TEAM MEMBER RECRUITMENT .....	5
GRAND OPENING SCHEDULE .....	1
GRAND OPENING CHECKLIST .....	4
GRAND OPENING IDEAS .....	1
PUBLIC RELATIONS .....	6
ADVERTISING	
NEWSPAPER .....	1
DIRECT MAIL .....	2
YELLOW PAGES .....	1 1/2
DIRECT DISTRIBUTION ADVERTISING .....	1/2
OUTDOOR .....	1
PREMIUM ITEM .....	2
MARKETING & SALES BUILDING	
EXPLANATION .....	1
CUSTOMER CALL BACKS .....	1
BOX TOP SURVEYS .....	1/3
DELIVERY DRIVER CALL BACKS .....	1/3
SECTOR ANALYSIS .....	1/3
PLANNING A PROMOTION .....	2
IMPROVE SERVICE .....	1
IMPROVE IMAGE .....	1
BENEFITS OF LOCAL MARKETING .....	2/3
IN-STORE PROMOTIONS .....	1/3
BIRTHDAY CLUB .....	1/4
CLASS OF THE MONTH .....	1/4
HOWIE HALF-COURT SHOT .....	1/4
MOTHER'S/FATHER'S DAY PROMOTION .....	1/4
CUSTOMER APPRECIATION DAY (CAD) .....	1/5
BUSINESS FAX ORDER FORM .....	1/5
GIFT CERTIFICATE PROGRAM .....	2/3
"FUN" RAISER PROGRAM .....	4
CUSTOMER APPRECIATION DAY .....	15
CHECKLIST .....	3
CONTACTS .....	1
EXAMPLES OF ADS / PROMOTIONS .....	23

Exhibit F:  
Franchise Agreement



EXHIBIT F

FRANCHISE AGREEMENT

between

HUNGRY HOWIE'S PIZZA & SUBS, INC.

and

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Store # \_\_\_\_\_ Effective: \_\_\_\_\_

1/1/12

## TABLE OF CONTENTS

<u>Paragraph</u>	<u>Page</u>
Definitions .....	1
1. GRANT OF FRANCHISE .....	4
2. SYSTEM.....	4
3. NATURE OF FRANCHISE .....	5
4. LOCATION .....	5
5. TERM OF AGREEMENT .....	6
6. FRANCHISE AND ROYALTY FEES.....	7
7. OBLIGATIONS OF FRANCHISOR .....	10
8. LEASE OBLIGATIONS AND EMINENT DOMAIN .....	11
9. PHYSICAL PLANT .....	12
10. OBLIGATIONS OF FRANCHISE OWNER .....	14
11. REPRESENTATIONS OF THE FRANCHISE OWNER.....	19
12. ADVERTISING .....	20
13. TRAINING .....	22
14. INSPECTION .....	23
15. SERVICE MARKS AND TRADEMARKS .....	23
16. COVENANTS .....	24
17. TRANSFER OF FRANCHISE .....	25
18. DEFAULT AND TERMINATION .....	29
19. GUARANTY .....	33
20. CHANGE IN LAW.....	33
21. ENFORCEMENT OF AGREEMENT BY PARTIES .....	33
22. BENEFIT .....	33
23. NOTICE .....	33
24. WAIVER .....	34
25. CONSTRUCTION .....	34
26. PLACE OF SUIT .....	34
27. WAIVER OF JURY TRIAL.....	34
28. STATUTE OF LIMITATIONS .....	35
29. CLASS ACTION SUITS .....	35
30. INVALIDITY .....	35



31.	RELATIONSHIP OF THE PARTIES .....	35
32.	ENTIRE AGREEMENT .....	35
33.	SURVIVAL.....	35
34.	ANTI-TERRORISM LAWS .....	36
	ADDENDUM TO FRANCHISE AGREEMENT .....	38
	Attachment A	
	Initial Franchise Fee, Geographic Area in Which Restaurant Will Be Located .....	41
	Attachment B	
	Franchise Owner Information.....	42
	Attachment C	
	Articles of Incorporation/Articles of Organization/ Certificate of Partnership.....	44
	Attachment D	
	Guaranty.....	45
	Attachment E	
	Assignment of Telephone Numbers.....	48
	Attachment F	
	Pre-Signing Questionnaire .....	49
	Attachment G	
	Non Traditional Restaurant Franchise Addendum.....	53

## FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made and entered into by and between the undersigned franchise owner (the "Franchise Owner") and HUNGRY HOWIE'S PIZZA & SUBS, INC., a Michigan corporation ("Hungry Howie's"), with offices located at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071 as of the date it is signed by an authorized representative of Hungry Howie's on the signature page.

### RECITALS

A. Hungry Howie's is engaged in the business of franchising distinctively styled restaurants under the trade names "HUNGRY HOWIE'S" and "HUNGRY HOWIE'S PIZZA".

B. The distinguishing characteristics of the Hungry Howie's system include but are not limited to the trade names and service marks "HUNGRY HOWIE'S" and "HUNGRY HOWIE'S PIZZA", together with any other symbols, emblems, signs and insignias that Hungry Howie's has adopted and designated, or subsequently acquires, adopts, develops or designates, for use in connection with its franchised restaurants or in connection with the Hungry Howie's system.

C. The Franchise Owner recognizes the benefits to be derived from being identified with and licensed by Hungry Howie's and from utilizing the Hungry Howie's system which Hungry Howie's makes available to its franchisees.

D. The Franchise Owner desires to establish, own and operate a Hungry Howie's restaurant at the location described in this Agreement, upon the terms and conditions of this Agreement, which are necessary to maintain Hungry Howie's high and uniform standards of quality and service and to protect and enhance the goodwill and public image of the Hungry Howie's system.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in the Agreement, the parties agree as follows:

### **DEFINITIONS**

As used in this Agreement, terms not otherwise defined shall be defined as follows:

"Ad Charge" shall mean three (3%) percent of Gross Sales.

"Ad Charge Deficiency" shall have the meaning in Paragraph 12.1.

"Ad Fund, Inc." shall mean Hungry Howie's Advertising Fund, Inc., a Michigan non-profit corporation.

"Alternate" shall have the meaning in Paragraph 9.

"Audit" shall mean an examination of the Financial Statements and Financial Information in order to determine if the Franchise Owner has paid the Royalty Fee in compliance with this Agreement and has otherwise complied with this Agreement.

“Audit Invoice” shall have the meaning in Paragraph 6.3.

“Casualty” shall mean damage or destruction to the Restaurant due to fire, flood, earthquake, or similar cause beyond the Franchise Owner’s control.

“Collateral” shall have the meaning in Paragraph 6.4.

“Deficiency” shall have the meaning in Paragraph 6.3.

“Distributing” shall mean Hungry Howie’s Distributing, Inc., a Michigan Corporation

“Drawings” shall have the meaning in Paragraph 9.

“EFT” shall mean electronic funds transfer.

“FI Late Fee” shall mean Two Hundred Fifty (\$250.00) Dollars per Period or any fraction thereof from the date the Franchise Owner was required to furnish Financial Information and/or Financial Statements and failed to do so until the date the Franchise Owner furnishes all Financial Statements and Financial Information requested by Hungry Howie’s.

“Financial Information” shall mean all books, records, tax returns and other financial information of the Franchise Owner and of the Owners, if applicable.

“Financial Statement” shall mean an income statement and balance sheet prepared in accordance with generally accepted accounting principles of the Franchise Owner.

“Financing Statement” shall have the meaning in Paragraph 6.4.

“Franchise Disclosure Document” shall mean the franchise disclosure document delivered to the prospective Franchisee Owner as required pursuant to Federal Trade Commission Rule 436.

“Franchise Fee” shall have the meaning in Paragraph 6.1.

“Gross Sales” shall mean all sales of any nature made from the Restaurant including off-site sales and all fees and charges received for deliveries less applicable sales tax and all amounts received by the Franchise Owner for gift cards redeemed by the Franchise Owner.

“Guarantors” are those Owners who sign the Guaranty.

“Guaranty” shall mean **Attachment D** to this Agreement.

“Insurance Fee” shall have the meaning in Paragraph 10.11.

“Interest Charge” shall mean one and one-quarter (1.25%) percent of the applicable amount due per Period, but in no event greater than allowed by applicable law.

“Landlord” shall mean the owner or licensor of the Restaurant.

“Late Fee” shall mean the sum of (i) five (5%) percent of any unpaid Royalty and (ii) one and one-half (1½%) percent of any unpaid Royalty per Period.

“Lease” shall mean the lease or license agreement pursuant to which the Franchise Owner occupies the Restaurant.

“Manager” shall mean a manager of the Restaurant acceptable to Hungry Howie’s in the sole discretion of Hungry Howie’s.

“Manuals” shall mean the operations manual, construction manual and marketing manual.

“Marks” shall mean all of the Hungry Howie’s trade names, service marks and trademarks, whether currently existing or developed or acquired in the future.

“Meeting Fee” shall have the definition in Paragraph 10.19.

“Minimum Royalty” shall mean as Two Hundred Fifty (\$250.00) Dollars per Reporting Period.

“New Agreement” shall mean the form of Hungry Howie’s Franchise Agreement is using at the time of a renewal, assignment, or similar event.

“Non-Traditional Restaurant” shall mean a restaurant in a location such as a stadium, arena, airport, train or bus station, toll road, amusement park, convenience store and other similar retail facilities, gas stations, hotels, schools, colleges, universities, office buildings, shopping malls and food courts, hospitals and institutional service facilities and other non-traditional venues which may offer a limited menu to its customers.

“Notice” shall have the meaning in Paragraph 5.

“Offer” shall have the meaning in Paragraph 17.1.

“Option” shall have the meaning set forth in Paragraph 17.1.

“Option Assets” shall have the meaning set forth in Paragraph 17.1.

“Owner” shall mean the stockholders, partners or members of a Franchise Owner who is not an individual.

“Owner Operator” shall have the definition in Paragraph 10.14.

“Ownership Interest” shall have the meaning set forth in Paragraph 17.1.

“Payment Date” is defined as a day designated by Hungry Howie’s following the Reporting Period on which the Royalty Fee is due.

“Period” shall mean a twenty-eight (28) day period ending on a day designated by Hungry Howie’s.

“Reporting Period” shall mean Monday through Sunday of each week.

“Restaurant” shall have the meaning in Paragraph 1.

“Royalty Fee” shall mean five (5%) percent of Gross Sales.

“Seller” shall have the meaning in Paragraph 17.1.

“Seminar Absence Fee” shall have the meaning in Paragraph 13.

“Service Provider” shall have the meaning in Paragraph 6.3

“System” shall have the meaning in Paragraph 2.

“Territory” shall mean a one (1) mile radius of the Restaurant.

“Transfer Fee” shall have the meaning in Paragraph 17.2(h).

“Upgrades” shall have the meaning in Paragraph 5.

“Vendor” shall mean any party from which the Franchise Owner purchases goods and services, including computer consulting or professional services.

“Website” shall mean a website, intranet or extranet.

## 1. GRANT OF FRANCHISE

Hungry Howie’s hereby grants to the Franchise Owner the right to establish, own and operate a Hungry Howie’s carry-out and delivery restaurant (the “Restaurant”). The Franchise Owner shall have the right to use the Hungry Howie’s “system” at the Restaurant and to be identified as a member of the Hungry Howie’s “system,” upon the terms and conditions of this Agreement. All of the Franchise Owner’s rights and obligations under this Agreement shall be referred to as the “Franchise.”

## 2. SYSTEM

2.1 The Hungry Howie’s system (the “System”) is a distinctive style of restaurant operation for the sale of food products and beverages of uniform quality, prepared for immediate consumption. The foundation of the System and essence of the Franchise is adherence by the Franchise Owner to the standards and policies of Hungry Howie’s providing for the uniform operation of all Restaurants using the System, including but not limited to the service of only designated foods and beverages, the utilization of only designated prescribed equipment, building layouts and design, and the emphasis upon prompt and courteous service in a clean and wholesome atmosphere.

2.2 Hungry Howie’s shall furnish the Franchise Owner with an Operations Manual containing standards, policies and specifications regarding the System, operation of the Restaurant and specifications regarding ingredients to be used in preparing food; a Construction Manual containing Hungry Howie’s policies, standards and specifications regarding the build out of the Restaurant and the equipment to be purchased; and a

Marketing Manual. The Manuals include all additions, revisions, replacements and new volumes. In addition, Hungry Howie's may periodically establish, revise, or supplement the Manuals, policies, standards or specifications concerning any aspect of the System or the operation of a Restaurant by publishing such policies, standards and specifications in its newsletter or otherwise announcing them to its franchisees. Hungry Howie's may post some or all of the Manuals on the Website and provide access to the Franchise Owner. In the event the Manuals are posted to the Website, the Franchise Owner shall access such site and shall continuously monitor the same for all additions, revisions, replacements or supplements to the Manuals or the System. The Franchise Owner shall operate the Restaurant according to the System, including the Manuals and all standards, policies and specifications periodically established or revised by Hungry Howie's.

2.3 The Franchise Owner acknowledges that all standards and policies of Hungry Howie's and all information concerning the System, including but not limited to all information contained in the Manuals and all passwords or other digital identification information utilized to access the Manuals on the Website, is confidential and proprietary information of Hungry Howie's. The Franchise Owner shall not use any such information or disclose any such information to any third party, either while this Agreement is in effect or following its termination or expiration, except as specifically permitted in this Agreement. The Franchise Owner will use its best efforts to protect the confidentiality of such information from appropriation by its employees.

2.4 The Manuals shall, at all times, remain the property of Hungry Howie's and shall be returned to Hungry Howie's immediately upon request or upon the termination of this Agreement. In the event of the loss of any Manual or the Franchise Owner's failure to return any Manual to Hungry Howie's immediately upon request or upon the termination of this Agreement, in addition to any other damages suffered by Hungry Howie's, the Franchise Owner shall pay Hungry Howie's a replacement fee of Fifty (\$50.00) Dollars per Manual.

### 3. NATURE OF FRANCHISE

The Franchise Owner is hereby granted a license to utilize the System, including the Marks, goodwill, standard operating procedures and policies, and to benefit from the foregoing, at the single location specified in Paragraph 4 subject to the terms of this Agreement. Nothing contained in this Agreement shall be construed to authorize or permit the Franchise Owner to use the Marks, goodwill, standard operating procedures and policies at any other location or for any other purpose. Hungry Howie's retains the exclusive ownership of all rights, title and interest in and to Hungry Howie's Marks, goodwill, standard operating procedures, policies and the System.

### 4. LOCATION

The location of the Restaurant, which shall be in the geographic area set forth on **Attachment A**, shall be selected by the Franchise Owner and shall be subject to the consent of Hungry Howie's. Such consent shall not be unreasonably withheld.

As long as this Agreement is in effect and the Franchise Owner is not in default, Hungry Howie's shall not establish, operate or enfranchise any other Hungry Howie's

Restaurant within the Territory. Nothing contained herein shall prohibit any franchise owner from soliciting or accepting orders from consumers in the Territory or making deliveries into the Territory of any other franchise owner.

Hungry Howie's may purchase, merge, acquire, be acquired by or affiliate with any existing competitive business and following such activity Hungry Howie's may operate or franchise those other businesses under any names or marks regardless of the location of those businesses which may be within the Territory. The Franchise Owner waives and releases any claims, demands or damages arising from or relating to any of the above activities and shall not initiate or join in any legal action or proceeding or register a complaint with any governmental entity directly or indirectly contending otherwise.

Hungry Howie's reserves the exclusive right, using the Marks or not, to establish, operate and enfranchise Non-Traditional Restaurants in the Territory.

Hungry Howie's reserves the exclusive right to solicit or accept orders from consumers in and outside the Territory through the channels of distribution other than a Restaurant, including the use of channels of distribution, such as the Internet, telemarketing or other direct marketing, and to make sales to consumers, in and outside of the Territory.

Hungry Howie's reserves the exclusive right to, directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged menu items under the Marks to retail outlets (*i.e.* supermarkets, grocery stores, markets, gourmet shops, convenience stores and other similar retailers) and non-retail outlets (*i.e.*, warehouse clubs, pharmacies, drug stores and other similar non-retailers) in and outside of the Territory.

The Franchise Owner shall not change the location of the Restaurant without the prior written consent of Hungry Howie's. A Franchise Owner which desires to relocate its Restaurant shall furnish such information regarding the proposed location as Hungry Howie's requests. Hungry Howie's shall only allow relocation within the geographic area set forth on Attachment A and relocation shall not be within the Territory of another franchisee. Hungry Howie's will charge a fee not to exceed Seven Thousand Five Hundred (\$7,500.00) Dollars to review the request to relocate the Restaurant. The fee shall be paid with the request to relocate. This fee is not refundable.

An agreement for a Non-Traditional Restaurant shall be subject to the Non-Traditional Restaurant Franchise Agreement Addendum attached to this Agreement as **Attachment G**.

## 5. TERM OF AGREEMENT

This Agreement shall expire ten (10) years from the date on which the Franchise Owner opens the Restaurant for business, except that this Agreement may terminate sooner pursuant to the terms and conditions of Paragraphs 8, 17 and 18.

The Franchise Owner shall not open the Restaurant for business until Hungry Howie's authorizes the Franchise Owner to do so in writing.

If the Franchise Owner wishes to renew this Agreement it must notify Hungry Howie's in writing (the "Notice") of its desire to do so no later than twelve (12) months prior

to the expiration of this Agreement. Within three (3) months after Hungry Howie's receives the Notice Hungry Howie's shall inform the Franchise Owner, in writing, of the conditions for renewal which may include, at the sole cost of the Franchise Owner, remodeling the Restaurant and purchasing new signs and equipment for the Restaurant (collectively, the "Upgrades") by dates specified by Hungry Howie's. If the Franchise Owner agrees to make the Upgrades by the dates specified by Hungry Howie's and if the Franchise Owner has not committed a material breach of this Agreement during the final five (5) years of the initial ten (10) year term of this Agreement, the Franchise Owner may elect in writing to renew this Agreement on forms furnished by Hungry Howie's for a term specified in the New Agreement. The Franchise Owner must elect to renew the term of this Agreement in writing within thirty (30) days after it has received the list of Upgrades from Hungry Howie's. Hungry Howie's may require the Franchise Owner to place money in escrow for the Upgrades or otherwise establish it has the financial resources for the Upgrades.

In the event of any renewal, the Franchise Owner shall execute the New Agreement and shall pay the Royalty Fee and other fees, but not the Franchise Fee, at the rate provided for in the New Agreement. The Franchise Owner shall pay Hungry Howie's a renewal fee of One Thousand (\$1,000.00) Dollars at the time the New Agreement is signed.

## 6. FRANCHISE AND ROYALTY FEES

6.1 The Franchise Owner shall pay Hungry Howie's a franchise fee (the "Franchise Fee") of Twenty Thousand (\$20,000.00) Dollars for the first franchise acquired and a reduced Franchise Fee of Fifteen Thousand (\$15,000.00) Dollars (or the reduced fee which is in effect at the time the New Agreement is signed) for each additional franchise. The Franchise Fee shall be paid in full upon the execution of this Agreement. The Franchise Fee is non-refundable.

If the Restaurant is not open and doing business within one (1) year after the date this Agreement is executed by all parties this Agreement may be terminated at the option of Hungry Howie's and Hungry Howie's shall be entitled to keep the Franchise Fee paid by the Franchise Owner.

6.2 The Franchise Owner shall adopt a 52/53 week year for income tax purposes. The Franchise Owner shall pay Hungry Howie's the Royalty Fee, but in no event shall the Royalty Fee be less than the Minimum Royalty. Hungry Howie's may change the period for reporting Gross Sales and paying Royalty Fees to a daily basis, monthly basis or some other basis and impose fees for late payments comparable to the Late Fee. If such a change is made the Minimum Royalty and Late Fee will be revised accordingly.

The Franchise Owner shall continue to pay the Minimum Royalty even if the Restaurant is not doing business as a result of a Casualty.

Hungry Howie's may require the Franchise Owner to report the sale of specific items sold by the Franchise Owner, cost or expenses incurred by the Franchise Owner or other items at intervals and in a manner designated by Hungry Howie's.

The Franchise Owner shall pay the Royalty Fee on the Payment Date. If the Royalty Fee is not paid by the Payment Date, the Franchise Owner shall pay, in addition to the Royalty Fee, five (5%) percent of the unpaid Royalty Fee on the day after the Payment



Date. From the day after the Payment Date until the Royalty Fee is paid the Franchise Owner shall pay the one and one-half (1-1/2%) percent of the unpaid Royalty Fee per Period. Hungry Howie's shall bill the Late Fee to the Franchise Owner each Period. The failure of Hungry Howie's to bill the Late Fee shall not eliminate the obligation of the Franchise Owner to pay the Late Fee. The Interest Charge shall be added to the Late Fee. In no event shall the Late Fee exceed the rate allowed by applicable law.

The Franchise Owner consents to and authorizes Hungry Howie's to automatically transfer to Hungry Howie's the Royalty Fee, Ad Charge, Late Fee, Interest Charge, and all other fees or amounts the Franchise Owner owes or is obligated to pay Hungry Howie's under this Agreement from Franchise Owner's bank account by EFT. The Franchise Owner shall execute and deliver to Hungry Howie's such documents and instruments as may be necessary to establish and maintain the EFT program. The Franchise Owner irrevocably and unconditionally appoints Hungry Howie's its attorney in fact for purposes of implementing and effectuating the EFT program, including the right to execute all necessary wire instructions and authorizations relative thereto. Any bank charges relating to the EFT program shall be borne solely by the Franchise Owner.

6.3 After each Reporting Period on a day designated by Hungry Howie's the Franchise Owner shall inform Hungry Howie's of its Gross Sales for the Reporting Period.

Within twenty-eight (28) days after the end of each Period, or such other date as may be designated by Hungry Howie's, the Franchise Owner shall furnish Hungry Howie's with the Financial Statement for the Period. The Franchise Owner shall certify the accuracy of the Financial Statement and any other Financial Information submitted to Hungry Howie's. The Financial Statements and Financial Information shall be submitted on such forms as may be prescribed from time to time by Hungry Howie's for all of its franchisees.

The Franchise Owner shall utilize, at its own cost and expense, the services of an accountant designated by Hungry Howie's for the preparation of the Financial Statements for the first full year of operation of the Restaurant.

Hungry Howie's shall have the power to designate an accounting firm to prepare the Financial Statements and a firm to provide payroll services (each a "Service Provider"). The Franchise Owner may suggest a payroll service for approval by Hungry Howie's, and after the first full year of operation of the Restaurant, the Franchise Owner may suggest an accounting firm for preparation of the Financial Statement for approval by Hungry Howie's. Approval will not be unreasonably withheld. Any request must be in writing, must state the Franchise Owner's name and the Service Provider the Franchise Owner wishes to use in place of the designated Service Provider. Within thirty (30) days after such request, Hungry Howie's will inform the Franchise Owner if the proposed Service Provider has been approved. Hungry Howie's will conduct an investigation to determine if the Service Provider can competently perform the tasks necessary. No fee is paid to Hungry Howie's to secure approval. There is no procedure to revoke Service Provider approvals. However, if a Service Provider is approved by Hungry Howie's and subsequently Hungry Howie's determines that such Service Provider is not performing competently and timely, Hungry Howie's shall notify the Franchise Owner in writing that the Franchise Owner must change the Service Provider within a reasonable period of time.

In order to determine the Franchise Owner's compliance with this Agreement, Hungry Howie's shall have the right to conduct an Audit at any time. To the extent that the Franchise Owner can establish that Financial Information requested in connection with an Audit is not relevant to this Agreement, Hungry Howie's shall have no right to inspect such information. Within thirty (30) days after notice from Hungry Howie's the Franchise Owner shall furnish the Financial Information to Hungry Howie's at such location as Hungry Howie's designates.

If the Franchise Owner fails to furnish the Financial Statements or Financial Information as required in this Agreement, the Franchise Owner shall pay Hungry Howie's the F.I. Late Fee. The Franchise Owner shall pay the F. I, Late Fee on the first day after the day on which the Franchise Owner was required to furnish the Financial Statement and/or Financial Information to Hungry Howie's and failed to do so. If the F.I. Late Fee is not paid when due, the Franchise Owner shall pay Hungry Howie's the Interest Charge on the F.I. Late Fee.

The Franchise Owner authorizes Hungry Howie's to obtain information regarding purchases made by the Franchise Owner from any Vendor, including, but not limited to, Distributing. If requested by Hungry Howie's, the Franchise Owner shall sign an authorization directing any such Vendor to furnish Hungry Howie's with any information regarding purchases by the Franchise Owner from such Vendor, payments by the Franchise Owner to the Vendor and the outstanding balance due the Vendor.

If the Audit discloses any underpayment of Royalty Fees or other fees (the "Deficiency"), the Franchise Owner shall immediately pay twice the Deficiency to Hungry Howie's, and if the Deficiency exceeds two (2%) percent of the amount of the Royalty Fee or other fees as represented by the Franchise Owner, the Franchise Owner shall reimburse Hungry Howie's for the cost of such Audit.

After the Audit is completed, Hungry Howie's shall provide the Franchise Owner with an invoice (the "Audit Invoice") which shall include the Deficiency and, if applicable, the cost of the Audit.

The Franchise Owner must pay the Audit Invoice amount within ten (10) days of its issuance to the Franchise Owner. If the Franchise Owner fails to pay the Audit Invoice in full when due Hungry Howie's will add the Interest Charge to the Audit Invoice until the amount of the Audit Invoice is paid in full.

If the Audit requires Financial Information which is not in the possession of Hungry Howie's, Hungry Howie's shall give the Franchise Owner written notice of the information required in connection with the Audit, and the location and date of the Audit at least thirty (30) days prior to the date of the Audit. If the Franchise Owner does not furnish the Financial Information requested in connection with an audit at the time and location designated the Franchise Owner shall pay the F.I. Late Fee and the Interest Charge.

All financial data and Financial Information furnished by the Franchise Owner under this Paragraph 6.3 shall be held in strict confidence by Hungry Howie's and shall be used only for the purposes of ensuring compliance with the Agreement and of compiling operating statistics on all or a group of franchisees. Notwithstanding the foregoing, Hungry

Howie's shall have the power to furnish all Financial Information, Financial Statements and other information regarding the Franchise Owner to a prospective transferee of the Franchise Owner or a prospective transferee of any of the Franchise Owner's stockholders, members or partners.

Hungry Howie's may furnish to all franchise owners information regarding all franchise owners including, but not limited to, sales, cost of goods sold and expenses and Hungry Howie's may identify the Franchise Owner by name and/or store number in its disclosure of such information to all other franchise owners.

The Franchise Owner shall pay all legal fees, court costs and related costs incurred by Hungry Howie's to collect any fees due it pursuant to the terms of this Agreement or to enforce any of its rights under the terms of this Agreement, to the full extent allowed by law.

6.4 As security for the payment of royalty fees and other charges becoming due under this Agreement, the Franchise Owner hereby grants Hungry Howie's a security interest in all (i) accounts, documents, instruments, contract rights, general intangibles, chooses in action; (ii) inventory and goods, now owned or hereafter acquired; (iii) all equipment, fixtures, machinery, furniture, furnishings and vehicles, together with all accessions, parts and all substitutions, improvements and replacements thereof and additions thereto now owned or hereafter acquired; and (iv) proceeds of hazard insurance and eminent domain or condemnation awards. The properties and interest in properties described in this Paragraph are sometimes hereinafter individually and collectively referred to as the "Collateral".

The Franchise Owner hereby authorizes Hungry Howie's to file and record such UCC financing statements and related documents (the "Financing Statements"), in such locations, and with such persons and governmental offices as Hungry Howie's deems appropriate, desirable, or necessary to perfect, effectuate, complete, preserve, and/or continue the security interest of Hungry Howie's in the Collateral. The Franchise Owner hereby irrevocably appoints Hungry Howie's, its agents and employees, as its lawful attorney-in-fact and agent with full power, authority and right to execute and file the Financing Statements, upon written notice to the Franchise Owner, in the name and on behalf of the Franchise Owner. Except as specifically provided herein, this Power of Attorney is irrevocable continuing and coupled with an interest.

## 7. OBLIGATIONS OF FRANCHISOR

Hungry Howie's shall assist the Franchise Owner with:

(a) Site selection by suggesting real estate brokers familiar with the geographic area set forth on Attachment A and by furnishing demographic studies regarding such area where such information is reasonably available.

(b) Layout of the Restaurant (see Paragraph 9);

(c) Selection of fixtures and equipment (see Paragraph 9); and

(d) Training (see Paragraph 13).

Hungry Howie's shall periodically meet or consult with the Franchise Owner concerning the operations of the Restaurant. Hungry Howie's shall have no obligation, however, to meet or consult with the Franchise Owner according to any schedule or any specified times, rate or frequency. The Franchise Owner acknowledges that it would be impossible for Hungry Howie's to meet and consult with each of its franchisees an identical number of times or for an identical amount of time, and that the extent of the Franchise Owner's meetings and consultation with Hungry Howie's may be greater or less than other franchisees.

## 8. LEASE OBLIGATIONS AND EMINENT DOMAIN

8.1 The Lease must contain the following provisions:

(a) The Franchise Owner may assign or sublease the Restaurant upon the Landlord's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, the Franchise Owner may assign the Lease or sublease the Restaurant, without the Landlord's consent, to a Hungry Howie's franchisee with the approval of Hungry Howie's and the Franchise Owner shall be released from any further Lease obligations.

(b) The Landlord shall furnish Hungry Howie's with thirty (30) days prior written notice of (i) the cancellation or termination of the Lease; (ii) an assignment/sublease or an attempted assignment/sublease; (iii) any modification, renewal or new lease or (iv) any legal action instituted by the Landlord or the Franchise Owner.

(c) If the Restaurant is located in a shopping center, the Landlord shall not lease any space in the shopping center, or any adjacent or neighboring property that may appear to the general public on account of proximity, architecture, shared parking or other amenities, or otherwise, to constitute a part of the shopping center, to any other person or entity engaged in the business of selling pizza and similar items for either on or off premises consumption or to a head shop or adult novelty store.

(d) Hungry Howie's shall have the right to enter the Restaurant upon expiration or termination of this Agreement to remove signage and other items bearing the Hungry Howie's trademarks, service marks and other commercial symbols.

(e) Hungry Howie's shall be deemed a third party beneficiary of the Lease.

8.2 The term of the Lease, including options to renew at a fixed or determinable rate, must be for a term of not less than ten (10) years.

8.3 Promptly after the Lease has been executed, the Franchise Owner shall furnish Hungry Howie's with an executed copy of the Lease for its records. Entry into a Lease which does not conform to the requirements set forth above or is not otherwise acceptable to Hungry Howie's shall be deemed a default by the Franchise Owner under this Agreement. A default by the Franchise Owner under the Lease for the Restaurant shall be deemed a default under this Agreement.

8.4 If it is not possible to maintain the Restaurant at the location approved by Hungry Howie's, including adequate parking facilities, due either to the actual or threatened appropriation of all or a portion of the Restaurant by eminent domain proceedings, or due to the expiration of the Lease according to its terms after exercise of all options to renew or extend by the Franchise Owner, this Agreement shall terminate. However, in such event, other than the termination of the Lease due to the breach or default of the Franchise Owner, the Franchise Owner shall have the right, for a period of one (1) year following the termination of this Agreement, to establish another Restaurant at another location in the Territory. The new location shall be subject to the approval of Hungry Howie's as set forth in Paragraph 4. The new location of the Restaurant may not, however, violate the exclusive territory clause of any other Hungry Howie's franchisee. If the Franchise Owner reestablishes the Restaurant at a new location as provided above, this Agreement shall be reinstated.

## 9. PHYSICAL PLANT

Hungry Howie's will designate a licensed architect to prepare a floor plan and drawings (collectively the "Drawings") for the Restaurant. The Franchise Owner may suggest a licensed architect to prepare the Drawings for the Restaurant in place of the designated architect (the "Alternate") for approval by Hungry Howie's. Such approval will not be unreasonably withheld. Any request must be in writing, must state the Franchise Owner's name and the name and address of the Alternate. Hungry Howie's will inform the Franchise Owner if the Alternate has been approved within thirty (30) business days after the request. A licensed architect approved by Hungry Howie's must approve the Drawings prepared by the Alternate. The architect designated by Hungry Howie's shall charge an estimated fee of Two Thousand Five Hundred (\$2,500.00) Dollars for review of the Drawings prepared by an Alternate. The fee shall be paid at the time Hungry Howie's approves the Alternate. No fee is paid to Hungry Howie's to secure approval. There is no procedure to revoke approval. However, if an Alternate is approved by Hungry Howie's and subsequently Hungry Howie's determines the Alternate is not performing competently and timely, Hungry Howie's shall notify the Franchise Owner in writing that Franchise Owner must immediately select another licensed architect for approval by Hungry Howie's.

All aspects of the Drawings shall be subject to the approval of Hungry Howie's, which approval shall not be unreasonably withheld. All costs related to the preparation of the floor plan shall be borne by the Franchise Owner. After the floor plan has been approved by Hungry Howie's, the Franchise Owner shall, at its expense, construct and equip the Restaurant. If, upon inspection by Hungry Howie's, the Restaurant does not conform to the plans and specifications previously submitted to Hungry Howie's by the Franchise Owner and more than one inspection is required, the Franchise Owner shall pay a fee of Two Thousand Five Hundred (\$2,500.00) Dollars to Hungry Howie's, plus reimburse Hungry Howie's for out of pocket expenses, for each additional inspection. This fee shall be paid at the time of each additional inspection. If such amounts are not paid when due, the same shall be subject to the Interest Charge. In lieu of an on-site inspection Hungry Howie's may require the Franchise Owner to furnish photos and videos of the Restaurant.

Hungry Howie's shall designate the date on which the Franchise Owner shall open the Restaurant for business.

The Franchise Owner must acquire equipment and fixtures as specified in the Manuals. Specifications in the Manuals may include the manufacturer and model number of any equipment.

The Franchise Owner shall install and erect at the Restaurant such signs, emblems and caricatures as are prescribed by Hungry Howie's from time to time, in accordance with Hungry Howie's specifications, subject to local ordinances. The Franchise Owner shall not display any signs, emblems or caricatures at the Restaurant other than those prescribed or approved by Hungry Howie's. Signs shall be purchased from a vendor designated by Hungry Howie's.

The Franchise Owner shall maintain the Restaurant and all equipment and signs in good repair, sound operating condition and in a clean and attractive appearance according to the standards of cleanliness, neatness and sanitation established by Hungry Howie's. The Franchise Owner shall comply with all applicable state, local and federal laws and regulations.

Except with the prior written consent of Hungry Howie's, the Franchise Owner shall not sell any food products from its Restaurant which are not Hungry Howie's menu items. Franchise Owner shall not share its Restaurant with any other business nor shall the Franchise Owner engage in co-branding without the prior written approval of Hungry Howie's. Only the Hungry Howie's franchised business may be conducted in the Restaurant.

Hungry Howie's may require the Franchise Owner to periodically remodel the Restaurant, but not more frequently than every five (5) years. Hungry Howie's may require the Franchise Owner to periodically deposit amounts sufficient to fund a remodel in escrow with Hungry Howie's.

Hungry Howie's will require the Franchise Owner to purchase and utilize integrated computer equipment and other equipment as may be described in the Manuals, including a point of sale system, which will provide point of sale information, customer data base, files by zip code and perform accounting, marketing, scheduling and inventory functions as specified by Hungry Howie's.

Hungry Howie's may require the Franchise Owner to replace computer equipment, point of sale system and/or software every five (5) years. Hungry Howie's may require the Franchise Owner to periodically deposit amounts sufficient to fund the replacement of computer equipment and/or software in escrow with Hungry Howie's.

Hungry Howie's will have access to all data produced by the computer via high speed internet connection or the fastest data exchanger available within the designated market. Hungry Howie's may also require the Franchise Owner to furnish certain data in hard copy, via an electronic file transfer and on CD or flash drive. The Franchise Owner must acquire hardware, software and technical support as specified in the Manuals. Specifications in the Manuals may include the vendor, manufacturer and model number of any hardware or software. The cost of transmitting data to Hungry Howie's shall be borne by the Franchise Owner.

Hungry Howie's may require the Franchise Owner, at the expense of the Franchise Owner, to maintain a designated email address and to have computer equipment which will allow the Franchise Owner access to the communication system established by Hungry Howie's. The Franchise Owner shall acquire hardware, software and technical support as specified in the Manuals. Specifications in the Manuals may include the vendor, manufacturer and model number of any hardware or software. Hungry Howie's may require the Franchise Owner to replace any of the forgoing on sixty (60) days' notice. The Franchise Owner shall enter into service contracts as described in the Manuals for the maintenance, repairs, upgrades and updates.

Hungry Howie's may require the Franchise Owner to purchase and utilize a video surveillance system which will allow Hungry Howie's, or a third party designated by Hungry Howie's, to monitor activity at the Restaurant from a site selected by Hungry Howie's. Hungry Howie's may designate the manufacturer, model number and other similar requirements for the video surveillance system. Hungry Howie's may also require the Franchise Owner to enter into service contracts as described in the Manuals for the monitoring and maintenance of the video surveillance system. Hungry Howie's may require the Franchise Owner to replace the video surveillance system every five (5) years. Hungry Howie's may require the Franchise Owner to periodically deposit amounts sufficient to fund the replacement of the video surveillance system in escrow with Hungry Howie's.

The Franchise Owner must purchase sign boards from Hungry Howie's or from a source designated by Hungry Howie's.

## 10. OBLIGATIONS OF THE FRANCHISE OWNER

The Franchise Owner acknowledges that in order to realize the maximum benefit to be derived as a Hungry Howie's franchisee, there must be complete uniformity of operation, design and appearance among all Hungry Howie's restaurants. Therefore, the Franchise Owner shall operate the Restaurant as follows:

10.1 Subject to any limits imposed by local laws or ordinances, the Restaurant shall be open for business according to the following schedule:

- (a) Sunday through Thursday, 11:00 a.m. to 12:00 Midnight; and
- (b) Friday and Saturday, 11:00 A.M. to 2:00 A.M. the following day.

Subject to local laws or ordinances, Hungry Howie's may require the Franchise Owner to expand or otherwise modify its hours of operation. Any such expansion of hours shall, to the extent possible, be standard in the System. Hungry Howie's shall notify the Franchise Owner of any change in the hours of operation. Notwithstanding the forgoing, if the Restaurant is located on or adjacent to a college campus, in a central business district or in another area which, in the sole discretion of Hungry Howie's, warrants hours of operation in addition to or other than those set forth above, Hungry Howie's may require the Franchise Owner to expand or otherwise modify its hours of operation. The Restaurant shall be open every day of the year, subject to local law, except days designated as holidays by Hungry Howie's. The Franchise Owner must obtain the prior written consent of Hungry Howie's if it desires to remain open a lesser number of hours and/or days than those which are otherwise uniform in the System.

The Franchise Owner's shall deliver menu items to customers who request delivery during the Franchise Owner's hours of operation.

10.2 Hungry Howie's shall provide the Franchise Owner with a menu for pizza, submarine sandwiches, salads, desserts, beverages and other approved items. All items appearing on the menu must, and no other items may, be offered for sale by the Franchise Owner. Hungry Howie's may periodically revise the menu by adding or deleting menu items. The Franchise Owner shall only sell beverages and postmix products designated by Hungry Howie's and purchased from a vendor designated by Hungry Howie's. (The term beverages shall include postmix products.)

10.3 During the term of this Agreement, the Franchise Owner shall not purchase, utilize, dispense or sell any item or product that does not conform to the standards and specifications prescribed by Hungry Howie's concerning proportions, appearance, quality, coloring, flavoring and other ingredients or characteristics. Hungry Howie's shall prescribe these standards and specifications after this Agreement is signed, and periodically thereafter as the standards and specifications are changed. All food sold by the Franchise Owner shall be fresh and wholesome. The Franchise Owner shall not sell or utilize any food or ingredient purchased at railroad or truck salvage or any other type of salvage or auction.

10.4 The Franchise Owner must purchase all of its ingredients and supplies, whether perishable or non-perishable, including but not limited to its trade secret spices, cheese, meats, vegetables, dough mix, flour, sauce, bags, cups, napkins, pizza boxes, straws and submarine sandwich containers, from a distributor designated by Hungry Howie's for the area in which the Restaurant is located. All ingredients and supplies purchased must be used only at the Restaurant and the Franchise Owner shall not resell, transfer or share its ingredients or supplies with any other party.

The Franchise Owner shall promptly and fully pay Vendors for all purchases made by the Franchise Owner.

10.5 Hungry Howie's shall have the power to exercise rights with respect to the prices at which menu items are to be sold by the Franchise Owner. To the fullest extent permitted by law these rights may include (without limitation) prescribing or recommending the maximum and/or minimum prices at which the Franchise Owner may sell menu items and advertising specific prices for some or all menu items which the Franchise Owner must observe. Hungry Howie's shall also have the power to direct certain marketing, promotional and related campaigns in which the Franchise Owner must participate and which may directly or indirectly impact menu prices (such as "buy one, get one free") and otherwise mandate, directly or indirectly, the maximum and/or minimum prices which the Franchise Owner may charge for menu items. Hungry Howie's may engage in any such activity either periodically or throughout the term of this Agreement. Hungry Howie's may engage in such activities only in certain geographic areas and not others. The Franchise Owner acknowledges that the prices Hungry Howie's prescribes or suggests may or may not optimize the profitability of the Restaurant and the Franchise Owner irrevocably waives any and all claims arising from or related to Hungry Howie's prescription or suggestion of menu prices.



10.6 The Franchise Owner shall use, in the dispensing and sale of products from the Restaurant, only such containers, boxes, cartons, bags, napkins, spoons, forks, flavorings and garnishes as are uniform in the System.

10.7 All employees of the Franchise Owner, while engaged in the operation of the Restaurant, shall wear uniforms conforming in color and design to those standard in the System and approved by Hungry Howie's. The Franchise Owner shall only purchase uniforms from a vendor designated by Hungry Howie's. Such employees shall present a neat and clean appearance and shall render competent, sober and courteous service to the patrons of the Restaurant.

10.8 There shall be used, in the dispensing and sale of products from the Restaurant, only such sign cards, notices, displays and decorations as are uniform in the System and produced using sources from the Hungry Howie's visual asset library.

10.9 No vending, video, pinball or similar machine may be located at a Restaurant unless approved by Hungry Howie's.

10.10 The Franchise Owner shall be responsible for all loss or damage originating or arising in connection with the construction or operation of the Restaurant including all claims for damages to property and for injury and death of persons. The Franchise Owner shall indemnify, defend, and hold harmless Hungry Howie's from any such claims, losses or damages, including exemplary and punitive damages, attorney fees and other costs or expenses incurred by Hungry Howie's except to the extent that such claims, losses or damages result from the intentional or grossly negligent acts of Hungry Howie's or its employees. The Franchise Owner shall inform Hungry Howie's of any claim, lawsuit, action or inquiry that could be the basis for indemnification within three (3) days of actual or constructive knowledge of the same. Hungry Howie's has the right to offer, order, consent or agree to settlements or take any other remedial or corrective actions it considers expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in its sole judgment, there are reasonable grounds to do so. Under no circumstance will Hungry Howie's be required to seek recovery from third parties or otherwise mitigate its losses to maintain a claim against the Franchise Owner. Any failure of Hungry Howie's to pursue recovery from third parties or mitigate loss will in no way reduce the amounts recoverable by Hungry Howie's from the Franchise Owner. The indemnification obligations of this Paragraph will survive the expiration or earlier termination of this Agreement.

10.11 The Franchise Owner shall at all times maintain the following insurance coverage:

(a) Workers' compensation and occupational disease insurance with minimum limits as prescribed by law.

(b) General liability insurance, including products liability coverage, with a limit of not less than One Million (\$1,000,000.00) Dollars per occurrence.

(c) Non-owned and hired automobile liability insurance with the highest attainable limit available in the state in which the Restaurant is located.

(d) Business interruption insurance with minimum amounts and terms as set forth in the Manuals.

(e) If the Franchise Owner, individually or with others, owns more than fifty (50%) percent of five (5) or more franchises, excess liability insurance (umbrella policy) providing coverage of at least Two Million (\$2,000,000.00) Dollars.

(f) And other insurance as may be reasonably required by Hungry Howie's.

Hungry Howie's shall have the power to increase the coverage limit of any policy the Franchise Owner must maintain. Hungry Howie's shall inform the Franchise Owner of such charges through changes in the operations manual or otherwise.

All premiums for such insurance shall be paid by the Franchise Owner. All insurance policies and insurance carriers are subject to the approval of Hungry Howie's. Each insurance policy shall list Hungry Howie's as an additional insured, shall provide for thirty (30) days' notice to Hungry Howie's prior to cancellation of such insurance and shall give Hungry Howie's the right to pay any premium due to avoid cancellation of such insurance. The Franchise Owner shall reimburse Hungry Howie's immediately upon demand for any amount paid by Hungry Howie's on behalf of the Franchise Owner to maintain an insurance policy. Before the commencement of any operations, the Franchise Owner shall furnish Hungry Howie's with certificates of insurance, proof of payment of premiums and copies of insurance policies, which evidence the Franchise Owner's compliance with the requirements of this Paragraph 10.11. Prior to the expiration of any existing policy, the Franchise Owner shall provide proof of the renewal of such policy or the acquisition of a replacement or substitute policy. In addition, the Franchise Owner shall provide proof of insurance within five (5) days of any request by Hungry Howie's. The type of insurance coverage required and the limits relating to such insurance coverage may be changed by Hungry Howie's from time to time in its sole discretion.

Hungry Howie's may require all Franchise Owners to obtain casualty, liability, workers' compensation, non-owned auto and similar insurance from an insurer designated by Hungry Howie's.

Hungry Howie's may impose a fee of Two Hundred Fifty (\$250.00) Dollars (the "Insurance Fee") for each Period until the Franchise Owner has fully complied with the requirements of this Paragraph 10.11. The Insurance Fee shall be due five (5) days after Hungry Howie's issues an invoice to the Franchise Owner for the Insurance Fee.

10.12 The Franchise Owner shall comply with all federal, state, county and city statutes and ordinances, and with all regulations of any governmental body which might directly or indirectly affect the operation of the Restaurant.

10.13 The Franchise Owner will timely pay all taxes assessed by any taxing authority, federal, state or local, against the Restaurant or the personal property used in the operation of the Restaurant.

10.14 The Franchise Owner shall be personally involved in the conduct and operation of the Restaurant. If the Franchise Owner is not an individual, an individual who

owns fifteen (15%) percent or more of the voting common stock, partnership interest or membership interest of the Franchise Owner shall be involved in the conduct and operation of the Restaurant. The individual who will be personally involved (the "Owner Operator") shall be designated by the Franchise Owner at the time this Agreement is signed on **Attachment B**. **Attachment B** shall set forth a contact email address and a contact text message telephone number for the Owner Operator neither of which may be changed without first notifying Hungry Howie's in writing. The Owner Operator shall not be changed without the prior written consent of Hungry Howie's in accordance with this Paragraph 10.14. Any change made without the consent of Hungry Howie's shall be a breach of this Agreement.

Either the Owner Operator or a Manager shall be at the Restaurant when the Restaurant is open for business. The Franchise Owner shall replace any Manager who is not acceptable to Hungry Howie's upon five (5) days' notice from Hungry Howie's.

Hungry Howie's may require the Manager to successfully complete training as specified by Hungry Howie's. The Franchise Owner shall pay the cost of any such training. If a computer is required for training the Franchise Owner, at its cost, shall purchase the computer and software. Hungry Howie's shall have the power to designate the vendor, manufacturer and model number of all hardware and software necessary for the training.

Hungry Howie's may adopt a program by which Managers must be "certified" by Hungry Howie's. The certification program may require successfully completing training, passing tests and a minimum amount of on the job experience. All Managers must be certified after Hungry Howie's establishes the program.

If the Owner Operator will no longer be personally involved in the conduct and operation of the Restaurant, the Franchise Owner shall, within five (5) business days after the earlier of the date the Franchise Owner is notified the personal involvement will end or the date such involvement ends, notify Hungry Howie's in writing.

Within thirty (30) days after the earlier of the date on which the Franchise Owner is notified the Owner Operator will no longer be personally involved in the conduct and operation of the Restaurant or the date on which the Owner Operator is no longer personally involved in the conduct and operation of the Restaurant, the Franchise Owner shall nominate a person to become the Owner Operator. If, within sixty (60) days after the date on which the Owner Operator is no longer personally involved in the conduct and operation of the Restaurant, Hungry Howie's has not approved a replacement Owner Operator, the Franchise shall automatically terminate. Hungry Howie's may, in its sole discretion, defer the termination for up to six (6) months to allow the Franchise Owner to dispose of the Franchise.

If Hungry Howie's approves a replacement Owner Operator, that person must attend and successfully complete the next scheduled training program described in Paragraph 13.

The Franchise Owner, Owner Operator or Manager must be able to adequately communicate (oral and written) with customers, employees, representatives of relevant government agencies and others.

10.15 The Franchise Owner shall notify Hungry Howie's in writing within ten (10) days of the commencement of any action, suit or proceeding or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality that may adversely affect the financial condition of the Franchise Owner or its ability to meet its obligations under this Agreement.

10.16 The Franchise Owner shall conspicuously post at the Restaurant a notice to the effect that the Restaurant is a franchised business owned independently of Hungry Howie's.

10.17 The Franchise Owner shall diligently devote its best efforts to the operation of the Restaurant.

10.18 The telephone number or numbers of the Restaurant shall be listed under the name of "HUNGRY HOWIE'S". The Franchise Owner will provide all funds necessary for any required deposit and the Franchise Owner shall pay all telephone charges when due. At the time this Agreement is signed, the Franchise Owner shall execute an Assignment of Telephone Numbers in a form substantially the same as Attachment E. Hungry Howie's shall have the power to date the Assignment of Telephone Numbers and to insert any missing information required to make the Assignment of Telephone Numbers complete and effective.

10.19 The Franchise Owner, or the Owner Operator, shall attend all meetings of franchisees periodically held by Hungry Howie's. Hungry Howie's shall provide the Franchise Owner with adequate notice of the time, date and location of each franchise meeting. The Franchise Owner shall bear all expenses related to attendance at such meetings, including but not limited to, travel, meals and lodging. The Franchise Owner shall pay Hungry Howie's Two Hundred Fifty (\$250.00) Dollars for each annual meeting which is not attended by the Franchise Owner or the Owner Operator (the "Meeting Fee"). The Franchise Owner shall pay the Meeting Fee within ten (10) days after the meeting which was not attended. The Meeting Fee shall be subject to the Interest Charge if the same is not paid when due.

10.20 Upon request, the Franchise Owner shall furnish Hungry Howie's with all information regarding the Franchise Owner's customer database whether maintained in hard copy or in the computer system of the Franchise Owner.

## 11. REPRESENTATIONS OF THE FRANCHISE OWNER

In connection with its execution and evaluation of this Agreement, the Franchise Owner represents and warrants as follows:

11.1 That, except as provided in the Franchise Disclosure Document provided to the Franchise Owner prior to execution of this Agreement, Hungry Howie's has not, either orally or in writing, represented, estimated or projected any specified level of sales, costs or

profits for this Franchise, nor represented the sales, costs or profit level of any other Hungry Howie's restaurant.

11.2 The Franchise Owner has consulted with or had ample opportunity to consult with professional advisors, including attorneys, accountants, and real estate and other advisors, in connection with the Franchise Owner's decision to enter into this Agreement, and the Franchise Owner, on the basis of such consultation and the information disclosed in the Franchise Disclosure Document relating to this franchise, represents that it is financially and otherwise able to accept the risks associated with this franchised business.

11.3 The Franchise Owner has, or has secured access to, adequate funds, and has otherwise made complete and adequate preparations to open and operate the Restaurant.

11.4 The Franchise Owner has conducted its own independent investigation of Hungry Howie's, the System, the risks, burdens and nature of the business the Franchise Owner will operate under this Agreement.

11.5 The Franchise Owner acknowledges that Hungry Howie's may have entered into franchise agreements with provisions different than those in this Agreement and may enter into franchise agreements in the future with provisions different than those in this Agreement.

11.6 The Franchise Owner acknowledges that the business it will operate under this Agreement involves risk and that any success or failure will be substantially influenced by the ability and efforts of the Franchise Owner, Owner Operator and Managers, the visibility of the Restaurant's location, and the number and strength of competitors.

11.7 The Franchise Owner acknowledges and agrees that it has reviewed and carefully and honestly completed responses to each question in the Pre-Signing Questionnaire attached to this Agreement as **Attachment F**.

## 12. ADVERTISING

12.1 The Franchise Owner shall pay the Ad Charge to Hungry Howie's for the advertising, marketing and public relations programs and materials for the System, as Hungry Howie's may deem appropriate from time to time. The Ad Charge shall be paid at the same time and in the same manner as the royalty fee. If the Ad Charge is not paid by the Payment Date, the Franchise Owner shall pay, in addition to the Ad Charge, the Late Fee. Hungry Howie's reserves the right to establish other methods of calculating and/or collecting advertising funds. If an alternate method is used, on an annual basis Hungry Howie's shall compare such amount collected from the Franchise Owner to three (3%) percent of Gross Sales for such year. If the amount collected is less than three (3%) percent of Gross Sales Hungry Howie's will bill the Franchise Owner for the amount due (the "Ad Charge Deficiency"). The Franchise Owner must pay the Ad Charge Deficiency within ten (10) days after receipt of the invoice. Failure to pay the Ad Charge Deficiency timely will subject the Ad Charge Deficiency to the Late Fee as though the Ad Charge Deficiency were a Royalty Fee. If the total amount collected from the Franchise Owner

exceeds three (3%) percent of Gross Sales Hungry Howie's will refund the excess to the Franchise Owner.

Hungry Howie's may remit the amount collected with respect to the Ad Charge from the Franchise Owner to the Ad Fund which will administer a regional advertising fund. Hungry Howie's retains the power to retain the Ad Charge and other funds in which case Hungry Howie's or its designee will administer the regional advertising program.

12.2 The Franchise Owner must spend an amount equal to five (5%) percent of its Gross Sales, but in no event less than One Thousand Two Hundred (\$1,200.00) Dollars, per each group of four (4) Reporting Periods [based on the 52/53 week year] for local advertising. The Franchise Owner shall maintain for inspection by Hungry Howie's all bills, invoices and canceled checks necessary to document its local advertising expenditures.

All local advertising and marketing materials (including coupons) that the Franchise Owner desires to use shall be either (i) produced utilizing the Hungry Howie's visual asset library or (ii) subject to the prior written approval of Hungry Howie's, which approval shall not be withheld unreasonably. Samples of all local advertising and marketing materials not prepared using the visual asset library or previously approved by Hungry Howie's shall be submitted to Hungry Howie's for approval by certified mail, return receipt requested, prior to each use by the Franchise Owner. If the Franchise Owner does not receive written disapproval from Hungry Howie's regarding any prospective local advertising or marketing materials within ten (10) days from the date Hungry Howie's receives such materials, Hungry Howie's shall be deemed to have approved such materials. Hungry Howie's shall have the right to disapprove the use of any advertising or marketing materials by the Franchise Owner at any time even if Hungry Howie's previously approved the use of such materials. The Franchise Owner shall discontinue the use of such materials immediately after Hungry Howie's requests such action in writing. If the Franchise Owner is using advertising and marketing materials not approved by Hungry Howie's, the Franchise Owner shall immediately discontinue use of the same upon notice from Hungry Howie's. The Franchise Owner shall include the following language in all advertising: "Stores are independently owned and operated".

12.3 Hungry Howie's may institute a national advertising program. In such event, the Franchise Owner shall contribute to the fund an amount equal to one (1%) percent of its Gross Sales. The Franchise Owner shall pay such amount to Hungry Howie's at the same time and in the same manner that it pays royalty fees due under Paragraph 6.2. Hungry Howie's shall devote all funds contributed to the national advertising program to the costs of national advertising or the production of advertising materials for the benefit of all franchise owners.

12.4 The Franchise Owner must spend a minimum of Fifteen Thousand (\$15,000.00) Dollars on grand opening marketing at the time the Restaurant opens for business and for initial marketing during the early stages of business operations. Hungry Howie's may require the Franchise Owner to deposit such amount in escrow with Hungry Howie's on the date the Restaurant location is submitted to Hungry Howie's for its consent.

If the Restaurant (i) relocates or (ii) closes for any reason and re-opens, the Franchise Owner must spend a minimum of Five Thousand (\$5,000.00) Dollars on re-grand opening marketing at the time the Restaurant relocates or re-opens and for initial marketing after relocation or re-opening. Hungry Howie's may require the Franchise Owner to deposit such amount in escrow with Hungry Howie's on the date the Restaurant relocation is approved by Hungry Howie's or when a reopening date is submitted to Hungry Howie's for its consent.

At the discretion of Hungry Howie's, any escrowed funds will be applied to the Restaurant's grand opening marketing and initial marketing. Hungry Howie's will use the escrowed funds to pay invoices which are provided by the Franchise Owner to Hungry Howie's and/or Hungry Howie's will reimburse the Franchise Owner upon presentation of paid receipts for initial marketing, at Hungry Howie's discretion, which shall not be unreasonably withheld.

12.5 The Manuals will establish rules and guidelines for use by the Franchise Owner of any social media in connection with the Restaurant and the System. Such rules and guidelines may be changed from time to time. The Franchise Owner shall not allow its customers to view the Franchise Owner's web pages unless the Franchise Owner has received advance written approval from Hungry Howie's. Hungry Howie's will be and at all times remains the sole owner of the copyrights for all materials which appear on the Franchise Owner's web pages.

### 13. TRAINING

Prior to the opening of the Restaurant, Hungry Howie's will provide, and the Franchise Owner must successfully complete, an initial training program consisting of approximately one (1) week of classroom and three (3) weeks of on-the-job training at an operating Hungry Howie's Restaurant selected by Hungry Howie's. The Franchise Owner will not be compensated for this time. If the Franchise Owner is not an individual, the training will be provided to the Owner Operator. All expenses related to participation in the training program, including travel, meals and lodging, shall be borne by the Franchise Owner.

If the Franchise Owner desires to receive additional or refresher training at any time after the initial training program, or desires to have one or more of its other employees trained, Hungry Howie's shall provide training under a format, and at a time and location subject solely to the discretion of Hungry Howie's. Hungry Howie's may periodically conduct additional seminars or training programs and may require the attendance of the Franchise Owner or the Owner Operator. Hungry Howie's shall provide the Franchise Owner with reasonable prior notice of all seminars and training programs at which attendance is mandatory. The Franchise Owner shall bear all costs associated with any such seminars or training programs, including all out-of-pocket costs incurred by Hungry Howie's in conducting any such seminar or training program and all expenses of the Franchise Owner or its employees in attending such seminar or program, including travel, meals and lodging. The Franchise Owner shall pay Hungry Howie's Two Hundred Fifty (\$250.00) Dollars for each such seminar or training program which the Franchise Owner or Owner Operator fails to attend (the "Seminar Absence Fee"). The Franchise Owner shall pay the Seminar Absence Fee within ten (10) days after the seminar or program the

Franchise Owner or Owner Operator failed to attend. The Seminar Absence Fee shall be subject to the Interest Charge if the same is not paid when due. Hungry Howie's shall have the power to utilize EFT to collect the Seminar Absence Fee and the Interest Charge.

In addition to these training programs, Hungry Howie's shall periodically advise the Franchise Owner of any new operational techniques and product developments.

#### 14. INSPECTION

To ensure compliance with the terms and conditions of this Agreement and to verify compliance with the System and standards and policies of Hungry Howie's, Hungry Howie's representatives may, at any reasonable time, inspect the Restaurant and test the Franchise Owner's equipment, products, supplies, methods of production and merchandising, and may confer with the employees and customers of the Franchise Owner.

#### 15. SERVICE MARKS AND TRADEMARKS

15.1 The Franchise Owner acknowledges that the names "HUNGRY HOWIE'S" and "HUNGRY HOWIE'S PIZZA" as well as the following commercial symbols:



are Marks owned exclusively by Hungry Howie's. Hungry Howie's and its licensees have the right to use the Marks. The Franchise Owner shall use the Marks only in the manner and to the extent specifically permitted by this Agreement. Franchise Owner does not acquire any ownership interest in the Marks as a result of this Agreement, as a result of its use of the Marks, or otherwise.

15.2 The Franchise Owner understands and agrees that its right to use the Marks is non-exclusive and that Hungry Howie's, in its sole discretion, has the right to grant similar rights to others under such terms and conditions as Hungry Howie's deems fit, and to operate restaurants itself under the Marks, subject to the provisions of this Agreement.

15.3 The Franchise Owner expressly covenants that during and after the term of this Agreement the Franchise Owner shall not directly or indirectly contest or aid in contesting the validity or ownership of the Marks.

15.4 The Franchise Owner shall promptly notify Hungry Howie's of any claim, demand or suit against it, based upon or arising from the use or attempted use of any of the Marks and or any variation of the Marks by any other person or entity.

15.5 Hungry Howie's agrees to cooperate with the Franchise Owner to protect it against the infringement of the Marks. Hungry Howie's shall defend the Franchise Owner



against any claim, demand or suit against the Franchise Owner concerning the Marks. However, Hungry Howie's shall have the exclusive right and sole discretion regarding actions to be taken to protect against infringement of the Marks, including but not limited to decisions whether to defend against or prosecute any lawsuits.

15.6 In no event shall the Franchise Owner use, cause to be used or attempt to use the words "HUNGRY HOWIE'S", "HUNGRY", "HOWIE'S", or the initials "H.H.", as part of or its business name, as an assumed name or as part of a domain name, homepage, electronic address or otherwise in connection with a website, without the express written authority of Hungry Howie's. The Franchise Owner may file an assumed name certificate in the state in which it does business that identifies the entity by store number.

15.7 The Franchise Owner shall not purchase or acquire any property or incur any obligation or indebtedness under the name of "HUNGRY HOWIE'S" or any name other than Franchise Owner's personal or approved business name.

## 16. COVENANTS

16.1 The Franchise Owner shall not, without the prior written consent of Hungry Howie's, directly or indirectly:

(a) During the term of this Agreement, (i) engage in any activity in competition with the System, including but not limited to involvement, whether as an owner, officer, director, employee, lender or otherwise, of any business engaged in the sale of pizza, other than at the Restaurant, or (ii) employ any person or furnish or permit access to Hungry Howie's proprietary information to any person who is engaged or has arranged to become engaged in any activity in competition with the System, including but not limited to involvement, either as an owner, officer, director, employee, lender or otherwise, of any business engaged in the sale of pizza other than at the Restaurant;

(b) For a period of five (5) years following the expiration, termination or transfer of this Agreement, regardless of the cause of such expiration, termination or transfer, engage in the sale of pizza within five (5) miles of (i) the Restaurant, or (ii) any Hungry Howie's restaurant;

(c) During the term of this Agreement and for a period of one (1) year after its expiration, termination or transfer, regardless of the cause of such expiration, termination or transfer, divert or attempt to divert any business or customer from any Hungry Howie's restaurant; and

(d) During the term of this Agreement and for a period of one (1) year after its expiration, termination or transfer, regardless of the cause of such expiration, termination or transfer, employ or seek to employ any person who within the immediately preceding year was employed by Hungry Howie's, any company affiliated with Hungry Howie's, or any Hungry Howie's restaurant other than one licensed to the Franchise Owner.

Each Owner shall be bound by this Paragraph 16.1 and shall sign the Guaranty.

If any court determines that this agreement not to compete is unenforceable because it is too broad, the scope of this agreement not to compete shall be deemed to be automatically restricted to the extent necessary to be considered enforceable by such court.

16.2 The Franchise Owner shall not cancel, terminate or assign the lease governing its occupation of the Restaurant or sublet the Restaurant or attempt to take any such action, without providing Hungry Howie's written notice of its intended action at least thirty (30) days prior to taking or attempting such action.

16.3 The Franchise Owner shall provide written notice to Hungry Howie's within fifteen (15) days after it exercises any option to extend its lease for the Restaurant or becomes a party to any action, either as a defendant or a plaintiff, which in any way relates to the Restaurant or the Franchise Owner's lease for the Restaurant.

## 17. TRANSFER OF FRANCHISE

17.1 Hungry Howie's shall have a right of first refusal (the "Option") to acquire all of the following assets upon the terms and conditions set forth below:

(a) From the Franchise Owner: the Franchise, the Restaurant, the Franchise Owner's interest in or rights to the premises occupied by the Restaurant, and any or all of the equipment, fixtures and/or inventory used in connection with or located at the Restaurant (the "Option Assets"), and

(b) From an Owner: the stock, partnership or membership interest of such Owner (the "Ownership Interest").

If the Franchise Owner or any Owner(s) (the "Seller") desires to sell or transfer substantially all of the Option Assets or all of the Ownership Interest to a third party, the Seller shall first obtain from the third party a written offer (the "Offer") setting forth all material terms and conditions of the proposed sale or transfer. The Seller shall forward a copy of the Offer to Hungry Howie's. In addition, the Franchise Owner shall forward to Hungry Howie's whatever information pertinent to the business and operations of the Restaurant that Hungry Howie's requests, including but not limited to a financial statement as of the end of the Franchise Owner's most recent fiscal year, in order to enable Hungry Howie's to evaluate the Offer. Hungry Howie's shall request such information within ten (10) days following its receipt of the Offer. The Franchise Owner and the Seller shall warrant the accuracy of all such information concerning the business and operation of the Restaurant.

Hungry Howie's shall then have the Option to purchase the Option Assets or Ownership Interest listed in the Offer, upon the terms and conditions contained in the Offer. In order to accept the Offer, Hungry Howie's must notify the Seller in writing of its exercise of the Option within forty-five (45) days following the receipt by Hungry Howie's of a copy of the Offer together with all requested financial information.

If Hungry Howie's does not exercise its option, and Hungry Howie's does not prohibit the transfer under Paragraph 17.2 or any other provision of this Agreement, the Seller may accept the Offer and consummate the sale or transfer to the third party upon the same terms and conditions as set forth in the Offer. However, any such sale or transfer

must be consummated within sixty (60) days after the expiration of Hungry Howie's forty-five (45) day option period. If such sale or transfer to the third party is not consummated within such sixty (60) day period, the sale or transfer of the Option Assets or Ownership Interest, as the case may be, shall again become subject to Hungry Howie's right of first refusal as set forth in this Paragraph. The consummation of the sale or transfer to the third party shall include the execution of appropriate assignment forms containing terms satisfactory to Hungry Howie's. At the option of Hungry Howie's the proposed transferee shall be required to execute the New Agreement.

Following the sale or transfer of the Franchise to a third party, the third party shall succeed to all of the Franchise Owner's rights, obligations and liabilities under this Agreement, and the Franchise Owner shall be released from further liability under this Agreement. The purchaser or transferee, or if not a person, the stockholders, member or partners of such purchaser or transferee, of any Option Assets or Ownership Interest must execute the Guaranty. The New Agreement shall not extend the term of the Franchise Agreement which is assigned and shall expire on the same date as the Franchise Agreement assigned to the proposed transferee.

17.2 In addition to the right of first refusal described in Paragraph 17.1, a transfer of any Option Assets or Ownership Interest, whether to an existing Franchise Owner, Owner or third party, shall be subject to the following conditions.

(a) The proposed transferee must meet Hungry Howie's then current qualifications or standards, including but not limited to the following:

(i) The proposed transferee must have sufficient financial resources to operate a Hungry Howie's restaurant.

(ii) The proposed transferee must have a satisfactory credit rating and business reputation, sufficient business experience and proper moral integrity to successfully operate a Hungry Howie's restaurant.

(b) The proposed transferee must execute appropriate transfer or assignment forms containing terms and conditions satisfactory to Hungry Howie's. Such assignment forms may include a New Agreement.

(c) The proposed transferee must not be a competitor of Hungry Howie's or of any Hungry Howie's restaurant.

(d) The Seller or the proposed transferee must pay all amounts due Hungry Howie's and distributors, suppliers and vendors through the date of transfer, and cure any other default under this Agreement existing at the time of the proposed transfer.

(e) The Seller or the proposed transferee must pay all federal, state and local income, service, sales, payroll or other taxes due as a result of the Restaurant's operations.

(f) The Seller must execute a release of all claims and causes of action that it has or may have against Hungry Howie's on a form containing terms and conditions satisfactory to Hungry Howie's.

(g) If the transfer of Option Assets or Ownership Interest involves installment payments by the proposed transferee to the Seller, the Seller must execute a subordination agreement under which the Seller subordinates its right to receive any installment from the proposed transferee to Hungry Howie's right to receive any and all amounts due it from Franchise Owner under this Agreement through the due date of such installment. The subordination agreement shall be in a format and shall contain such additional terms and conditions as are satisfactory to Hungry Howie's.

(h) If the Seller transfers Option Assets or Ownership Interest to a transferee the Seller must pay Hungry Howie's, in addition to any other amounts that the Franchise Owner owes to Hungry Howie's, a transfer fee to cover the legal and other expenses of Hungry Howie's in connection with such transfer (the "Transfer Fee"). The amount of the Transfer Fee will vary depending on the transferee. Specifically: (i) If the transferee is not an existing Hungry Howie's Franchise Owner, \$7,500; (ii) If the transferee is an Owner of another Hungry Howie's Franchisee Owner but owns less than a fifty (50%) Ownership Interest in such Franchisee Owner, \$7,500; (iii) If the transferee is an existing Franchise Owner, \$3,000; (iv) If the transferee owns at least a fifty (50%) percent Ownership Interest in an existing Franchise Owner, \$3,000; (v) If the transfer is of an Ownership Interest to an Owner of the same Franchise Owner, \$1,000.

(i) The proposed transferee or the Owner Operator shall successfully complete the training program described in Paragraph 13.

(j) The proposed transferee shall agree to update the Restaurant and all equipment to Hungry Howie's then current standards. The proposed transferee shall place money in escrow sufficient for such update if required by Hungry Howie's. Any existing escrows shall be assigned from the Franchise Owner to the proposed transferee.

(k) The proposed transferee must spend a minimum of Five Thousand (\$5,000.00) Dollars for re-grand opening marketing and initial marketing at the time of the transfer. Hungry Howie's may require the proposed transferee to deposit such amount in escrow with Hungry Howie's at the time of the transfer.

(l) If there is a transfer of Ownership Interest in the Franchise Owner of more than fifty (50%) percent in either a single transaction or series of transactions where the cumulative transfers are more than fifty (50%) percent, regardless of the period of time during which the transfers occur, the Franchise Owner shall pay a Three Thousand (\$3,000) Dollar Transfer Fee and shall execute the New Agreement.

Neither the Franchise Owner nor an Owner shall have the power to transfer Option Assets or an Ownership Interest unless the Restaurant is conducting business in compliance with this Agreement.

Hungry Howie's shall not unreasonably refuse to approve a proposed transferee.

The transferee of any Ownership Interest must meet the requirements of subparagraphs (a), (c) and (i) above.

No transfer of the Option Assets or an Ownership Interest shall be effective without the prior written consent of Hungry Howie's.

17.3 If the Franchise Owner is an individual, after the execution of this Agreement, the Franchise Owner may sell, assign or transfer his or her rights under this Agreement to a corporation of which the Franchise Owner is the sole stockholder, a director and chief operating officer. In the event of any such sale, transfer or assignment, the assignee shall become liable for the performance of all the obligations of this Agreement. Pursuant to Paragraph 19, the Franchise Owner shall personally guaranty the performance of all such obligations. The Franchise Owner shall be designated on **Attachment B** as the Owner Operator and shall be personally involved in the operation of the Restaurant as provided in Paragraph 10.14. A transfer pursuant to this Paragraph shall require the payment of a One Thousand (\$1,000.00) Dollar transfer fee by the Franchise Owner.

17.4 In the event of death, disability or permanent incapacity of the Franchise Owner, who is an individual, such individual or his personal representative shall have one (1) year in which to dispose of the Franchise, subject to the terms and conditions of this Agreement. If the Franchise is not disposed of within one (1) year of the death, disability or permanent incapacity of the Franchise Owner the Franchise shall automatically terminate. Subject to the provisions of Paragraph 17.2, the Franchise may be transferred to the spouse or heirs of the deceased, disabled or permanently incapacitated individual.

17.5 In the event the Franchise Owner attempts to transfer the Franchise in violation of Paragraph 17, the Franchise Owner shall pay to Hungry Howie's an unauthorized transfer fee of Twenty Five Thousand (\$25,000.00) Dollars. The payment of the amount due pursuant to this paragraph shall not limit in any way the rights of Hungry Howie's under this Agreement.

17.6 Without the prior written consent of Hungry Howie's the Franchise Owner shall not (i) issue any stock, (ii) permit the conversion of stock to another class of stock, (iii) allow any person to become a partner or member or to increase his membership or partnership interest in the Franchise Owner, or (iv) convert a membership interest or partnership interest to another class of membership or partnership interest.

17.7 Within five (5) business days of written request by Hungry Howie's the Franchise Owner shall furnish Hungry Howie's with an affidavit under penalties of perjury that sets forth (i) the name of each Owner, (ii) the number of shares and class of shares owned by each Owner if the Franchise Owner is a corporation, (iii) the percentage of ownership and class of interest if the Franchise Owner is a limited liability company or partnership, (iv) the officers and directors of the Franchise Owner if the same is a corporation and (v) such other information necessary to identify ownership and control of the Franchise Owner. If the Franchise Owner is a corporation, partnership or limited liability company the affidavit shall be accompanied by a certificate of good standing.

## 18. DEFAULT AND TERMINATION

18.1 The Franchise Owner shall be in default under this Agreement upon the occurrence of any of the following:

(a) Any breach of any of the terms of this Agreement by the Franchise Owner or any guarantor;

(b) The Franchise Owner makes a material misrepresentation in connection with its acquisition of the Franchise;

(c) The Franchise Owner or any guarantor engages in conduct which reflects materially and unfavorably upon the operation or reputation of the System;

(d) The Franchise Owner is convicted of, or pleads guilty to, a felony or other criminal misconduct relevant to the operation of the Franchise;

(e) The Franchise Owner engages in conduct that Hungry Howie's reasonably determines to constitute an imminent danger to public health or safety;

(f) The dissolution, merger or reorganization of the Franchise Owner;

(g) The insolvency of the Franchise Owner, the commencement of any proceedings under any federal bankruptcy or state insolvency law, the assignment of assets for the benefit of creditors, or the appointment of a receiver, trustee or similar person to oversee the business or affairs of the Franchise Owner or any of its assets;

(h) The entry of any judgment against the Franchise Owner, or any judgment which affects any of the assets of the Franchise Owner or the operation of the Restaurant, that is not satisfied or indemnified against to the satisfaction of Hungry Howie's within ten (10) days of its entry; or

(i) Any default by the Franchise Owner, Owner, or any other Hungry Howie's franchise owner or owner under the common control of the Franchise Owner or Owner under any franchise agreement, multiple unit agreement or other agreement with Hungry Howie's which is not cured within any applicable cure period.

For purposes of this Paragraph 18.1, the conduct of an Owner shall be deemed to be the conduct of the Franchise Owner.

18.2 Hungry Howie's may terminate this Agreement immediately upon written notice to the Franchise Owner, without an opportunity to cure, following any of the following defaults, by the Franchise Owner:

(a) Except in the event of a Casualty, the abandonment of the Restaurant by the Franchise Owner, which shall be deemed to have occurred if the Franchise Owner fails to operate the Restaurant on any day during which it is required to operate the Restaurant under the terms of this Agreement. If there is a Casualty such that the Franchise Owner cannot conduct business, the Franchise Owner shall, within five (5) business days, notify Hungry Howie's of such Casualty. Within three (3) months after the Casualty the Franchise Owner shall elect in writing to either (i) terminate this Agreement or (ii) rebuild the Restaurant. If the Franchise Owner elects to rebuild the Restaurant and the Restaurant is not open for business within nine (9) months after the Casualty, this Agreement shall terminate. If the Franchise Owner does not elect to either terminate or rebuild as provided in the preceding sentence this Agreement shall terminate three (3)

months after the Casualty. Upon termination the Franchise Owner shall be subject to all of the provisions in this Agreement including those contained in Paragraph 18.5.

(b) Any default under Subparagraph 18.1 (b), (c), (d), (e), (f) or (g).

(c) The Franchise Owner, after curing any default during the prescribed cure period under Paragraph 18.3, again defaults in the same manner, without regard to whether the subsequent default is cured following notice by Hungry Howie's.

(d) The Franchise Owner defaults under this Agreement three (3) times, without regard to whether the Franchise Owner's conduct constitutes the same type of default or whether the default is corrected after notice by Hungry Howie's.

(e) The failure to pay royalty fees or any other amounts due Hungry Howie's.

(f) The failure to furnish Financial Statements and/or Financial Information required by Paragraph 6.3.

(g) Any violation of Paragraph 16.1.

(h) The failure to maintain insurance required by Paragraph 10.11.

(i) The unauthorized transfer or assignment of any of the Option Assets or Ownership Interests (as defined in Paragraph 17.1).

18.3 Hungry Howie's may terminate this Agreement at any time if the Franchise Owner defaults in any manner listed in this Paragraph 18.3 and, following written notice of such default from Hungry Howie's, fails to cure such default within the following period of time, whichever applies:

(a) Five (5) days for any of the following defaults:

(i) The unauthorized use of the Marks;

(ii) The operation of the Restaurant under any name other than "Hungry Howie's" or "Hungry Howie's Pizza;"

(iii) The use of food products or other supplies that do not meet the standards and specifications of Hungry Howie's, or that were purchased from a supplier that was not approved by Hungry Howie's; or

(iv) The unauthorized use or disclosure of confidential or proprietary information.

(b) Ten (10) days in all other cases. However, notwithstanding the foregoing provisions of this Paragraph 18.3, if a default is curable but cannot be cured within the period of time specified above, Hungry Howie's may not terminate this Agreement if the Franchise Owner begins to cure such default within such period of time

and continues thereafter to take such remedial action as is necessary to cure the default at the earliest feasible date.

18.4 The termination of this Agreement by Hungry Howie's shall not, in any way, limit its right to recover damages or obtain any other legal or equitable relief.

18.5 Upon the termination or expiration of this Agreement:

(a) The Franchise shall terminate and the Franchise Owner shall immediately cease to be a licensee of Hungry Howie's.

(b) The Franchise Owner shall promptly pay all sums owed to Hungry Howie's.

(c) All property of Hungry Howie's in the possession of the Franchise Owner must be promptly returned to Hungry Howie's, including but not limited to the Manuals.

(d) The Franchise Owner must cease using the Marks and any variations thereof by which the public could be confused, deceived or misled.

(e) The Franchise Owner shall immediately cease using the telephone or facsimile number or numbers identified with or assigned to the Restaurant and shall assign such telephone or facsimile numbers to Hungry Howie's. Hungry Howie's shall have the power to use the Assignment of Telephone Numbers (Attachments E) for all purposes.

(f) Hungry Howie's or its agents may enter the Restaurant and remove or permanently cover all signs or advertising identifiable in any way with the Hungry Howie's image or System.

(g) In the case of the termination of this Agreement following the default of the Franchise Owner, Hungry Howie's shall have the option to acquire any or all of the following assets upon the terms and conditions of this Paragraph: the Franchise Owner's interest in or rights to the Restaurant premises or any or all of the Franchise Owner's assets used in the operation of the Restaurant.

The purchase price for the equipment of the Franchise Owner shall be its fair market value, assuming use in a fast food pizza business similar to the business conducted prior to the termination of this Agreement. There shall be no allowance for goodwill or other similar intangible asset. If the Franchise Owner's interest in the Restaurant premises is a leasehold interest, the consideration for the assignment of the lease shall be limited to the assumption by Hungry Howie's of the Franchise Owner's obligations under the lease with respect to the period of time commencing on the date of the lease assignment.

If Hungry Howie's desires to exercise this option, it shall notify the Franchise Owner in writing of its intent to exercise this option within forty-five (45) days following the termination of this Agreement. In such notice, Hungry Howie's shall set forth its estimate of the fair market value of the assets that it desires to purchase. If the Franchise Owner and Hungry Howie's cannot agree upon the fair market value of the



assets that Hungry Howie's desires to purchase, either Hungry Howie's or the Franchise Owner may request the American Arbitration Association to select a sole arbitrator, who in turn shall appoint an independent appraiser to determine the fair market value of such assets. This determination shall be binding upon the parties, except that Hungry Howie's shall have ten (10) days to decline to purchase such assets for the value determined by the appraiser, by written notice to the Franchise Owner. This manner of determining the fair market value of such assets shall be determined without regard to the Franchise Owner's desire to continue to operate the Restaurant or occupy the Restaurant premises. Hungry Howie's and the Franchise Owner shall each bear fifty (50%) percent of the cost of such arbitration.

In connection with the purchase of any assets pursuant to this Paragraph 18.5, Hungry Howie's may audit the books and records of the Franchise Owner concerning the Restaurant, and solicit all known creditors and suppliers to determine the balance due and owing to them, if any, from the Franchise Owner. Hungry Howie's may then advise the Franchise Owner as to any amounts due and owing to creditors and suppliers. If it is determined that there are such creditors, the Franchise Owner shall promptly furnish adequate evidence that such creditors have been paid in full. If any such amounts remain unpaid, Hungry Howie's may pay the amounts due such creditors and deduct such amounts from the purchase price for the assets otherwise due the Franchise Owner under this Paragraph. The balance of the purchase price, if any, shall be paid to the Franchise Owner at the closing. The closing shall take place within ten (10) days following the agreement of Hungry Howie's and the Franchise Owner regarding the fair market value of the assets to be purchased, or, if the fair market value of the assets is determined by an independent appraiser, within ten (10) days following the expiration of the ten (10) day period during which Hungry Howie's may decline to purchase the assets at the appraised value.

(h) In the event of the termination of this Agreement following the Franchise Owner's default, the Franchise Owner shall be liable to Hungry Howie's for damages suffered by Hungry Howie's. The parties acknowledge that the amount of the actual damages suffered by Hungry Howie's includes Royalty Fees due under Paragraph 6.2 during the remaining term of this Agreement, which may be difficult or impossible to measure. Therefore, the parties agree that, as to future royalty fees due under Paragraph 6.2 of this Agreement but not for any other damages suffered by Hungry Howie's, the Franchise Owner shall pay to Hungry Howie's, within ninety (90) days after termination, an amount equal to the Minimum Royalty, as set forth in Paragraph 6.2, for each Reporting Period for the remainder of the term of this Agreement.

If any court or arbitration tribunal interprets the payment required under this Subparagraph as liquidated damages and determines the same to be invalid or unenforceable, because it is found to be either a penalty or not a reasonable estimate of actual damages, the amount of such payment shall be automatically amended to the extent necessary to be found to be valid and enforceable by such court or arbitration tribunal.

The list of consequences of termination of this Agreement set forth in this Paragraph 18.5 is not intended to limit, exclude or act as a waiver of any other rights or remedies available to Hungry Howie's, including the recovery of damages or equitable relief.

## 19. GUARANTY

If the Franchise Owner is not an individual, each Owner must execute the Guaranty at the time this Agreement is signed. If the Franchise is assigned to a corporation, partnership or limited liability company, the individuals having an Ownership Interest in the assignee must execute the Guaranty at the time of the assignment. Any individual who acquires an Ownership Interest in the Franchise Owner after this Agreement is signed must execute the Guaranty at the time he acquires such Ownership Interest. Only Hungry Howie's may release any individual from his obligations under the Guaranty.

## 20. CHANGE IN LAW

Hungry Howie's retains the right to modify this Agreement to the extent changes in federal or applicable state law cause the provisions of this Agreement to become inappropriate. In addition, as provided in Paragraph 2.2, the standards and policies periodically established or revised by Hungry Howie's, as set forth in the Manuals or otherwise, shall be binding upon the Franchise Owner and shall be considered part of this Agreement.

## 21. ENFORCEMENT OF AGREEMENT BY PARTIES

The provisions of this Agreement may be enforced by either party, by actions at law or in equity, or by any other judicial remedy which may be available.

If any suit or action is instituted by Hungry Howie's for the recovery of royalties or any other amount due under this Agreement, or because of the breach of any other covenant herein contained on the part of the Franchise Owner to be kept or performed, the Franchise Owner shall pay to Hungry Howie's all expenses incurred by Hungry Howie's, including actual attorneys' fees and court costs.

All rights and remedies of Hungry Howie's hereunder shall be cumulative and none shall be exclusive of any other rights allowed by law.

## 22. BENEFIT

This Agreement shall inure to the benefit of the successors and assigns of Hungry Howie's. The Franchise may not be transferred or assigned by the Franchise Owner in whole or in part, except as specifically permitted in this Agreement. All or part of Hungry Howie's rights under this Agreement are fully assignable. This Agreement shall not confer any rights upon any party other than the Franchise Owner and Hungry Howie's.

## 23. NOTICE

Any notice required or permitted under this Agreement to be given to the Franchise Owner and/or the Guarantors shall be written and shall be either delivered personally or mailed via registered or certified mail, to the person and at the address designated on **Attachment B**. The person and address on **Attachment B** may be changed by written notice to Hungry Howie's, signed by the Franchise Owner. All Franchise Owners, if there are more than one, and all Guarantors agree that notice as provided in this Paragraph 23 shall be deemed notice to each of them and Hungry Howie's shall have no obligation to

send notice to any person or to any address other than those set forth on **Attachment B**. Any notice required or permitted under this Agreement to be given to Hungry Howie's shall be written and shall be either delivered personally or mailed via registered or certified mail, to its registered address in the state of Michigan.

#### 24. WAIVER

Disinclination of Hungry Howie's to take any action in response to any default of the Franchise Owner in the performance of any of the terms, covenants and conditions of this Agreement shall not constitute a waiver of right of Hungry Howie's to insist upon the full performance of all such terms, covenants and conditions, and a waiver by Hungry Howie's of a breach or series of breaches of this Agreement by the Franchise Owner shall not constitute a waiver of any subsequent breach.

#### 25. CONSTRUCTION

This Agreement shall be deemed to have been entered into in the state of Michigan and shall be construed according to the laws of the state of Michigan. Any reference in this Agreement to the neuter or masculine gender shall be construed to refer to any or all of the neuter, masculine and feminine genders, and any references to the singular shall also be construed to refer to the plural, where appropriate under the context.

#### 26. PLACE OF SUIT

The Franchise Owner irrevocably and unconditionally (i) agrees that it will only bring any action or proceeding against Hungry Howie's arising out of or relating in any way to the terms of this Agreement, or any party's rights under this Agreement, in the courts of Michigan and not in any other state or federal court in the United States of America or any court in any other country, (ii) consents to the exclusive jurisdiction and venue of such courts for the purpose of any action or proceeding arising out of or relating in any way to this Agreement, including without limitation actions challenging the legal validity or enforceability thereof; and (iii) waives and agrees not to plead or to make any claim that the Michigan courts lack personal jurisdiction over him, her or it or that any such action or proceeding brought in any Michigan court has been brought in an improper or otherwise inconvenient forum.

#### 27. WAIVER OF JURY TRIAL

HUNGRY HOWIE'S AND THE FRANCHISE OWNER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT.

#### 28. STATUTE OF LIMITATIONS

Except for payments owed by the Franchise Owner to Hungry Howie's and unless prohibited by applicable law, any and all claims and actions arising out of or relating to this

Agreement shall be commenced within one (1) year from the discovery of facts giving rise to any such claim or action, or such claim or action shall be barred.

### 29. CLASS ACTION SUITS

The Franchise Owner waives, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suit relating to any dispute, controversy or claim arising out of or related to this Agreement or arising out of any breach or alleged breach of this Agreement.

### 30. INVALIDITY

If any portion of this Agreement is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Agreement shall not be affected, and such remaining portions shall remain in full force and effect as if this Agreement had been executed without the invalid portion.

### 31. RELATIONSHIP OF THE PARTIES

The Franchise Owner is and shall be an independent contractor. No employee of the Franchise Owner shall be deemed to be an employee of Hungry Howie's. Nothing in this Agreement shall be construed so as to create a partnership, joint venture or agency relationship between the Franchise Owner and Hungry Howie's. The Franchise Owner shall not obligate Hungry Howie's for any expenses, liabilities or other obligations. Only the Franchise Owner has and shall exercise day-to-day control over all operations of the Restaurant. The Franchise Owner acknowledges that Hungry Howie's does not have day-to-day control over the operation of the Restaurant.

### 32. ENTIRE AGREEMENT

This Agreement and the Manuals contain all of the covenants and agreements of the parties with respect to this subject matter, and supersede any and all prior or contemporaneous agreements, whether oral, written, express or implied, between the parties with respect to this subject matter. Nothing in this Agreement or any related agreement is intended to disclaim the representations of Hungry Howie's in the Franchise Disclosure Document. The attached Addendum is hereby incorporated in and made a part of this Agreement.

### 33. SURVIVAL

The continuing obligations of the Franchise Owner and Owners shall survive the termination of this Agreement.

### 34. ANTI-TERRORISM LAWS

THE FRANCHISE OWNER, THE OWNERS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS AND AGENTS, CERTIFY, REPRESENT AND WARRANT TO HUNGRY HOWIE'S THAT NEITHER THEY, NOR ANY OF THEIR PROPERTIES OR INTERESTS ARE SUBJECT TO BEING BLOCKED UNDER, HAVE NOT VIOLATED ANY AND AGREE TO NOT VIOLATE ANY ANTI-TERRORISM LAWS. "ANTI-TERRORISM

LAWS" MEANS THE USA PATRIOT ACT, U.S. EXECUTIVE ORDER 13255, OR ANY AND ALL OTHER PRESENT AND FUTURE FEDERAL, STATE AND LOCAL LAWS, ORDINANCES, REGULATIONS, POLICIES, LISTS AND OTHER GOVERNMENTAL REQUIREMENTS IN ANY WAY RELATING TO TERRORIST ACTS AND ACTS OF WAR.

IN WITNESS WHEREOF, the parties have signed this Agreement on the day and year set forth below.

FRANCHISOR:  
HUNGRY HOWIE'S PIZZA & SUBS, INC.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
STEVEN E. JACKSON  
Its: President

FRANCHISE OWNER:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name  
Its: \_\_\_\_\_

## ADDENDUM TO FRANCHISE AGREEMENT

1. With respect to franchises governed by Illinois law:
  - a. Illinois law shall be applicable and the jurisdiction and venue for litigation shall be the state of Illinois.
  - b. Pursuant to Section 41 Illinois Disclosure Act, any condition, stipulation or provision in this Agreement that requires a prospective franchisee to assent to any waiver as a condition of purchase of the franchise is not intended to nor shall it act as a waiver of any provision of the Illinois Disclosure Act.
2. With respect to franchises governed by Indiana law:
  - a. Subparagraph 16.1(b) is amended to read as follows:

“For a period of three (3) years following the expiration, termination or transfer of this Agreement, regardless of the cause of such expiration, termination or transfer, engage in the sale of pizza within a one (1) mile radius of the Restaurant.”
  - b. Subparagraph 17.2(e) is amended to read as follows:

“The Seller must execute a release of all claims and causes of action that it has or may have against Hungry Howie’s on a form containing terms and conditions satisfactory to Hungry Howie’s excepting only liability imposed upon Hungry Howie’s pursuant to the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, or the Indiana Deceptive Franchise Practices Law, IC23-2-2-7.”
  - c. Subparagraph 18.1(a) is amended to read as follows:

“Any material breach of any of the terms of this Agreement or the Guaranty.”
  - d. With respect to Paragraph 25, 1C 23-2-2.7-1 et seq. shall govern where applicable.
  - e. Paragraph 26 shall not apply to the extent the same is prohibited by the Indiana Deceptive Franchise Protection Law (1C 23-2-2.7).
3. With respect to franchises governed by New York law:
  - a. The Franchise Agreement is amended by adding the following:

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

b. Paragraph 22 of the Franchise Agreement, is amended by adding the following:

However, no assignment will be made except to an assignee who in good faith judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

c. Paragraph 25 of the Franchise Agreement, is amended by adding the following:

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

4. The Franchise Agreement is amended with respect to all franchisees who are residents of the State of Maryland or will operate a franchise within the State of Maryland as follows:

a. Any provisions in the Franchise Agreement that require a general release as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

b. Any provisions in the Franchise Agreement that require a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchase of the franchise are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

c. Subparagraph 17.2(e) shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

d. Notwithstanding the foregoing provisions of Paragraph 26, a Franchise Owner may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law that are brought within three (3) years after the grant of the franchise.

5. With respect to franchises governed by Minnesota law:

a. Hungry Howie's will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5, which require, except in certain specified cases, that the Franchise Owner be given ninety (90) days notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days notice for non-renewal of the Franchise Agreement.

b. Hungry Howie's will protect the right of the Franchise Owner to use the service mark, trademark and commercial symbols and/or indemnify the Franchise Owner from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the same.

c. Hungry Howie's shall not require the Franchise Owner to execute a general release.

d. Paragraph 18.5(h) shall read as follows:

In the event of the termination of this agreement following the Franchise Owner's default, the Franchise Owner shall be liable to Hungry Howie's for damages suffered by Hungry Howie's.

The list of consequences of termination of this Agreement set forth in this paragraph 18.5 is not intended to limit, exclude or act as a waiver of any other rights or remedies available to Hungry Howie's, including the recovery of damages or equitable relief.

e. Paragraph 25 shall not in any way abrogate or reduce any rights of the Franchise Owner provided for in Minnesota Statutes, Chapter 80C.

f. Paragraph 26 shall not apply the extent the same is prohibited by Minn. Rule Part 2860.4400J.

6. With respect to franchises governed by New York law, the choice of law set forth in Paragraph 25 shall not be considered a waiver of any right conferred upon either Hungry Howie's or the Franchise Owner by the General Business Law of the State of New York, Article 33.

7. With respect to franchises governed by Washington law:

a. The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

b. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

c. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

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

e. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

8. With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law, Ch. 135, Stats., supersedes any provisions contained in the Franchise Agreement that are inconsistent with that law.





**ATTACHMENT A**

INITIAL FRANCHISE FEE,  
GEOGRAPHIC AREA IN WHICH  
RESTAURANT WILL BE LOCATED

1. FRANCHISE FEE

The initial franchise fee with respect to this Franchise Agreement shall be \$\_\_\_\_\_.

2. LOCATION OF RESTAURANT

Under the foregoing Agreement, Hungry Howie's grants to the Franchise Owner the right to establish, own and operate the Restaurant within the geographic area described as follows:

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**ATTACHMENT B**

FRANCHISE OWNER INFORMATION

**1. Franchise Owner Information:**

If the Franchise Owner is a corporation, limited liability company, or partnership:

The legal name of the Franchise Owner is: \_\_\_\_\_

The Franchise Owner was incorporated, organized or formed on \_\_\_\_\_  
under the laws of the State of \_\_\_\_\_.

A copy of the Articles of Incorporation/Articles of Organization/Certificate of Partnership is attached as **Attachment C**. The names and percentage of ownership of each stockholder, member or partner of the Franchise Owner is as follows:

Owner's Name	Percentage of Ownership Interest

The following is a list of the Franchise Owner's directors, if applicable:

Director Name

The following is a list of the Franchise Owner's officers, if applicable:

Officer Name	Officer Title

**2. Notice Information.** The name of the person designated to be given notice to the Franchisee(s) and Guarantors pursuant to Section 24 of the Franchise Agreement is:

\_\_\_\_\_

Notice to the above named person shall be given, as provided in Section 24 of the Franchise Agreement, at the following address:

Address: \_\_\_\_\_

\_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Principal Telephone Number: \_\_\_\_\_

Text Message Number: \_\_\_\_\_

**3. Identification of Owner Operator.** The Owner Operator who will be involved in the conduct and operation of the Restaurant pursuant to Section 11.14 of the Franchise Agreement is: \_\_\_\_\_. The Owner Operator may not be changed without prior written approval.

Email address of Owner Operator\*: \_\_\_\_\_

Text Message Number of Owner Operation\*: \_\_\_\_\_

\*May not be changed without prior written notice to Hungry Howie's.

Franchise Owner certifies that the information contained in this Attachment B is true and correct.

FRANCHISE OWNER:

(CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP):

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

(SOLE PROPRIETOR):

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: Sole Proprietor

**ATTACHMENT C**

ARTICLES OF INCORPORATION/ARTICLES OF ORGANIZATION/  
CERTIFICATE OF PARTNERSHIP

[TO BE ATTACHED BY FRANCHISE OWNER]

## ATTACHMENT D

### GUARANTY

#### RECITALS:

A. The undersigned individuals (the "Owners") are the [stockholders] [partners] [members] of \_\_\_\_\_, [a] [an] \_\_\_\_\_ [corporation] [partnership] [limited liability company] (the "Franchise Owner").

B. The Franchise Owner is party to a Franchise Agreement (the "Franchise Agreement") with HUNGRY HOWIE'S PIZZA & SUBS, INC., a Michigan corporation ("Hungry Howie's"), dated \_\_\_\_\_.

C. To induce Hungry Howie's to [enter into the Franchise Agreement] [to consent to an assignment of the Franchise Agreement to the Franchise Owner] [to consent to purchase of an ownership interest in the Franchise Owner] and as security for the Franchise Owner's performance of the Franchise Agreement, the Owners are executing this Guaranty.

NOW, THEREFORE, the Owners hereby agree as follows:

1. For value received, the Owners hereby jointly and severally guaranty the payment of any and all amounts, and the performance of any and all other actions, which the Franchise Owner is or may become liable to pay or perform under the Franchise Agreement (the "Obligations"). If the Franchise Owner fails to pay or perform any Obligation when due, the Owners, jointly and severally, shall pay or perform such Obligation immediately upon demand by Hungry Howie's.

2. Hungry Howie's shall not be required to pursue or exhaust any of its rights or remedies against the Franchise Owner or any other person for the collection or performance of any Obligation prior to demanding payment or performance from the Owners under this Guaranty.

3. The Owners hereby consent to the following, which shall not affect or discharge any of their obligations under this Guaranty.

(a) The extension of time for payment or performance of any Obligation.

(b) The change in any term of the Franchise Agreement.

(c) The acceptance by Hungry Howie's of any Promissory Note or security of any kind with respect to any Obligation.

(d) The surrender, release, exchange or alteration of any collateral or other security held by Hungry Howie's with respect to any Obligation.

4. The Owners hereby waive notice of the following:

(a) Acceptance of this Guaranty by Hungry Howie's.

(b) The sale and delivery of any portion of any collateral held by Hungry Howie's with respect to any Obligation, to the extent allowed by law.

(c) The amount of the Obligations.

(d) Any extension of time for the payment or performance of any Obligation.

(e) Demand for payment, default, non-payment, presentment and protest as to any Obligation.

5. This Guaranty shall continue in effect until all Obligations are paid or performed in full, and shall be binding upon the heirs, personal representatives, successors and assigns of the Owners.

6. The Owners shall pay or reimburse Hungry Howie's for any and all expenses incurred by Hungry Howie's in enforcing this Guaranty, including reasonable attorney fees.

7. The Owners shall be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement including, but not limited to, the terms of Paragraphs 16, 17, 18 and 21.

8. The Owners acknowledge that notices will be sent only as set forth in Paragraph 23 of the Franchise Agreement.

9. This Guaranty shall be deemed to have been entered into in the state of Michigan and shall be construed according to the laws of the state of Michigan. Any reference in this Guaranty to the neuter or masculine gender shall be construed to refer to any or all of the neuter, masculine and feminine genders, and any references to the singular shall also be construed to refer to the plural, where appropriate under the context.

10. Any action involving this Guaranty or any of the terms or obligations hereof shall be commenced in the state of Michigan.

11. Hungry Howie's and the Owners waive, to the fullest extent permitted by law, the right to trial by jury.

12. Except for payments owed by the Owners to Hungry Howie's and unless prohibited by applicable law, any and all claims and actions arising out of or relating to this Guaranty shall be commenced within one (1) year from the discovery of facts giving rise to any such claim or action, or such claim or action shall be barred.

13. The Owners waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suit relating to any dispute, controversy or claim arising out of or related to this Guaranty or arising out of any breach or alleged breach of this Guaranty.

14. If any portion of this Guaranty is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Guaranty shall not be affected,

and such remaining portions shall remain in full force and effect as if this Guaranty had been executed without the invalid portion.

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



**ATTACHMENT E**

**ASSIGNMENT OF TELEPHONE NUMBERS**

I hereby assign to Hungry Howie's Pizza & Subs, Inc. ("Hungry Howie's") the telephone number or numbers and fax numbers which shall be used in connection with the operation of Hungry Howie's No. \_\_\_\_\_ (the "Numbers") located at \_\_\_\_\_ . In addition, I hereby authorize and direct the telephone company which issued and services the Numbers to transfer the Numbers to Hungry Howie's or as directed by Hungry Howie's. I agree to sign any further documentation requested by Hungry Howie's or the telephone company which issued the Numbers to implement the forgoing.

FRANCHISE OWNER:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name

Its: \_\_\_\_\_

## ATTACHMENT F

### PRE-SIGNING QUESTIONNAIRE

The undersigned franchise owner (the "Franchise Owner") and Hungry Howie's Pizza & Subs, Inc., a Michigan corporation ("Hungry Howie's"), are entering into a Franchise Agreement (the "Franchise Agreement") for the establishment, ownership and operation of a Hungry Howie's restaurant (the "Restaurant").

Hungry Howie's takes its disclosure obligations to the Franchise Owner seriously. It is important that your decision to establish, own and operate a Hungry Howie's Restaurant is based upon information disclosed to you in the Franchise Disclosure Document (the "FDD") and your own independent investigation of the Hungry Howie's system. If you have been provided any information in addition to or which contradicts the information disclosed in the FDD, please advise Hungry Howie's so that it may take appropriate action. Please review each of the following questions carefully and provide honest and complete responses to each question. If you need additional space to respond to any questions, please attach an additional sheet.

#### Acknowledgements and Representations

1. Did you receive the FDD (and all Exhibits and any attachments thereto) at least 14 calendar days prior to signing the Franchise Agreement?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

2. Have you read and reviewed the FDD, Franchise Agreement and all other related agreements and documents you will be signing?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

3. Do you understand the FDD, Franchise Agreement and all other related agreements and documents you will be signing?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

4. Have you had the opportunity to consult with advisors of your choosing, including attorneys, accountants, real estate and other advisors?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

5. Were any claims, promises, agreements, understandings, or statements made to you which are inconsistent with the FDD?

Check one: Yes  No

If Yes, please explain and identify the person who made the statement: \_\_\_\_\_

\_\_\_\_\_

6. Except as stated in Item 19 of the FDD, did anyone associated with Hungry Howie's make statements concerning the sales, earnings or expenses relating to a Hungry Howie's restaurant?

Check one: Yes  No

If Yes, please explain and identify the person who made the statement: \_\_\_\_\_

\_\_\_\_\_

7. Do you understand that the franchise is granted to you for the right to establish a Restaurant in the geographic area set forth on Attachment A of the Franchise Agreement, and that your Territory will be a 1 mile radius around your Restaurant?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

8. Do you understand that Hungry Howie's may establish, operate or enfranchise a Non-Traditional Restaurant, described in Paragraph 4 of the Franchise Agreement within your Territory; that the Franchise Agreement does not prohibit any other franchise owner from making deliveries into your Territory; that there are no restrictions on Hungry Howie's or other franchisees from soliciting or accepting orders from consumers in your Territory, including the use of channels of distribution, such as the Internet, telemarketing or other direct marketing, and to make sales to consumers, in your Territory?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

9. Do you understand that you are required to operate the Restaurant according to the Hungry Howie's system, including all manuals and all standards, policies and specifications which will be periodically established or revised by Hungry Howie's?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

10. Do you understand that during the first year of operation of the Restaurant Hungry Howie's will designate an accountant for the preparation of the income statements and balance sheets required to be submitted to Hungry Howie's after each group of 4 weekly reporting periods?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

11. Do you understand that at any time during the term of the Franchise Agreement, Hungry Howie's has the right to designate, and if designated, you are required to utilize, an accountant to prepare financial statements, a firm to provide payroll services, a licensed architect to prepare a floor plan and drawings for the Restaurant, a manufacturer and supplier of all equipment and fixtures, a distributor for all ingredients and supplies, a vendor for all beverages, a vendor for uniforms, an insurer for all casualty, liability, workers' compensation, non-owned auto and similar insurance, and other distributors, suppliers and vendors?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

12. Do you understand that you may be required to periodically deposit amounts in escrow sufficient to fund the following: (i) remodeling of the Restaurant; (ii) replacement of computer equipment and software; and (iii) replacement of a video surveillance system?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

13. Do you understand that you (or in the event of a proposed transfer, the transferee) might be required to deposit money for grand opening marketing and initial marketing in escrow with Hungry Howie's, as follows: (i) \$15,000.00 due on the date the Restaurant location is submitted to Hungry Howie's for its consent, or (ii) \$5,000.00 as a condition to relocating or closing and re-opening the Restaurant, or (iii) \$5,000.00 as a condition to a transfer?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

14. Have you conducted your own independent investigation of the Hungry Howie's system, the risks, burdens and nature of the business you will operate under the Franchise Agreement?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

15. Do you understand that the business you will operate under the Franchise Agreement involves risk and that any success or failure will be substantially influenced by the ability and efforts of you, your Owner Operator and managers, and the visibility of the Restaurant's location and the number and strength of competitors?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

16. Do you understand that Hungry Howie's may have entered into franchise agreements with provisions different than those in the Franchise Agreement and that Hungry Howie's may enter into franchise agreements in the future with provisions different than those in this Agreement?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

17. Do you understand that the Franchise Owner and its Owners are bound by the in-term and post-term non-compete, non-solicitation and other covenants contained in Paragraph 16 of the Franchise Agreement and that any violation of the covenants is a default under the Franchise Agreement and may result in termination of the Franchise Agreement and/or injunction?

Check one: Yes  No

If No, please explain: \_\_\_\_\_

\_\_\_\_\_

18. Were the names of all franchise sellers involved in this franchise sales process identified on the FDD Receipt?

Check one: Yes  No

If No, please identify any additional franchise sellers involved in this franchise sales process: \_\_\_\_\_

\_\_\_\_\_

FRANCHISE OWNER ACKNOWLEDGES AND UNDERSTANDS THAT HUNGRY HOWIE'S WILL RELY ON THE ANSWERS TO THIS QUESTIONNAIRE. BY SIGNING THIS QUESTIONNAIRE, YOU ARE CERTIFYING AND REPRESENTING THAT YOU HAVE REVIEWED EACH QUESTION AND RESPONDED TRUTHFULLY AND THOROUGHLY.

FRANCHISE OWNER:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name

Its: \_\_\_\_\_

## ATTACHMENT G

### NON - TRADITIONAL RESTAURANT FRANCHISE AGREEMENT ADDENDUM

THIS NON - TRADITIONAL RESTAURANT FRANCHISE AGREEMENT ADDENDUM ("Addendum") is made and entered into by and between the undersigned franchise owner (the "Franchise Owner") and HUNGRY HOWIE'S PIZZA & SUBS, INC., a Michigan corporation ("Hungry Howie's"), with offices located at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071 as of the date it is signed by an authorized representative of Hungry Howie's on the signature page.

#### RECITALS

A. The Franchise Owner and Hungry Howie's are parties to a Franchise Agreement entered into on even date herewith (the "Franchise Agreement").

B. The Franchise Owner and Hungry Howie's desire to enter into this Addendum to modify and amend the terms of the Franchise Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual covenants and benefits set forth in this Addendum, the sufficiency and adequacy of which is mutually acknowledged and accepted, the parties agree as follows:

1. Paragraph 1 of the Franchise Agreement, Grant of Franchise, is deleted in its entirety and replaced with the following:

Hungry Howie's hereby grants to the Franchise Owner the right to establish, own and operate a non-traditional Hungry Howie's restaurant which will offer a limited menu and which will not offer delivery services (the "Restaurant"). The Franchise Owner shall have the right to use the Hungry Howie's "system" at the Restaurant and to be identified as a member of the Hungry Howie's "system," upon the terms and conditions of this Agreement. All of the Franchise Owner's rights and obligations under this Agreement shall be referred to as the "Franchise."

2. Paragraph 4 of the Franchise Agreement, Location, is deleted in its entirety and replaced with the following:

The location of the Restaurant is set forth on **Attachment A**. The Franchise Owner acknowledges that the Franchise Owner has no territorial protection.

The Franchise Owner shall not change the location of the Restaurant without the prior written consent of Hungry Howie's, which may be withheld at its sole discretion. A Franchise Owner which desires to relocate its Restaurant shall furnish such information regarding the proposed location as Hungry Howie's requests. Hungry Howie's shall only allow relocation within the facility in which the Restaurant is located. Hungry Howie's may charge a fee not to exceed Seven Thousand Five Hundred (\$7,500.00) Dollars to review the request to relocate the Restaurant. The fee shall be paid with the request to relocate. This fee is not refundable.

3. Paragraph 5 of the Franchise Agreement, Term of Agreement, is deleted in its entirety and replaced with the following:

This Agreement shall remain in effect for a period of \_\_\_\_\_ (\_\_\_\_) years from the date on which the Franchise Owner opens the Restaurant for business, as determined solely by Hungry Howie's, except that this Agreement may terminate sooner pursuant to the terms and conditions of Paragraphs 8, 17 and 18.

If the Franchise Owner has not committed a material breach of this Agreement during the initial term of this Agreement, the Franchise Owner shall have the right to renew the Franchise for a term of \_\_\_\_\_ (\_\_\_\_) years. The Franchise Owner must notify Hungry Howie's in writing of its election to renew this Agreement no sooner than twelve (12) months prior to expiration of this Agreement and no later than six (6) months prior to expiration of this Agreement. In the event of any extension or renewal, the Franchise Owner shall execute the then current form of Hungry Howie's Franchise Agreement and Non-Traditional Restaurant Franchise Agreement Addendum (collectively, the "New Agreement") and shall pay royalties and other fees, but not the franchise fee, at the rate provided for in the New Agreement. Franchise Owner shall pay Hungry Howie's a renewal fee of One Thousand (\$1,000.00) Dollars at the time the New Agreement is signed.

4. Paragraph 6.1 is deleted in its entirety and replaced with the following:

The Franchise Owner shall pay Hungry Howie's a franchise fee of \_\_\_\_\_ (\$\_\_\_\_\_). The franchise fee is non-refundable.

If the Restaurant is not open and doing business within one (1) year after the date this Agreement is executed by all parties, the Franchise Agreement may be terminated at the option of Hungry Howie's and Hungry Howie's shall be entitled to keep the franchise fee paid by the Franchise Owner.

5. Paragraph 7(a) of the Franchise Agreement is deleted in its entirety.

6. Paragraph 8.2 of the Franchise Agreement is deleted in its entirety and replaced with the following:

The term of the Lease, including options to renew at a fixed or determinable rate, must be for a term of not less than \_\_\_\_\_ (\_\_\_\_) years.

7. Paragraph 8.3 of the Franchise Agreement is deleted in its entirety.

8. Paragraph 10.1 of the Franchise Agreement is deleted in its entirety and replaced with the following:

The Restaurant shall be open for business according to the schedule on Schedule A.

Subject to local laws or ordinances, or the rules of the facility in which the Restaurant is located, Hungry Howie's may require the Franchise Owner to expand



or otherwise modify its hours of operation. Hungry Howie's shall notify the Franchise Owner of any change in the hours of operation.

The Restaurant shall be open every day of the year, subject to local laws or ordinances, or rules of the facility in which the Restaurant is located, except days designated as holidays by Hungry Howie's. The Franchise Owner must obtain the prior written consent of Hungry Howie's if it desires to remain open a lesser number of hours and/or days than those on Schedule A.

The Franchise Owner shall not provide delivery service.

9. Paragraph 10.2 is deleted in its entirety and replaced with the following:

The Franchise Owner shall only offer for sale those menu items on Schedule B (the "Menu Items"). All menu items must, and no other items may, be offered for sale by the Franchise Owner. Hungry Howie's may periodically add or delete Menu Items. The Franchise Owner shall only sell beverages designated by Hungry Howie's and purchased from a vendor designated by Hungry Howie's. The Franchise Owner acknowledges that the Menu Items may be different from those of a "traditional" Hungry Howie's restaurant or other "non-traditional" Hungry Howie's restaurants.

10. Paragraph 10.11 (c) of the Franchise Agreement is deleted in its entirety.

11. Paragraph 10.12 is amended to include the following:

The Franchise Owner shall comply with all rules of the facility in which the Restaurant is located.

12. Paragraph 12.4 is deleted in its entirety.

13. To the extent of any conflict between the Franchise Agreement and this Addendum, the terms and provisions of this Addendum shall govern and control, and any conflicting terms and provisions of the Franchise Agreement shall be deemed amended to the extent necessary not to conflict with the provisions hereof.

14. Capitalized terms used herein shall have the same meaning as used in the Franchise Agreement, unless a different or contrary meaning is expressly provided in this Addendum.

IN WITNESS WHEREOF, the parties have signed this Addendum on the day and year set forth below.

FRANCHISOR:

HUNGRY HOWIE'S PIZZA & SUBS, INC.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

STEVEN E. JACKSON

Its: President

FRANCHISE OWNER:

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Name

Its: \_\_\_\_\_

SCHEDULE A

LOCATION OF RESTAURANT AND HOURS OF OPERATION

SCHEDULE B

MENU ITEMS

**Exhibit G:**  
**Multiple Unit Agreement**

THIS MULTIPLE UNIT AGREEMENT (this "Agreement") is made and entered into by and between the undersigned franchisee (the "Franchisee") and HUNGRY HOWIE'S PIZZA & SUBS, INC., a Michigan corporation ("Hungry Howie's"), with offices located at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071 as of the date it is signed by an authorized representative of Hungry Howie's.

**RECITALS**

A. Hungry Howie's is engaged in the business of franchising distinctively styled restaurants ("Restaurants") under the trade names "Hungry Howie's" and "Hungry Howie's Pizza."

B. Subject to the terms and conditions of this Agreement, the Franchisee is purchasing the right to establish the number of Hungry Howie's franchises specified in Paragraph 1 and is acquiring the option to purchase the franchise with respect to any additional Hungry Howie's Restaurant that Hungry Howie's desires to establish in the territory specified in this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Purchase of Franchises.

Subject to the terms of this Agreement, the Franchisee is purchasing the right to establish \_\_\_\_\_ (\_\_\_\_) franchises for the operation of a Hungry Howie's Restaurant, as described in Hungry Howie's Franchise Disclosure Document (the "Disclosure Document") and in Hungry Howie's Franchise Agreement (the "Franchise Agreement"). Each franchised Restaurant shall be located in the geographical area defined in the attached Exhibit 1 (the "Exclusive Territory"). The Franchisee shall open the franchised Restaurants for business according to the following schedule:

<u>Franchise</u>	<u>Deadline by which the Restaurant must be Open for Business</u>

The deadline for opening a particular Restaurant shall be extended for a reasonable period of time following any delay in opening due to a fire, flood, earthquake, strike, material shortage or similar occurrence beyond the control of the Franchisee.

2. Location of Franchises.

The particular location of each Restaurant to be opened by the Franchisee is subject to the approval of Hungry Howie's. If requested by the Franchisee, Hungry Howie's shall assist the Franchisee in selecting the particular location of each Restaurant. Once Hungry Howie's has approved a proposed site, the Franchisee shall secure the site either by lease or purchase.

3. Initial Franchise Fees, Royalty Fees.

In partial consideration for the rights acquired under this Agreement, the Franchisee shall pay Hungry Howie's the sum of \_\_\_\_\_ (\$\_\_\_\_\_) Dollars, in a lump sum at the time this Agreement is signed, which represents the franchise fee with respect to all franchises.

With respect to any additional franchise acquired pursuant to the right of refusal set forth in Paragraph 5, the Franchisee shall pay the then current franchise fee required under the standard Franchise Agreement that the Franchisee executes with respect to such franchise.

The Franchisee shall pay royalty fees in accordance with the standard Franchise Agreement in effect at the time such agreement is signed. The fact that lower royalty fees are contained in any current, standard Franchise Agreement shall not control or be binding in any way.

4. Exclusive Territory.

While this Agreement is in effect, and the Franchisee is not in default, Hungry Howie's shall not sell a Hungry Howie's franchise for or otherwise establish a Restaurant in the Exclusive Territory.

5. Option to Purchase Additional Franchises.

Following the opening of all Restaurants for which the Franchisee has purchased the franchise under Paragraph 1, if the Franchisee is not in default under any Hungry Howie's Franchise Agreement, the Franchisee shall have the option to purchase the franchise for any additional Hungry Howie's Restaurant which Hungry Howie's desires to sell or any Hungry Howie's Restaurant that Hungry Howie's desires to establish in the Exclusive Territory. Prior to selling a franchise for a Restaurant to a third party, or establishing a non-franchised Restaurant, to be located in the Exclusive Territory, Hungry Howie's shall present a written offer to sell the franchise for such location to the Franchisee. The Franchisee shall have thirty (30) days within which to accept the offer to sell the franchise by written notice of its acceptance to Hungry Howie's. The price and terms of the sale shall be as contained in the Disclosure Document and Franchise Agreement then in effect. If the Franchisee accepts the offer to sell the franchise, Hungry Howie's and the Franchisee shall consummate the sale as soon as possible, subject to any applicable laws and the terms of this Agreement.

If the Franchisee does not accept the offer to sell such franchise, Hungry Howie's shall be free to sell such franchise to a third party or establish a non-franchised Restaurant,

provided that the location of such Restaurant does not violate the Territory of any other Hungry Howie's Restaurant, as defined in the Franchise Agreement executed with respect to each Restaurant.

6. Compliance With Laws and Execution of Franchise Documents.

The parties shall comply with all federal, state, and local laws related to the sale of each franchise to be acquired by the Franchisee under this Agreement. With respect to each franchise acquired by the Franchisee, the parties shall execute a Franchise Agreement and any other related agreements or documents upon standard forms then in use by Hungry Howie's.

7. Term of Agreement.

This Agreement shall be effective upon its acceptance by Hungry Howie's, as signified by the signature of its authorized officer. This Agreement may be terminated at any time by the agreement of the parties. This Agreement shall automatically terminate upon the failure of the Franchisee to open any Restaurant for business by the deadline provided in Paragraph 1.

Any default by the Franchisee under any Franchise Agreement executed by the Franchisee with respect to any franchise purchased under this Agreement shall be deemed a default under this Agreement if such default is not cured within any applicable cure period under such Franchise Agreement.

The termination of this Agreement shall not affect the Franchisee's rights under any Franchise Agreement with respect to which the franchised Restaurant has been open for business prior to the termination of this Agreement but the Franchisee shall forfeit any and all rights to any franchise with respect to which the franchised Restaurant is not yet open for business at the time this Agreement terminates and any rights under Paragraph 5 of this Agreement.

8. Miscellaneous.

(a) The Franchisee acknowledges that it acquires no rights in or to any trademarks, service marks, logos, or any similar items owned by Hungry Howie's by reason of entering into this Agreement and that any rights with respect to such items may be acquired only by execution of an appropriate Franchise Agreement.

(b) This Agreement shall be binding upon the parties and their respective heirs, personal representatives, successors, and assigns.

(c) This Agreement shall be construed under the laws of the state of Michigan, regardless of where the parties reside or conduct business, except that Indiana Franchise Law, IC 23-2-2.7-1 *et seq.*, shall govern where applicable.

(d) To the extent that any provisions of this Agreement conflict with Hungry Howie's standard Franchise Agreement or other franchise documents executed with respect to any franchise purchased pursuant to this Agreement, the provisions of this Agreement shall control.

(e) None of the Franchisee's rights under this Agreement may be transferred or assigned without the prior written consent of Hungry Howie's.

(f) Any action involving this Agreement or any of the terms or obligations hereof shall be commenced in the state of Michigan except in those instances where the same is prohibited by the Indiana Deceptive Franchise Protection Law (IC 23-2-2.7), Minn. Rule Part 2860.4400J. Notwithstanding the foregoing, a Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law that are brought within three (3) years after the grant of the franchise.

(g) Any provisions in the Franchise Agreement that require a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchase of the franchise are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

(h) Any provisions in the Franchise Agreement that require a general release as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

(i) With respect to franchises governed by Illinois law, Illinois law shall be applicable and the jurisdiction and venue for litigation shall be the state of Illinois.

(j) If any portion of this Agreement is determined to be invalid or unenforceable, the validity of the remaining portion of this Agreement shall not be affected and this Agreement shall be construed as if the invalid or unenforceable provision was deleted.

(k) The terms of this Agreement shall be confidential. The Franchisee shall not divulge, disclose or discuss, directly or indirectly, the terms of this Agreement with any individual or entity, including, but not limited to, existing and potential Hungry Howie's franchisees, except (i) members of the Hungry Howie's Development Department and (ii) Franchisee's employees or professional advisors, and then only on a need to know basis. Your agreement to keep the terms of this Agreement confidential shall remain in force for the term of your franchise agreements including any extensions thereto.

(l) This Agreement contains the entire agreement of the parties with respect to this subject matter and supersedes any and all prior or contemporaneous agreements, concerning this subject matter, whether oral, written, express, or implied. This Agreement is not intended to disclaim any representations contained in the Disclosure Document.



IN WITNESS WHEREOF, the parties have signed this Agreement on the date set forth below.

FRANCHISOR:

HUNGRY HOWIE'S PIZZA & SUBS, INC.  
a Michigan Corporation

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
STEVEN E. JACKSON  
Its: President

FRANCHISEE:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name  
Its: \_\_\_\_\_

MULTIPLE UNIT AGREEMENT  
EXHIBIT 1  
EXCLUSIVE TERRITORY

**Exhibit H:**  
**Standard Lease Rider**

THIS STANDARD LEASE RIDER (this "Rider") is attached to and part of a Lease dated \_\_\_\_\_, between \_\_\_\_\_ (the "Landlord") and \_\_\_\_\_ (the "Tenant") concerning the restaurant located at \_\_\_\_\_ (the "Restaurant").

1. Tenant may assign or sublease the Restaurant upon the Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Tenant may also assign the Lease or sublease the Restaurant, without the Landlord's consent, to a Hungry Howie's franchisee with the approval of Hungry Howie's Pizza & Subs, Inc. ("Hungry Howie's") and Tenant shall be released from any further Lease obligations.

2. The Landlord shall furnish Hungry Howie's with thirty (30) days prior written notice of (i) the cancellation or termination of the Lease; (ii) an assignment/sublease or an attempted assignment/sublease; (iii) any modification, renewal or new lease, or (iv) any legal action instituted by the Landlord or Tenant.

3. If the Restaurant is located in a shopping center, the Landlord shall not lease any space in the shopping center, or any adjacent or neighboring property that may appear to the general public on account of proximity, architecture, shared parking or other amenities, or otherwise, to constitute a part of the shopping center, to any other person or entity engaged in the business of selling pizza and similar items for either on or off premises consumption or to a head shop or adult novelty store.

4. Hungry Howie's shall have the right to enter the Restaurant upon expiration or termination of its franchise agreement with Tenant to remove signage and other items bearing the Hungry Howie's trademarks, service marks and other commercial symbols.

5. Hungry Howie's shall be deemed a third party beneficiary of the Lease.

6. All notices sent to Hungry Howie's pursuant to this Rider shall be sent by certified or registered mail, return receipt requested, to the following address, or to such other address as to which Hungry Howie's has notified the Landlord and the Tenant:

Attn: Steven E. Jackson  
Hungry Howie's Pizza & Subs, Inc.  
30300 Stephenson Highway, Suite 200  
Madison Heights, Michigan 48071

LANDLORD:

Dated: \_\_\_\_\_

\_\_\_\_\_

TENANT:

Dated: \_\_\_\_\_

\_\_\_\_\_

**Exhibit I:**  
**General Release**

The undersigned, for and in consideration of Hungry Howie's Pizza & Subs, Inc. ("Hungry Howie's") consenting to the transfer by the undersigned of its Hungry Howie's franchise agreement to a third party does hereby release and forever discharge Hungry Howie's and its past and present shareholders, directors, officers, employees and agents (collectively, the "Releasees"), of and from any and all claims, liabilities, demands, rights and causes of action, suits, debts, contracts, controversies and damages of every nature and description whether in law or in equity (collectively "Claims"), the undersigned now has or may hereafter have against Releasees in respect of or arising out of transactions or events occurring on or before the date hereof. The undersigned represents and warrants to the Releasees that it has full legal right to execute this General Release and has made no assignment or transfer of any Claims. The undersigned shall indemnify and hold Releasees harmless from any claim made against or demand upon Releasees from anyone claiming to have any rights in the Claims.

This General Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

**Exhibit J:**  
**List Of Operational Franchisees**

**ALABAMA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
02318	Alabaster Foods, LLC	9200 Hwy. 119, Suite 100	Alabaster	AL	35007	(205) 664-5900
02313	Mylez Foods, LLC	1409 South College Street, Unit 104	Auburn	AL	36382	(334) 826-5555
02321	HH of Birmingham LLC	1501 11th Avenue South	Birmingham	AL	35205	(205) 933-7373
02312	Daphne Pizza, LLC	27955 US Hwy. 98, Suite J	Daphne	AL	36526	(251) 621-3866
02307	Dothan Pizza, LLC	1209 Ross Clark, Suite #1	Dothan	AL	36301	(334) 673-2300
02325	Dothan Pizza II, LLC	4650 W Main Street, Suite 801	Dothan	AL	36305	(334) 792-7771
02310	Enterprise Pizza, LLC	910 Rucker Blvd.	Enterprise	AL	36330	(334) 393-5888
02323	Helena Foods, LLC	215 Helena Market Place	Helena	AL	35080	(205) 621-5151
02303	AJ & R Food Inc.	2206 Airport Blvd., Suite F	Mobile	AL	36604	(251) 478-1616
02304	PM Foods, Inc.	9850 Airport Blvd.	Mobile	AL	36608	(251) 633-8771
02311	JA&R Foods, Inc.	6353-B Cottage Hill Rd.	Mobile	AL	36609	(251) 665-0502
02317	AS&J Foods, Inc.	5611 Old Shell Rd., Suite A	Mobile	AL	36608	(251) 345-3333
02305	Montgomery Foods, Inc.	113 Burbank Drive North	Montgomery	AL	36107	(334) 272-2999
02308	Montgomery Foods, Inc.	1712 Carter Hill Road	Montgomery	AL	36103	(334) 262-8988
02316	Northport Foods, LLC	1844 McFarland Blvd.	Northport	AL	35476	(205) 333-2633
02314	Troy Pizza, LLC	1111 US Hwy. 231 South	Troy	AL	36087	(334) 807-9998
02319	Northport Foods, LLC	1105 Southview Lane, Suite 110	Tuscaloosa	AL	35405	(205) 345-6000
02322	Northport Foods, LLC	4851 Rice Mine Rd. NE, #520	Tuscaloosa	AL	35406	(205) 345-3737
02326	Northport Foods, LLC	1217 University Blvd.	Tuscaloosa	AL	35405	(205) 366-1500
02324	Vestavia Hills Foods, LLC	790 Montgomery Hwy., Suite 104	Vestavia Hills	AL	35216	(205) 824-7600

**ARIZONA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
01817	Anthem Pizza	3434 W. Anthem Way., Ste. 108	Anthem	AZ	85086	(623) 551-8660
01824	Arizona Pizza Management, LLC	12725 W. Indian School Rd. #B102	Avondale	AZ	85392	(623) 535-1827
01827	Arizona Pizza Management, LLC	10740 W. Lower Buckeye Rd.	Avondale	AZ	85353	(623) 907-0200
01814	Arizona Pizza Management, LLC	1909 East Ray Road, Ste. #6	Chandler	AZ	85225	(480) 857-9377
01823	Arizona Pizza Management, LLC	3126 South Higley Road	Gilbert	AZ	85297	(480) 840-6000
01807	Arizona Pizza Management, LLC	5026 Cactus Rd.	Glendale	AZ	85304	(602) 548-7770
01808	Arizona Pizza Management, LLC	17035 N 67th Ave., Suite 1	Glendale	AZ	85308	(623) 878-4777
01830	Arizona Pizza Management, LLC	7448 W. Glendale Ave., Suite B-106	Glendale	AZ	85303	(623) 466-0383
01838	Arizona Pizza Management, LLC	3515 W. Union Hills Rd., Ste. 115	Glendale	AZ	85308	(602) 843-2727

**Exhibit J:**  
**List Of Operational Franchisees**

01837	Twin Peaks Pizza, LLC	7575 W. Twin Peaks, #121	Marana	AZ	85743	(520) 572-6767
01809	Arizona Pizza Management, LLC	2050 W. Guadalupe	Mesa	AZ	85202	(480) 831-9111
01813	Arizona Pizza Management, LLC	3614 East Southern Ave.	Mesa	AZ	85206	(480) 641-1525
01826	Arizona Pizza Management, LLC	1116 S. Crismon Rd.	Mesa	AZ	85208	(480) 380-0500
01842	Caliente Pizza, LLC	1863 N. Stapley Dr., Suite 102	Mesa	AZ	85203	(480) 844-0900
01818	Arizona Pizza Management, LLC	8345 W. Thunderbird, #110	Peoria	AZ	85381	(623) 773-2777
01804	Arizona Pizza Management, LLC	4625 E. Thomas Rd.	Phoenix	AZ	85018	(602) 840-6100
01822	Arizona Pizza Management, LLC	4645 East Chandler Blvd, #106	Phoenix	AZ	85048	(480) 785-1200
01825	Arizona Pizza Management, LLC	1635 East Baseline	Phoenix	AZ	85024	(602) 276-6600
01840	Arizona Pizza Management, LLC	1745 W. Hunt Hwy.	Queen Creek	AZ	85243	(480) 474-6000
01806	Arizona Pizza Management, LLC	2934 N. Hayden Rd.	Scottsdale	AZ	85251	(480) 663-1300
01811	Arizona Pizza Management, LLC	14291 West Grand Ave., Suite 115	Surprise	AZ	85374	(623) 544-3977
01805	Arizona Pizza Management, LLC	1045 Lemon Street, Suite B	Tempe	AZ	85281	(480) 804-7500
01820	Red Cosmos, LLC	150 N. Pantano Road, Ste. 104	Tucson	AZ	85710	(520) 885-0707
01828	Blue Cosmos, LLC	3122 N. Campbell Ave., #140	Tucson	AZ	85719	(520) 327-9200

**CALIFORNIA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
00363	MA + BA, Inc.	1475 White Ln.	Bakersfield	CA	93307	(661) 397-3777
00328	Ruben Cardenas, Wilfrido Cardenas, Rosa Munoz	1100 Meadows Rd.	Calexico	CA	92231	(760) 357-4700
00311	Annan Enterprises, Inc.	111 W. Bullard Ave., #101	Clovis	CA	93612	(559) 297-4444
00370	S.C.A.R., Inc.	958 E. Badillo	Covina	CA	91724	(626) 966-3333
00339	Haroyegh, Inc.	1100 East Huntington Dr.	Duarte	CA	91010	(626) 599-9991
00317	Fresno Howie's, Inc.	4209 East Shields	Fresno	CA	93726	(559) 227-5555
00326	Annan Enterprises, Inc.	1418 West Ashlan	Fresno	CA	93705	(559) 224-8888
00330	Annan Enterprises, Inc.	4776 Kings Canyon	Fresno	CA	93702	(559) 255-7499
00331	Glenoaks Ventures, Inc.	600 W. Glenoaks Blvd.	Glendale	CA	91202	(818) 502-2646
00354	Khajack Badoyan & Raffi Badoyan	1832 E Route 66, Unit B	Glendora	CA	91740	(626) 914-6666
00318	Li Foods, Inc.	24456 Mission Blvd.	Hayward	CA	94544	(510) 886-5100
00358	EDNA, Inc.	8998 Foothill Blvd., Ste. 102	Rancho Cucamonga	CA	91730	(909) 476-6000
00369	EL & STU MacPizza, Inc.	675 Tucker Rd., #F	Tehachapi	CA	93561	(661) 822-1000
00324	TCB, Inc.	29105 Front Street	Temecula	CA	92590	(951) 695-0606
00336	Leeham, Inc.	6540 Foothill Blvd., Ste. B 108	Tujunga	CA	91042	(818) 352-2600
00322	Acme Pizza Company, Inc.	1087 Scandia Avenue	Ventura	CA	93003	(805) 647-8100

**Exhibit J:**  
**List Of Operational Franchisees**

**DELAWARE**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
01301	HH Pizza of Delmarva	1252 Norman Eskridge Hwy., Unit 2	Seaford	DE	19973	(302) 629-9050

**FLORIDA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
00138	Abbott-West Enterprises, Inc.	491 N. State Rd. 434	Altamonte Springs	FL	32714	(407) 682-5858
00197	Apollo Beach Foods, Inc.	6146 N. US Hwy. 41	Apollo Beach	FL	33572	(813) 645-0464
00154	Apopka Pizza, LLC	205 W. Main St.	Apopka	FL	32703	(407) 886-6688
00122	Coms Enterprises Inc	387 Havendale Rd.	Auburndale	FL	33823	(863) 967-1118
03010	Highlands Pizza LLC	1052 US Hwy. 27 South	Avon Park	FL	33825	(863) 784-0483
00116	J.T. Pizza, Inc.	1405 N. Broadway	Bartow	FL	33830	(863) 533-0501
03026	N & P Properties of Belle Glade, Inc	5 SW Ave D.	Belle Glade	FL	33430	(561) 993-2300
00263	Nakez Foods Inc.	10251 SE Hwy. 441, Unit #2	Belleview	FL	34420	(352) 307-4694
00112	Z Pizza, LLC	3601 N. Lecanto Hwy.	Beverly Hills	FL	34465	(352) 527-3311
00256	C & T Enterprises of Blountstown, Inc.	19838 St. Rd. 20 West	Blountstown	FL	32424	(850) 674-3838
00274	Bonifay Foods, LLC	1816 Waukesha St.	Bonifay	FL	32425	(850) 547-2300
00171	MC & PD Enterprises, Inc.	103 US Hwy. 301 Blvd. W.	Bradenton	FL	34205	(941) 755-4599
00187	West Bradenton Pizza, Inc.	4211 59th St. West	Bradenton	FL	34209	(941) 794-6111
00191	Knights Foods, Inc.	1511 West Brandon Blvd.	Brandon	FL	33511	(813) 684-4477
00168	Tak Foods Inc.	819 W. Bloomingdale Blvd.	Brandon	FL	33511	(813) 684-0988
03016	CR 55 Pizza, LLC	830 E. Hathaway Ave.	Bronson	FL	32621	(352) 486-5848
00180	D & M Pizza, Inc.	1212 S. Broad St.	Brooksville	FL	34601	(352) 799-8535
00128	Trapat, Inc.	1124 N. Main St., Suite 202	Bushnell	FL	33513	(352) 569-9299
03004	Tarlevi Enterprises, Inc.	430 SR 436, Ste. 103	Casselberry	FL	32707	(407) 767-6562
00287	Springfield Pizza, LLC	5805 N. Hwy. 231	Cedar Grove	FL	32404	(850) 785-8400
00209	ChipleY Foods, Inc.	1240 Main Street	ChipleY	FL	32428	(850) 638-8382
00101	Ju-Jub, Inc.	1884 Drew Street	Clearwater	FL	34625	(727) 449-0400
03023	27 Pizza LLC	1100 US Hwy. 27, Suite 3	Clermont	FL	34714	(352) 241-8448
00234	R. & K. Foods of Clermont, Inc.	1640 E. Hwy. 50, Suite A	Clermont	FL	34711	(352) 394-2828
00204	CR 55 Pizza, LLC	113 N. Francisco St.	Clewiston	FL	33440	(863) 983-1116
00285	Crawley Crestview Foods, Inc.	2222 S Ferdon Blvd.	Crestview	FL	32536	(850) 689-0990
00299	CR 55 Pizza, LLC	16340 SE Hwy. 19	Cross City	FL	32628	(352) 498-0498
00159	Fair Pizza, Inc.	1677 SE Hwy. 19	Crystal River	FL	34229	(352) 563-1151

**Exhibit J:**  
**List Of Operational Franchisees**

00164	NJW, LLC	12710 US Hwy. 301	Dade City	FL	33525	(352) 521-0054
00273	Jdial, Inc.	5945 Hwy. 17/92	Davenport	FL	33837	(863) 424-5000
00280	Roman Village Pizza, Inc.	6555 Nova Dr. #312	Davie	FL	33317	(954) 424-6280
00226	Joyful Joe, Corp.	3272 W. Hillsboro Blvd.	Deerfield Beach	FL	33442	(954) 570-7374
00284	Defuniak Springs Foods, Inc.	931 Hwy. 331 S., Ste. 1	Defuniak Springs	FL	32435	(850) 951-0484
00130	Deland Pizza, LLC	1101 N. Woodland Blvd.	Deland	FL	32720	(386) 738-1880
00136	Champ Pizza, LLC	1642 Providence Blvd	Deltona	FL	32725	(386) 574-9299
00247	Deltona Foods, LLC	121 Howland Blvd., Suite B	Deltona	FL	32738	(407) 688-4757
00105	JRH Enterprises, Inc.	2109-D Main Street	Dunedin	FL	34698	(727) 734-8800
03010	Dunnellon Pizza, LLC	11371 N. Williams St.	Dunnellon	FL	34432	(352) 489-5661
00257	East Ellenton Enterprises, Inc.	5912 18th Street	East Ellenton	FL	34222	(941) 981-3814
00260	E.C. Pizza, LLC	201 S. Ridgewood #112	Edgewater	FL	32132	(386) 427-8699
00238	Englewood Pizza, Inc.	1720 S. McCall Road Unit #1	Englewood	FL	34223	(941) 475-8384
00277	Double H Food Services, LLC	457 Plaza Drive	Eustis	FL	34762	(352) 357-8999
00233	Ft. Meade Pizza, Inc.	400 N. Charleston Ave.	Fort Meade	FL	33841	(863) 285-6200
03034	Paint Rite Enterprises, Inc.	2455 W. Midway Rd.	Fort Pierce	FL	34981	(772) 461-0090
00269	Ft. Walton Foods, Inc.	278 N. Eglin Pkwy	Fort Walton Beach	FL	32547	(850) 862-8867
00211	Fort White Pizza, LLC	7905 SW Highway 27	Fort White	FL	32038	(386) 497-1484
00123	Freeport Pizza LLC	16019 Hwy. 331 South, Unit 8	Freeport	FL	32439	(850) 835-1355
00298	Sports Pizza LLC	201 S. Scenic Hwy. (Alt 57)	Frostproof	FL	33843	(863) 635-6565
00150	Peggy Steele; Martin McMurry	12205 S. Cleveland Ave.	Ft. Myers	FL	33907	(239) 939-7787
00205	Fine Fare Enterprises, LLC	4928 NW 39th Ave.	Gainesville	FL	32606	(352) 372-1112
00232	Kazbour Food Service, Inc.	3420 SW Archer Rd.	Gainesville	FL	32608	(352) 335-8444
00237	Kazbour Food Service, Inc.	1310 NW 23rd Ave., Suite B	Gainesville	FL	32605	(352) 374-6600
00236	AEL Investments, Inc.	6338 Forest Hill Blvd.	Greenacres	FL	33415	(561) 966-9733
00262	Gulf Breeze Pizza, LLC	3096 Gulf Breeze Prkw	Gulf Breeze	FL	32563	(850) 934-6787
03007	MGRJ Enterprises of Palm Bay, Inc.	1674 Ridgewood Ave.	Holly Hill	FL	32117	(386) 677-7339
03028	PS Pizza Inc.	6649 Taft Street	Hollywood	FL	33024	(954) 967-2777
00114	Bosley Enterprises, Inc.	7223 State Rd. 52	Hudson	FL	34667	(727) 862-8888
00275	Z Pizza, LLC	1650 N US 41	Inverness	FL	34450	(352) 344-3435
00252	ACKG Pizza, Inc.	5613 University Blvd. West	Jacksonville	FL	32216	(904) 733-8566
00244	Dames Point Pizza, Inc.	8011 Merrill Rd., Suite #20	Jacksonville	FL	32225	(904) 743-9100
00221	Pardo's Group, Inc.	4162 Herschel St.	Jacksonville	FL	32210	(904) 384-0092
00264	River City Pizza, Inc.	376-7 New Berlin Rd.	Jacksonville	FL	32218	(904) 696-0001
00213	Westside Pizza Company, Inc.	8257 Normandy Blvd. - #8	Jacksonville	FL	32221	(904) 781-5656
00208	DLT Food Services Inc.	3359 NW Main Ave.	Jensen Beach	FL	34957	(772) 692-9233



**Exhibit J:**  
**List Of Operational Franchisees**

00186	J.T. Pizza, Inc.	1990 N. John Young Parkway	Kissimmee	FL	34741	(407) 931-1040
00290	Southwest Florida Pizza, Inc.	180 South Main Street	LaBelle	FL	33935	(863) 675-6363
00212	Alicat, Inc.	841 Hwy. 27/441 South	Lady Lake	FL	32159	(352) 750-6900
00172	C Stores Pizza LLC	280 W. Main St.	Lake Butler	FL	32054	(386) 496-2878
00158	C Stores Pizza LLC	5735 SW St. Rd. 247	Lake City	FL	32024	(386) 752-3111
00166	Lake Foods, Inc.	857 SW Main Blvd., #110	Lake City	FL	32025	(386) 755-7050
00102	J.C. Pizza, LLC	2014 Sam Walton Way	Lake Wales	FL	33853	(863) 676-2222
00199	J.C. Pizza, LLC	4290 Alt 27 North	Lake Wales	FL	33853	(863) 676-2626
00135	Ninety Two Foods Inc	2430 US 92 East	Lakeland	FL	33801	(863) 665-8070
00143	The Five Guys Pizza Inc.	1101 S. Florida Ave.	Lakeland	FL	33803	(863) 682-2124
00118	Lott Morr Pizza, Inc.	4744 Hwy. 98	Lakeland	FL	33809	(863) 859-1436
00124	M. C. Pizza, Inc.	5218 South Florida Ave.	Lakeland	FL	33813	(863) 648-5000
03000	M.C. Pizza, Inc.	2805 Shepard Rd.	Lakeland	FL	33811	(863) 701-2345
00231	Tomorrow Divisions, Inc.	5357 N. Socrum Loop Rd.	Lakeland	FL	33809	(863) 853-3222
00117	D.J.R. Pizza, Inc.	1555 East Bay	Largo	FL	33771	(727) 584-5390
00156	KRDK, Inc.	14219 W. Walsingham	Largo	FL	33774	(727) 596-1400
00144	M K D D, Inc.	14069 66th Street	Largo	FL	33771	(727) 536-5108
00230	Raavs Enterprises LLC	4599 N. University Drive	Lauderhill	FL	33351	(954) 572-6807
00151	Dizo, Inc.	2209 Citrus Blvd	Leesburg	FL	34748	(352) 787-3999
00279	M & L Foods, Inc.	2039 NE 36th Street	Lighthouse Point	FL	33064	(954) 788-0071
00165	Lithia Pizza, LLC	16769 Fish Hawk Blvd.	Lithia	FL	33547	(813) 689-9200
03018	Live Oak Pizza, LLC	6852 Suwannee Plaza Lane	Live Oak	FL	32060	(386) 330-0331
03030	Florida Pizza Limited Liability Company	968 West SR 434	Longwood	FL	32750	(321) 250-6666
00161	AGJ Enterprises, Inc.	21222 Mariner	Lutz	FL	33549	(813) 949-9393
00137	Madison Foods, LLC	378 E. Base St.	Madison	FL	33240	(850) 973-2300
00173	The Hirsch Brothers, LLC	7304 Royal Palm Blvd.	Margate	FL	33063	(954) 977-4444
00295	Marianna Foods, Inc.	4470 LaFayette	Marianna	FL	32446	(850) 526-7878
03031	Millennium Food Service, LLC	4250 N. Wickham Rd. #102	Melbourne	FL	32935	(321) 255-9900
00134	Tomco, Inc.	233 Crockett Rd.	Merritt Island	FL	32953	(321) 459-9771
00291	Milton Foods, Inc.	6534 Caroline Street	Milton	FL	32570	(850) 626-8600
03025	Sunway Enterprises, Inc.	2262 US Hwy. 1, #1	Mims	FL	32754	(321) 264-2455
03013	Martin and Peggy McMurry	525 Pine Island Rd., Ste. #L	N. Fort Myers	FL	33903	(239) 995-9100
00227	Estates Pizza Management, Inc.	23 Golden Gate Blvd. East	Naples	FL	34120	(239) 455-9995
00266	Pizza Management of North Naples, Inc	10265 N. Tamiami Trail, Ste. #3	Naples	FL	34108	(239) 597-0007
00281	R & T Pizza Management #1, Inc.	2168 Santa Barbara Blvd. 5 & 6	Naples	FL	34116	(239) 352-8888
00223	Navarre Pizza, LLC	8230 Navarre Pkwy	Navarre	FL	32566	(850) 939-6400

**Exhibit J:**  
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00139	K L J, Inc.	4511 Grand Blvd.	New Port Richey	FL	34652	(727) 842-4900
00188	Moon-Lake Foods, Inc.	9109 Ridge Rd.	New Port Richey	FL	34654	(727) 846-7760
00210	Fine Fare Enterprises, LLC	14209 W. Newberry, Suite #B	Newberry	FL	32669	(352) 331-9997
00241	Crawley Enterprises, Inc.	1144 John Simms Parkway	Niceville	FL	32578	(850) 729-2222
00207	Nokomis Pizza, Inc.	1085-B N. Tamiami Trail	Nokomis	FL	34275	(941) 412-0099
00271	North Port Pizza, Inc.	13201 B Tamiami Trail	North Port	FL	34287	(941) 426-0995
03029	Bellataj Pizza LLC	2701 SW College Rd., #310	Ocala	FL	34474	(352) 502-3707
00225	Henderson Pizza, Inc.	6853 SE Maricamp	Ocala	FL	34472	(352) 687-4000
00133	Kanik LLC	3753 East Silver Springs Blvd.	Ocala	FL	34470	(352) 694-7171
03014	Mar - Cor Investments, Inc.	3435 N. Pine St., #203	Ocala	FL	34471	(352) 671-9979
03001	S & K Services LLC	11115 SW 93rd Ct., #400	Ocala	FL	34481	(352) 861-0555
00162	441 Pizza, Inc.	3248 Hwy. 441 South, #3	Okeechobee	FL	34974	(863) 467-2222
00220	CR 55 Pizza, LLC	25861 SE Hwy. 19	Old Town	FL	32680	(352) 542-2212
00140	Jenn-R-J, Inc.	3780 Tampa Rd.	Oldsmar	FL	34677	(813) 854-1595
00288	Midway Holdings II, Inc.	6923 SR 70 East	Oneco	FL	34203	(941) 758-2600
00131	Orange City Food Management, LLC	2415 Enterprise Dr.	Orange City	FL	32763	(386) 775-0550
00178	Agresta Enterprises, Inc.	1790 Chickasaw Trail	Orlando	FL	32825	(407) 380-1780
00146	Alafaya Trail Pizza, Inc.	11774 E. Colonial Dr.	Orlando	FL	32817	(407) 273-9676
00100	Bohardt Enterprises, Inc.	3424 Edgewater Drive	Orlando	FL	32804	(407) 839-1300
00163	R & M Pizza, Inc.	5740 N Orange Blossom Trail	Orlando	FL	32810	(407) 299-7188
03024	Roman Maldonado Investment, Inc.	5380 S. John Young Parkway	Orlando	FL	32839	(407) 903-1880
00184	Tarbouche Kabob Cafe, Inc.	7600 Sun Vista Way	Orlando	FL	32822	(407) 282-0555
00194	Dale Restaurants, Inc.	1333 W. Broadway St.	Oviedo	FL	32765	(407) 366-2332
00201	Pace Foods, Inc.	4475 Woodbine Rd., Ste. 1	Pace	FL	33571	(850) 994-6880
00174	Von-Von, Inc.	620 Alt 19 North	Palm Harbor	FL	34683	(727) 789-3737
03015	T & R LLC	3068 Lake Worth Rd.	Palm Springs	FL	33461	(561) 296-2500
00183	Muff-D's Enterprises, Inc.	1705 8th Ave. West	Palmetto	FL	34221	(941) 722-0006
00272	Panama Beach Foods, Inc.	10430 Front Beach Road	Panama City	FL	32407	(850) 230-3999
00246	Panama City Foods, Inc.	607 East 23rd Street	Panama City	FL	32405	(850) 747-9464
00249	Panama Beach Pizza, LLC	17180 Front Beach Road	Panama City Beach	FL	32413	(850) 236-4426
00261	Panama Foods, Inc.	306 S. Tyndall Parkway	Parker	FL	32404	(850) 747-0447
00276	Nine Mile Foods, Inc.	40 W. Nine Mile Road	Pensacola	FL	32543	(850) 494-0073
00283	Ninth Foods, Inc.	2790 Creighton Rd.	Pensacola	FL	32504	(850) 494-2600
00229	Michigan Foods, Inc.	3230 W. Michigan Ave.	Pensacola	FL	32507	(850) 941-4000
00267	Pensacola Foods, Inc.	610 N. Navy Road	Pensacola	FL	32507	(850) 457-6900
00113	B. U. D. II Enterprises, Inc.	6328 Park Blvd.	Pinellas Park	FL	33781	(727) 541-6465

**Exhibit J:**  
**List Of Operational Franchisees**

00106	B. U. D. II Enterprises, Inc.	208 N. Alexander St.	Plant City	FL	33566	(813) 752-6113
00200	Charlie's Xpress Mart, Inc.	2424 Hwy. 92 East	Plant City	FL	33566	(813) 764-0363
03027	Crew Investments LLC	1809 N Pine Island Rd	Plantation	FL	33322	(959) 636-1111
00296	Ninety Two Foods Inc.	221 Commonwealth Ave. SW	Polk City	FL	33868	(863) 984-2440
00193	B.K.D. Too Enterprises, Inc.	2395 Tamiami Trail, #16	Port Charlotte	FL	33952	(941) 627-9200
00265	St. Joe Foods, Inc.	418 Monument Ave.	Port St. Joe	FL	32456	(850) 229-9222
03021	DB Foodservices, LLC	222 SW Port St. Lucie Blvd., #106	Port St. Lucie	FL	34984	(772) 323-2565
00222	Ope's Pizza, Inc.	615 Cross S1, Unit 1105	Punta Gorda	FL	33950	(941) 505-8800
00286	Malak Pizza Inc.	1117 West Jefferson Street	Quincy	FL	32351	(850) 627-3000
00177	Two For You Foods, Inc.	9990 US Hwy. 301 North	Riverview	FL	33578	(813) 677-7353
00195	Sun City Foods, Inc.	3870 Sun City Center Blvd	Ruskin	FL	33575	(813) 633-3433
00107	KatzenJammer, Inc.	2400 S. French Rd.	Sanford	FL	32771	(407) 321-4440
00169	17th Street Foods Inc	3572 17th Street	Sarasota	FL	34235	(941) 951-2919
00160	Bee Ridge Pizza, Inc.	4112 Bee Ridge Rd.	Sarasota	FL	34233	(941) 377-1984
00157	KAD Enterprises, Inc.	6986 Beneva Rd.	Sarasota	FL	34231	(941) 922-9114
00242	Mohamamed El Azzaovi	3333 N. Tamiami Trail, #250B	Sarasota	FL	34234	(941) 351-8656
00132	North Parsons Foods, Inc.	2004 S. Parsons Ave.	Seffner	FL	33584	(813) 684-0807
00119	K.J.R. Pizza, Inc.	6989 Seminole Blvd.	Seminole	FL	33772	(727) 392-2288
00185	BDK Too, Inc.	1965 Tamiami Trail	South Venice	FL	34293	(941) 493-4200
00170	Full Circle Foods, Inc.	7325 Spring Hill	Spring Hill	FL	34606	(352) 683-0000
00152	Gemini Concept Group, Inc.	5166 Mariner Blvd.	Spring Hill	FL	34609	(352) 684-4424
00250	Naik & Desai LLC	140 San Marco Ave.	St. Augustine	FL	32084	(904) 829-0909
00293	Florida Pizza Management Corp.	1900 13th Street	St. Cloud	FL	34769	(407) 957-3131
00239	Anomaly Ventures LLC	3073 18th Ave. S.	St. Petersburg	FL	33712	(727) 327-5555
00141	B. U. D. Enterprises, Inc.	1500 34th St. North	St. Petersburg	FL	33713	(727) 327-6010
03012	Howie Central, Inc.	6570 Central Ave.	St. Petersburg	FL	33707	(727) 345-2020
00121	K.M.J.R. Pizza, Inc.	5570 4th Street North	St. Petersburg	FL	33703	(727) 527-8811
00110	L R J S, Inc.	4690 49th Street North	St. Petersburg	FL	33709	(727) 525-4444
03009	Steinhatchee Pizza, LLC	806 S. Riverside Dr.	Steinhatchee	FL	32359	(352) 498-7100
00251	DLT South Inc.	3311 SE US Hwy. 1	Stuart	FL	34997	(772) 221-9915
00217	Summerfield Foods, Inc.	9945 SE Hwy. 42	Summerfield	FL	34491	(352) 245-8252
00292	Lake Jackson Pizza, Inc.	3839 N. Monroe Street, Unit #1	Tallahassee	FL	32303	(850) 562-5656
00206	Mahan Foods, Inc.	3111 Mahan Drive	Tallahassee	FL	32308	(850) 877-8999
00259	South End Foods, Inc.	3491 Thomasville Road, Unit #1	Tallahassee	FL	32309	(850) 894-3100
00145	Southside Pizza of Florida, LLC	131-1 East Orange Ave.	Tallahassee	FL	32301	(850) 421-3333
00245	Tallahassee Foods, Inc.	1496 Apalachee Parkway	Tallahassee	FL	32301	(850) 942-6800

**Exhibit J:**  
**List Of Operational Franchisees**

00248	Tallahassee Pizza, Inc.	2020 W. Pensacola Street	Tallahassee	FL	32304	(850) 574-2200
00126	78th Foods, Inc.	1302 B So. 78th Street	Tampa	FL	33619	(813) 644-0717
00219	ARG Enterprises, Inc.	15359 Amberly Drive	Tampa	FL	33647	(813) 971-8818
03033	Cross Creek Foods, Inc.	10942 Cross Creek Blvd	Tampa	FL	33647	(813) 986-1333
00127	E.M.J. Pizza, Inc.	3216 S. Dale Mabry	Tampa	FL	33629	(813) 837-6577
00125	G-Man, Inc.	14916 North Florida Ave.	Tampa	FL	33613	(813) 968-3272
00167	Gun-Ho #167, Inc.	6207 E. Hillsborough	Tampa	FL	33610	(813) 628-0037
00198	Gun-Ho, Inc.	2001 E. Hillsborough Ave.	Tampa	FL	33610	(813) 239-3233
104	Hun-Ho 104, Inc.	5802 N. Armenia	Tampa	FL	33603	(813) 870-6111
00108	Hun-Ho 108, Inc.	8414 N. Armenia	Tampa	FL	33612	(813) 932-4330
00129	Hun-Ho 129, Inc.	4541 Gunn Hwy.	Tampa	FL	33624	(813) 968-3660
03019	JGAC Pizza, Inc.	15441 N. Dale Mabry	Tampa	FL	33618	(813) 265-2111
00189	J.J.B.D. Enterprises, Inc.	7620 Gunn Hwy., #130	Tampa	FL	33625	(813) 920-6311
00109	S.J. Pizza, Inc.	4810 S.E. Busch	Tampa	FL	33617	(813) 988-2222
00148	V L H Enterprises, Inc.	8802 Rocky Creek Rd.	Tampa	FL	33615	(813) 885-9992
00120	YKF Foods, Inc.	6431 County Line Rd.	Tampa	FL	33647	(813) 907-6999
00182	University East Foods, Inc.	9517 Fowler	Thonotosassa	FL	33592	(813) 986-7822
03005	CR 55 Pizza, LLC	414 W. Wade St.	Trenton	FL	32693	(352) 463-9499
00153	Brandon Foods, Inc.	2501 Hwy. 60 East	Valrico	FL	33594	(813) 654-0650
00228	T. & Z. Foods, Inc.	275 S. Rifle Range Rd.	Wahneta	FL	33880	(863) 318-1122
00142	KC & F S Inc.	27307 State Rd. 54 W	Wesley Chapel	FL	33544	(813) 973-7555
00203	Mr. Meat, LLC.	2835 N. Military Tr. Bay, #G	West Palm Beach	FL	33409	(561) 615-7171
00282	Xegner Investments, Inc.	16640 Saddle Club Rd.	Weston	FL	33326	(954) 385-8200
03022	Wewa Foods, Inc.	3050 Hwy. 71	Wewahitchka	FL	32424	(850) 674-3601
00297	Hicks Pizza LLC	701 South Main Street	Wildwood	FL	34785	(352) 748-5525
00149	G B P Pizza, Inc.	1144 6th St. NW	Winter Haven	FL	33881	(863) 293-4633
00190	Middletown Dreams, LLC	3007 Cypress Gardens Rd.	Winter Haven	FL	33884	(863) 324-2055
00240	T. & Z. Foods, Inc.	3006 State Road 540	Winter Haven	FL	33880	(863) 294-9334
00235	Chip's Pizza L.L.C.	2262 Aloma Ave.	Winter Park	FL	32792	(407) 644-8262
00175	Five-Two-Seven-Foods, Inc.	5440 Gall Blvd.	Zephyrhills	FL	33542	(813) 788-5515
00224	Thirty-Nine Pizza, LLC	105 SR 64 East	Zolfo Springs	FL	33890	(863) 735-2100

**Exhibit J:**  
**List Of Operational Franchisees**

**GEORGIA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
02409	Schomburg, LLC	7590 Schomburg Rd.	Columbus	GA	31909	(706) 507-2525
02407	HHP Enterprises, Inc.	618 N. Peterson Ave.	Douglas	GA	31533	(912) 384-5500
02412	PSP Starr, LLC	2987 Chapel Hill Rd., Suite 103	Douglasville	GA	30135	(678) 838-8300
02410	The Pizza Group of Atlanta, Inc.	745 Beaver Ruin Rd., Suite 1400	Lilburn	GA	30047	(770) 279-9500
02405	Womack Foods, Inc.	371 South Belair	Martinez	GA	30907	(706) 650-9220
00215	Glenn Womack	607 Brannen Street, Unit #4	Statesboro	GA	30458	(912) 764-6565
02406	Hedwest, LLC	15028 US Hwy. 19 South	Thomasville	GA	31757	(229) 227-5700
00214	Hedgecock Franchising, LLC	118 A. Northside	Valdosta	GA	31602	(229) 242-6936

**INDIANA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
02004	Flynnster, Inc.*	1400 N. Wayne St., Suite B	Angola	IN	46703	(260) 665-7766
02016	Hoosier Howie's of Auburn, Inc.	1047 West 7th Street	Auburn	IN	46706	(260) 920-1000
02009	Avon Pizza, LLC	7722 E. US Highway 36	Avon	IN	46123	(317) 272-1801
02007	CAM Investments, Inc.	9235 East 141st Street	Fishers	IN	46038	(317) 773-5800
02008	Enkoff Enterprises, Inc.	6410 W. Jefferson Blvd., Ste. G19A	Fort Wayne	IN	46804	(260) 436-0110
02013	CAM Investments, Inc.	9546 Allisonville Rd.	Indianapolis	IN	46250	(317) 585-5800
02020	Beach Grove Pizza, LLC	6005 E. Thompson Rd.	Indianapolis	IN	46237	(317) 786-5800
02006	Hoosier Howie's of Kendallville, Inc.	871 East North Street	Kendallville	IN	46755	(260) 347-8000
02022	Flynnster of South Bend, Inc.	2035 E. Ireland Rd.	South Bend	IN	46614	(574) 231-1100
02014	Travail, Inc.	15 Roosevelt Rd.	Valparaiso	IN	46383	(219) 476-0800

**KENTUCKY**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
01605	Radcliff Pizza Company, LLC	865 S. Dixie Hwy.	Radcliff	KY	40160	(270) 351-0909

**Exhibit J:**  
**List Of Operational Franchisees**

**LOUISIANA**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
03802	RW Pizza Enterprises, Inc.	5201 Nicholson Dr., Suite A	Baton Rouge	LA	70808	(225) 761-4694
03803	RW Pizza Enterprises, Inc.	14041 Coursey Blvd.	Baton Rouge	LA	70817	(225) 753-2500
03804	RW Pizza Enterprises, Inc.	13787 Old Hammond Hwy., Suite E	Baton Rouge	LA	70816	(225) 272-4694
03801	RW Pizza Enterprises, Inc.	1533 N. Airline Hwy.	Gonzales	LA	70737	(225) 644-4694

**MARYLAND**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
01203	777 Blessings, LLC	17609 Redland Road	Derwood	MD	20855	(301) 330-9558

**MICHIGAN**

<b><u>Store #</u></b>	<b><u>Franchisee</u></b>	<b><u>Street</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Zip</u></b>	<b><u>Phone</u></b>
00044	Jeffrick, Inc.	1565 West Maumee	Adrian	MI	49221	(517) 263-8149
00536	Albion Pizza Company, Inc.*	111 Cass Street	Albion	MI	49224	(517) 629-2924
00034	Hungry Howie's Properties, Inc.	650 Point Tremble Rd.	Algonac	MI	48001	(810) 794-3000
01058	J & J Food, Inc.	6185 Lake Michigan Dr.	Allendale	MI	49401	(616) 895-6777
01090	KLSG Pizza, LLC	882 Van Dyke	Almont	MI	48003	(810) 798-0800
01061	Hungry Howie's Properties, Inc.	2261 US 23 South	Alpena	MI	49707	(989) 358-1040
00559	J & M Custom, Inc.	4669 Alpine	Alpine Township	MI	49321	(616) 647-0500
01029	A2H2, Inc.	2145 West Stadium	Ann Arbor	MI	48103	(734) 994-5464
00018	Millennium Food Service, LLC	3011 E. Walton Blvd.	Auburn Hills	MI	48326	(248) 373-4330
01078	Millennium Food Service, LLC	843 N. Van Dyke	Bad Axe	MI	48413	(989) 269-3500
01006	Battle Creek Pizza, Inc.	189 Columbia Avenue	Battle Creek	MI	49015	(269) 962-5400
00069	Hungry Howie's Properties, Inc.	502 S. Euclid	Bay City	MI	48706	(989) 667-9100
00008	Berkley Pizza Company, Inc.	3675 W. 12 Mile Rd.	Berkley	MI	48072	(248) 545-1060
01017	B.H. Pizza, Inc.	33901 Woodward Ave.	Birmingham	MI	48009	(248) 540-6040
00564	Millennium Food Service, LLC	3935 Telegraph Road	Bloomfield Hills	MI	48302	(248) 594-6000
00077	Millennium Food Service, LLC	3290 East South Blvd.	Bloomfield Twp.	MI	48304	(248) 852-4300
00599	Hungry Howie's Properties, Inc.	6182 Dixie Hwy.	Bridgeport	MI	48722	(989) 777-7600
00027	Brighton Pizza Company	603 W. Grand River	Brighton	MI	48116	(810) 227-3771
00594	Brooklyn Pizza, Inc.	250 S. Main	Brooklyn	MI	49230	(517) 592-2225
00587	Millennium Food Service, LLC	2466 South Center	Burton	MI	48519	(810) 742-1122

**Exhibit J:**  
**List Of Operational Franchisees**

01036	Lesota, Ltd.	G4495 Fenton Road	Burton	MI	48529	(810) 767-8300
01098	Hungry Howie's Properties, Inc.	1941 N. Mitchell	Cadillac	MI	49601	(231) 779-7000
00540	Jerpie, Inc.	8980 -G North Rodgers Drive	Caledonia	MI	49316	(616) 891-7777
00068	Jackson Food Service, Inc.	220 N. Canton Center Rd.	Canton	MI	48187	(734) 981-0900
01079	Hungry Howie's Properties, Inc.	893 S. State Street	Caro	MI	48723	(989) 672-4166
00547	Jerpie, Inc.	151 South Main Street, #2	Cedar Springs	MI	49319	(616) 696-4444
01023	Charlotte Pizza Company, LLC*	120 E. Lawrence	Charlotte	MI	48813	(517) 541-1100
00548	Millennium Food Service, LLC	1123 West Broad Street	Chesaning	MI	48616	(989) 845-5450
00598	Detroit Pizza, Inc.	30130 23 Mile Rd.	Chesterfield	MI	48047	(586) 421-9600
00093	Hungry Howie's Properties, Inc.	25530 21 Mile Rd.	Chesterfield Twp	MI	48051	(586) 598-8700
00588	P & P Pizza, LLC	919 N. McEwan	Clare	MI	48617	(989) 386-2345
00554	SMJ Inc.	3980 Ortonville Rd.	Clarkston	MI	48348	(248) 620-9002
00572	SMJ Inc.	6315 Sashabaw Rd., Unit G	Clarkston	MI	48346	(248) 625-7474
01062	Clarkston Pizza Co.	4726 Clarkston Road	Clarkston	MI	48348	(248) 394-1200
00022	Clawson Pizza Company, Inc.	479 W. 14 Mile Rd.	Clawson	MI	48017	(248) 280-1480
00080	Hungry Howie's Properties, Inc.	21312 Hall Road	Clinton Twp	MI	48035	(586) 783-1500
00083	Mt. Clemens Pizza Corporation	37265 Groesbeck	Clinton Twp.	MI	48036	(586) 463-6300
01064	Hungry Howie's Properties, Inc.	530 South Mill Street	Clio	MI	48420	(810) 687-5000
01037	K & G Enterprises, Coldwater, Inc.*	518 Marshall Street	Coldwater	MI	49036	(517) 279-2992
00060	Union Lake Pizza Company, LLC	3183 Union Lake Rd.	Commerce Twp.	MI	48382	(248) 363-2050
00573	Jerpie, Inc.	1136 Randall Street, Unit N	Coopersville	MI	49404	(616) 997-9797
00096	Venture Services, LTD.	1026 South State, #C	Davison	MI	48423	(810) 653-6688
00004	Jackson Food Service, Inc.	3736 Monroe	Dearborn	MI	48124	(313) 278-1230
00541	Murk's Village Market, Inc.	108 East Delaware	Decatur	MI	49045	(616) 423-8100
00009	Stephen A. Zelenka	18940 West Warren Road	Detroit	MI	48228	(313) 271-8620
00052	Chambe Pizza Corporation	18950 W. McNichols	Detroit	MI	48219	(313) 534-6400
00079	Stephen A. Zelenka	9911 Greenfield	Detroit	MI	48227	(313) 273-5700
03603	Metropolitan Pizza Group, LLC	8991 Linwood	Detroit	MI	48206	(313) 896-3540
01081	DeWitt Pizza Company, LLC*	121 East Main Street	DeWitt	MI	48220	(517) 669-2555
01031	Dittrich Investments Inc.	8769 E. Monroe	Durand	MI	48429	(989) 288-2323
00084	WAM Foods, Inc.	134 N. Harrison	East Lansing	MI	48823	(517) 336-9111
00570	East Lansing Pizza, LLC	3499 East Lake Lansing Rd.	East Lansing	MI	48823	(517) 332-1020
01051	Hungry Howie's Properties, Inc.	200 West Bay Street	East Tawas	MI	48730	(989) 362-3100
00019	Hungry Howie's Properties, Inc.	22441 Kelly Rd.	Eastpointe	MI	48021	(586) 445-2220
01009	Eaton Rapids Pizza Company, LLC*	916 S. Main Street	Eaton Rapids	MI	48827	(517) 663-6200
01007	Hungry Howie's Properties, Inc.	3200 Center Ave.	Essexville	MI	48732	(989) 894-2100

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**List Of Operational Franchisees**

00029	Hearns Hungry Howie's, Inc.	22467 Middlebelt Road	Farmington Hills	MI	48336	(248) 477-5210
00558	MJM Pizza, LLC	27634 Middlebelt	Farmington Hills	MI	48334	(248) 442-9900
00095	Jackson Pizza Company, LLC	1003 N. Leroy	Fenton	MI	48430	(810) 629-3100
00026	Ferndale Pizza Company, Inc.	419 W. 9 Mile Rd.	Ferndale	MI	48220	(248) 546-0643
00089	CMA I, Inc.	24637 Gibraltar Rd.	Flat Rock	MI	48134	(734) 783-2900
00040	Millennium Food Service, LLC	3625 Corunna Rd.	Flint	MI	48532	(810) 232-6522
00047	Millennium Food Service, LLC	4020 Richfield	Flint	MI	48506	(810) 244-7070
01086	Lesota Ltd.	1419 Flushing Road	Flushing	MI	48433	(810) 487-7000
01085	Fowlerville Pizza Company, Inc.	601 West Grand River	Fowlerville	MI	48836	(517) 223-3200
01092	Hungry Howie's Properties, Inc.	479 North Main St.	Frankenmuth	MI	48734	(989) 652-8850
00586	Millennium Food Service, LLC	115 S. Main, #68	Freeland	MI	48623	(989) 695-5700
00054	Jackson Food Service, Inc.	28532 Ford Rd.	Garden City	MI	48135	(734) 522-2121
01074	Hungry Howie's Properties, Inc.	742 W. Cedar	Gladwin	MI	48624	(989) 426-1868
01002	SMJA, Inc.	11565 S. Saginaw St.	Grand Blanc	MI	48439	(810) 695-6700
01043	Grand Ledge Pizza Company, Inc	323 S. Bridge Road	Grand Ledge	MI	48837	(517) 627-8300
00530	Martin H Enterprises*	2221 Plainfield Ave.	Grand Rapids	MI	49505	(616) 363-4055
01080	J & J Food, Inc.	1808 Breton Rd. S.E	Grand Rapids	MI	49506	(616) 954-9999
01063	CMA I, Inc.*	8535 Macomb	Grosse Ile	MI	48138	(734) 675-5800
03601	Metro Food Concepts, LLC	15316 East Jefferson	Grosse Pointe Park	MI	48230	(313) 823-7000
00049	Grosse Pointe Pizza, Inc.	21143 Mack Ave.	Grosse Pointe Woods	MI	49236	(313) 886-4500
00576	Metro Food Concepts, LLC	11401 Joseph Campau	Hamtramck	MI	48212	(313) 365-5000
01021	Harrison Pizza Inc.	35410 Jefferson	Harrison Twp.	MI	48045	(586) 791-5005
00090	SMJ, Inc.	12402 Highland Rd.	Hartland	MI	48353	(810) 632-5959
01000	The Word Enterprises-Haslett, LLC	1673 Haslett Road	Haslett	MI	48840	(517) 339-4333
01035	Jacinto Foods, Inc.	130 North Broadway	Hastings	MI	49058	(269) 945-5500
00575	Hazel Park Pizza, LLC	914 E. 9 Mile Rd	Hazel Park	MI	48030	(248) 691-9040
00025	SMJ, Inc.	2330 S. Milford Rd.	Highland	MI	48357	(248) 684-7300
01083	SMJ, Inc.	2844 E. Highland Rd.	Highland	MI	48356	(248) 889-8690
01057	Hillsdale Howie's, Inc.	4 West Carleton	Hillsdale	MI	49242	(517) 437-0600
00584	Zeeland Pizza Corp.	65 Douglas, Ste. 6	Holland	MI	49424	(616) 546-4444
01068	Millennium Food Service, LLC	1010 N. Saginaw	Holly	MI	48442	(248) 328-1000
01049	HOLT KD LLC	2361 Cedar St	Holt	MI	48842	(517) 699-9000
00563	Millennium Food Service, LLC	3057 West Houghton Lake Drive	Houghton Lake	MI	48629	(989) 366-1234
00056	Owl Enterprises, Inc.	2560 Grand River #11	Howell	MI	48843	(517) 548-0067
00596	New Millennium Management, Inc.	325 Railroad Street	Hudson	MI	49247	(517) 448-4694
01030	Millennium Food Service, LLC	583 Cedar	Imlay City	MI	48444	(810) 724-4515



**Exhibit J:**  
**List Of Operational Franchisees**

01097	Jackson Pies, LLC	836 N. West Ave.	Jackson	MI	49202	(517) 817-2000
01010	J & J Food, Inc.	314 Baldwin Road	Jenison	MI	49428	(616) 457-3333
00075	Smith Pizza Service, L.L.C.	1381 S. Drake Rd., Suite 1	Kalamazoo	MI	49006	(269) 373-1600
01020	KB Pizza Company Inc.	3036 Portage Street	Kalamazoo	MI	49001	(269) 381-6144
01048	Brav, Inc.	7949 South 8th Street	Kalamazoo	MI	49009	(269) 375-7970
01069	K-Zoo Pizza Company	5455 Gull Rd.	Kalamazoo	MI	49008	(269) 342-6002
00067	SSP Inc.	2170 Cass Lake Road	Keego Harbor	MI	48320	(248) 683-8383
00048	Beale's Meals on Wheels, Inc	5248 Eastern Ave. SE	Kentwood	MI	49508	(616) 532-4433
01013	D & R Food Services, Inc.	5295 Lapeer Road (Wadhams)	Kimball	MI	48074	(810) 984-8800
00065	D & W Enterprises, Inc.	4640 E. M-36, Box 368	Lakeland	MI	48143	(810) 231-9888
00051	J & M Foodservices, Inc.	900 West Holmes Rd.	Lansing	MI	48910	(517)394-0300
00063	VAC Foods, Inc.	742 N. Waverly Rd.	Lansing	MI	48917	(517) 321-4404
00092	Millennium Food Service, LLC	630 West Genesee Street	Lapeer	MI	48446	(810) 667-2000
03604	Corse, Inc.	1863 Southfield Rd.	Lincoln Park	MI	48146	(313) 357-9000
01044	SMJ, Inc.	8351 Silver Lake Road	Linden	MI	48451	(810) 735-5803
00005	Hearns Hungry Howie's, Inc.	27448 West 7 Mile Road	Livonia	MI	48152	(248) 777-3300
00017	Hearns Hungry Howie's, Inc.	33699 Five Mile Road	Livonia	MI	48154	(734) 427-5050
00560	Jackson Food Service, Inc.	8821 Newburgh Rd.	Livonia	MI	48150	(734) 293-0400
00528	Pat Patterson Properties, Inc.	5485 West US Highway 10	Ludington	MI	49431	(231) 843-6363
01094	Millennium Food Service, LLC	51074 Romeo Plank Rd.	Macomb Twp	MI	48044	(586) 992-1900
00020	Valiant Holdings, Inc.	30495 John R.	Madison Heights	MI	48071	(248) 583-9944
00087	Hungry Howie's Properties, Inc.	105 Fairbanks	Marine City	MI	48039	(810) 765-1100
00535	Marshall Pizza Company, Inc.*	111 South Grand	Marshall	MI	49068	(616) 781-3555
00050	D & R Food Services, Inc.	3240 Gratiot Avenue	Marysville	MI	48040	(810) 364-3360
01019	Hart Pizza, Inc.	222 North Cedar	Mason	MI	48854	(517) 676-6622
00006	Stephen A. Zelenka	3810 Oakwood Blvd.	Melvindale	MI	48122	(313) 381-0642
00595	SKG Pizza, LLC	3562 South Lapeer, Ste. C	Metamora	MI	48455	(810) 678-2600
00549	Weick/Sinclair, L.L.C.	11300 W. M-179 Hwy.	Middleville	MI	49333	(269) 795-3250
01027	TDL Foods	425 S. Saginaw	Midland	MI	48640	(989) 832-5292
00088	Milan Pizza Company	6 West Main	Milan	MI	48160	(734) 439-1716
01050	Lesota, Ltd.	11360 N. Saginaw, Suite C	Mt. Morris	MI	48458	(810) 686-5577
00098	Tom J. Hutchinson & Douglas K. Myers	111 S. Mission	Mt. Pleasant	MI	48858	(989) 772-0044
00076	J & M Enterprises	37595 Green Street	New Baltimore	MI	48047	(586) 725-4999
01093	Millennium Food Service, LLC	59065 Gratiot	New Haven	MI	48048	(586) 749-3355
01018	Beezer's, LLC	555 Seven Mile Road	Northville	MI	48167	(248) 305-8376
00041	Oak Park Pizza Company, Inc.	24691 Coolidge Hwy.	Oak Park	MI	48237	(248) 545-4010

**Exhibit J:**  
**List Of Operational Franchisees**

01087	Oakland Pizza Co.	4930 North Adams Rd	Oakland Twp	MI	48306	(248) 276-9999
01033	SMJ, Inc.	280 North Ortonville Road	Ortonville	MI	48462	(248) 627-5255
00537	Hungry Howie's Properties, Inc.	5160 North US Hwy.	Oscoda	MI	48750	(989) 739-1300
01096	The Word Enterprises, LLC	3058 Britton Road	Perry	MI	48872	(517) 625-5555
00023	Hearns Hungry Howie's, Inc.	1327 South Main Street	Plymouth	MI	48170	(734) 453-3550
00081	Baldwin Pizza Company, Inc.	763 Baldwin Ave	Pontiac	MI	48340	(248) 332-9200
00091	D & R Food Services, Inc.	1618 Stone	Port Huron	MI	48060	(810) 987-7000
00555	Portland Howie's, Inc.*	1328 East Grand River	Portland	MI	48875	(517) 647-6020
00014	Jackson Food Service, Inc.	25249 Plymouth Rd.	Redford	MI	48239	(313) 534-8844
01038	Millennium Food Service, LLC	67437 Main Street	Richmond	MI	48062	(586) 727-4410
00071	River Rouge Pizza Company	11389 West Jefferson Ave.	River Rouge	MI	48218	(313) 843-4100
00058	MJM Pizza, LLC	19182 Fort St.	Riverview	MI	48193	(734) 479-1900
00021	RMJA, LLC	606 N. Main St.	Rochester	MI	48307	(248) 652-2010
00085	RMJA, LLC	2638 Rochester Rd.	Rochester Hills	MI	48307	(248) 852-0002
01099	Jerpie, Inc.	159 Marcell Drive NE	Rockford	MI	49341	(616) 863-8888
00070	Romeo Food Management, Inc.	64203 Van Dyke Detroit Metropolitan Airport:	Romeo	MI	48095	(586) 752-5200
00556	Midfield Concessions Enterprises, Inc.	McNamara Terminal	Romulus	MI	48242	(734) 229-0616
00033	Hungry Howie's Properties, Inc.	17744 Frazho	Roseville	MI	48066	(586) 772-5600
00053	Millennium Food Service, LLC	29042 Utica Rd.	Roseville	MI	48066	(586) 776-9700
00042	Royal Oak Pizza Company, Inc.	904 E. 11 Mile Rd.	Royal Oak	MI	48067	(248) 545-8090
01016	Hungry Howie's Properties, Inc.	3576 Bay Road	Saginaw	MI	48603	(989) 792-6300
01039	Hungry Howie's Properties, Inc.	4938 Gratiot	Saginaw	MI	48603	(989) 793-5100
01077	Milan Pizza, Inc.*	901 W. Michigan	Saline	MI	48176	(734) 944-9188
01045	Banyan Ventures LLC	910 Ashman	Sault Ste. Marie	MI	49783	(906) 632-6699
00078	Haider Enterprises, Inc.	54734 Shelby Rd.	Shelby Twp	MI	48316	(248) 656-3300
01004	Shelby Food Management, Inc.	49143 Schoenherr	Shelby Twp	MI	48315	(586) 739-5100
00545	Murk's Village Market, Inc.	08337 M-140	South Haven	MI	49090	(269) 637-1155
00097	David Plait	513 S. Lafayette	South Lyon	MI	48178	(248) 486-7900
00032	Southfield Pizza Co.	22040 W. 10 Mile Rd.	Southfield	MI	48033	(248) 350-8290
00002	S.J. Foodservice, Inc.	16083 Eureka Rd.	Southgate	MI	48195	(734) 282-0700
00533	Jerpie, Inc.	630 S. State St.	Sparta	MI	49345	(616) 887-6666
00059	D & R Foodservices, Inc.	201 N. Riverside Avenue	St. Clair	MI	48079	(810) 329-5900
00039	The Jackman Group, Inc.	31400 Harper Ave.	St. Clair Shores	MI	48082	(586) 294-8090
00568	The Word Enterprises L.L.C.	101 North Clinton Street	St. Johns	MI	48879	(989) 227-0999
00031	Millennium Food Service, LLC	13229 14 Mile Rd.	Sterling Heights	MI	48312	(586) 264-0215

**Exhibit J:**  
**List Of Operational Franchisees**

00037	Hungry Howie's Properties, Inc.	43067 Hayes	Sterling Heights	MI	48313	(586) 566-9700
00061	AJ & J, Inc.	43747 Van Dyke	Sterling Heights	MI	48314	(586) 726-9300
00062	Sterling Heights Pizza Company, Inc.	4078 17 Mile Rd	Sterling Heights	MI	48310	(586) 268-8800
00566	Stockbridge Pizza, Inc.	200 South Clinton Street	Stockbridge	MI	49285	(517) 851-7447
01008	Millennium Food Service, LLC	7567 Miller Road	Swartz Creek	MI	48473	(810) 635-7171
00001	Jackson Food Service, Inc.	8225 S. Telegraph Rd.	Taylor	MI	48180	(313) 295-2350
00003	Jackson Food Service, Inc.	27198 Eureka Rd.	Taylor	MI	48180	(734) 942-9500
00086	TDL Foods, Inc.	510 W. 14th Street	Traverse City	MI	49684	(231) 929-7976
01032	CMA I, Inc.	3921 West Road	Trenton	MI	48183	(734) 692-5560
00035	Birmingham Pizza, LLC	3615 Rochester Rd.	Troy	MI	48083	(248) 689-8400
00073	Vallon, Inc.	10784 Belleville	Van Buren Twp	MI	48111	(734) 697-4545
01040	Smith Pizza Service L.L.C.	200 East Prairie	Vicksburg	MI	49097	(269) 649-9099
01075	JO-CO Restaurants, LLC	4069 Lake Michigan Drive	Walker	MI	49504	(616) 735-2050
00055	Walled Lake Pizza Company, LLC	954 N. Pontiac Trail	Walled Lake	MI	48390	(248) 624-8006
00028	Warren Pizza Company, Inc.	31912 Ryan Road	Warren	MI	48092	(586) 939-3290
00045	Millennium Food Service, LLC	22945 Hoover	Warren	MI	48089	(586) 757-1500
00057	Nine Mile Pizza Company, LLC	4652 E. Nine Mile Rd.	Warren	MI	48091	(586) 754-5355
03600	Millennium Food Service, LLC	29142 Hoover Rd.	Warren	MI	48093	(586) 558-4800
00024	Little Pete's, Inc.	3434 Highland Road (M-59)	Waterford	MI	48328	(248) 681-7070
00043	Little Pete's, Inc.	5592 Dixie Hwy.	Waterford	MI	48329	(248) 623-1620
00016	Jackson Food Service, Inc.	5711 S. Wayne Rd.	Wayne	MI	48184	(734) 326-8990
01024	Robert Kehoe	6453 Farmington Road	West Bloomfield	MI	48322	(248) 626-9922
00007	Jackson Food Service, Inc.	30915 Ann Arbor Trail	Westland	MI	48185	(734) 261-5660
00011	Jackson Food Service, Inc.	1820 S. Newburgh Rd.	Westland	MI	48186	(734) 721-0600
00015	Jackson Food Service, Inc.	33700 Ford Rd.	Westland	MI	48185	(734) 422-0333
00099	Little Pete's, Inc.	9135 Highland Road	White Lake	MI	48383	(248) 698-1940
01082	Whitmore Lake Pizza Company, LLC*	11930 Whitmore Lake Rd.	Whitmore Lake	MI	48189	(734) 449-9100
00094	Williamston Pizza, Inc.*	205 West Grand River	Williamston	MI	48895	(517) 655-5900
01014	Wixom Pizza Company, LLC	31204 S. Wixom Road	Wixom	MI	48393	(248) 960-0100
01005	Lentrek, Inc.	1534 Ford Ave.	Wyandotte	MI	48192	(734) 282-4026
01001	Beale's Meals on Wheels, Inc.*	1540 28th St., SW, Unit #2	Wyoming	MI	49509	(616) 249-7070
00010	Ford Blvd. Pizza, Inc.	215 South Ford Blvd.	Ypsilanti	MI	48198	(734) 482-0522
00527	WD3 Foodservice Inc.	1874 Whittaker Road	Ypsilanti	MI	48197	(734) 480-0400
00539	Zeeland Pizza Corporation	26 N. State St.	Zeeland	MI	49464	(616) 772-7070

**Exhibit J:**  
**List Of Operational Franchisees**

**MISSISSIPPI**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
09000	Lombardi & Sons, Inc.	2309 Pass Rd.	Gulfport	MS	39051	2288634343
09002	GMLV, LLC	7157 Old Canton Rd.	Ridgeland	MS	39157	(601) 898-5008

**NEVADA**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
00906	North Vegas Pizza, LLC	6365 Simmons Street	Las Vegas	NV	89031	(702) 433-1313

**NORTH CAROLINA**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
00609	E & F Pizza Perfect, LLC	1748 Blowing Rock Rd.	Boone	NC	28607	(828) 264-5004
00608	E & F Pizza Perfect LLC	1707 Sardis Rd., North	Charlotte	NC	28270	(704) 845-5100
00610	A & E Perfect Pizza, LLC	8816 Unit B., University East Drive 8334 Pineville-Matthews Rd., Suite 104	Charlotte	NC	28213	(704) 598-4744
00611	F&F Pizza Perfect, LLP	8943 South Tryon St., Suite D	Charlotte	NC	28226	(704) 752-7577
00617	E & F Pizza Perfect, LLC	6316A W. Sugar Creek Rd.	Charlotte	NC	28273	(704) 588-2000
00619	FM Pizza Perfect, LLC*	1608 W. Friendly Ave.	Charlotte	NC	28269	(704) 509-4567
00621	Mega Dough, LLC	5710 High Point Rd., Suite 25	Greensboro	NC	27403	(336) 333-9393
00622	Mega Dough, LLC	553 S. Indian Trail	Greensboro	NC	27407	(336) 333-3340
00623	E & F Pizza Perfect, LLC	1814 Oberlin Rd.	Indian Trail	NC	28079	(704) 821-1004
00612	Satut Holdings, LLC	6701 Glenwood Ave.	Raleigh	NC	27608	(919) 789-0001
00613	Satut Holdings, LLC	6999 Old U.S. Hwy. 52	Raleigh	NC	27612	(919) 782-3434
00618	Mega Dough, LLC	166 Millers Creek Drive, Unit G	Welcome	NC	27295	(336) 731-3300
00615	JD4 PIZZA, INC		Winston-Salem	NC	27127	(336) 764-9898

**OHIO**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
00874	William Moreau	366 Waterloo Rd.	Akron	OH	44320	(330) 786-9200
00837	Hooyah Holdings, Inc.	634 West State St.	Alliance	OH	44601	(330) 821-9999
00822	SNV of Athens, LLC	235 W. Union Street	Athens	OH	45701	(740) 594-4694
00860	Hooyah Boardman, Inc.	5205 Market	Boardman	OH	44512	(330) 782-9999

**Exhibit J:**  
**List Of Operational Franchisees**

00842	North Shore Food Services, LLC	1832 Pearl Road	Brunswick	OH	442123252	(330) 225-1616
00832	Canton 832, LLC	2411 Tuscarawas Street W.	Canton	OH	44708	(330) 453-1681
00835	Canton East 835, LLC	2121 Columbus Road, N.E.	Canton	OH	44705	(330) 455-5141
00865	HHP Holding Company, LLC	1428 N. High St.	Columbus	OH	432012405	(614) 297-0000
00824	William Moreau	2404 State Road	Cuyahoga Falls	OH	44223	(330) 923-9200
00818	HH Pizza Store #818, LLC.	815 North Houk Rd.	Delaware	OH	43015	(740) 363-8020
00829	HHP Holding Company, LLC	1444 E. Main	Kent	OH	44240	(330) 677-5555
00823	Lakewood Pizza Inc.	16210 Detroit Ave.	Lakewood	OH	44107	(216) 521-7200
00838	North Shore Food Services, LLC	1033 S. Court Street	Medina	OH	44256	(330) 722-9888
00830	Elaine Fritz, Russell Fritz, Deborah Petes	9173 Mentor, Unit 2	Mentor	OH	44060	(440) 205-9595
00872	HHP Holding Company, LLC	35 North Cleveland Ave.	Mogadore	OH	44260	(330) 628-1164
00825	North Canton 825, LLC	4887 Portage Street, NW	North Canton	OH	44720	(330) 305-1318
00863	HHP Holdings Company, LLC	1146 Hill Rd. N.	Pickerington	OH	43147	(614) 577-0123
00834	HHP Holding Company, LLC	4180 Kent Road	Stow	OH	44224	(330) 688-2712
00801	P&N Pizza Company*	5820 Douglas Ave.	Toledo	OH	43613	(419) 474-2800
00873	HHP Holding Company, LLC	3939 Massillon Rd.	Uniontown	OH	44685	(330) 899-9993
00813	Westlake Pizza, Inc.	24533 Center Ridge Rd.	Westlake	OH	44145	(440) 899-1236
00864	HHP Holdings Company, LLC	4541 E. Main Street	Whitehall	OH	43213	(614) 239-6666

**OKLAHOMA**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
02700	Arete Pizza, Inc.	6703 East 81st St., Ste. B	Tulsa	OK	74133	(918) 523-0000

**PENNSYLVANIA**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
02602	Remmco, Inc.	3329 Beale Ave.	Altoona	PA	16601	(814) 943-7000
02601	Pie Guys, LLC	5086 Station Rd.	Erie	PA	16510	(814) 899-4242
02603	Pie Guys, LLC	128 W. 12th St.	Erie	PA	16501	(814) 464-0202
02604	Pie Guys, LLC	3558 W. 26th St.	Erie	PA	16506	(814) 833-2002

**Exhibit J:**  
**List Of Operational Franchisees**

**SOUTH CAROLINA**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
02503	SMW Foodsystems, L.L.C.	6801 St. Andrews Rd. Unit 15 Quail Valley Plaza	Irmo	SC	29212	(803) 749-2669
02506	Succulus, LLC	203 B. East Butler Rd.	Mauldin	SC	29662	(864) 676-0100
02501	MB Pizza, LLC	1601 South Kings Highway	Myrtle Beach	SC	29577	(843) 444-2000
02502	MB Pizza, LLC	4005 Hwy. 17	North Myrtle Beach	SC	29582	(843) 361-1300
02500	2500 Simpsonville, LLC	654 Fairview Rd., Ste. E	Simpsonville	SC	29680	(864) 962-8809

**TENNESSEE**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
01710	Seagrove Corp.	4345 Ringgold Rd.	Chattanooga	TN	37412	(423) 629-7007
01709	Yellow Phoenix, Inc.	1501 E. Morris Blvd., Suite 4	Morristown	TN	37813	(423) 587-8889

**TEXAS**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
01522	Cold Bay Enterprises, Inc.	3300 S. Washington	Amarillo	TX	79110	(806) 331-8989
01530	Bird Enterprises, LLP	105 Southwest Pkwy., Ste. 400	College Station	TX	77840	(979) 693-6666
01526	Enriquez Food Services, LLC	313 S. Sugar Rd.	Edinburg	TX	78539	(956) 287-9911
01508	Preston Bishop	1009 South Jackson, Ste. 105	Jacksonville	TX	75766	(903) 589-0500
01506	G & G Franchise Investments, Inc.	1310 East Del Mar Blvd, Ste A, Bldg B	Laredo	TX	78045	(956) 744-4444
01525	Enriquez Food Services, LLC	5000 N 23rd., Ste. A	McAllen	TX	78504	(956) 972-1122
01523	BDD Enterprises, L.P.	13486 San Pedro Ave., Ste. 103	San Antonio	TX	78216	(210) 650-9923
01535	Bishbo, LLC	3101 Shiloh Road	Tyler	TX	75707	(903) 561-9111

**UTAH**

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>
02106	Santa Clara Pizza, LLC	1812 West Sunset Blvd.	Santa Clara	UT	84770	(435) 656-5588
02103	Washington Pizza, LLC	2737 E. Red Cliffs Dr.	St. George	UT	84790	(435) 674-9966
02107	Bloomington Pizza, LLC	144 West Brigham Rd.	St. George	UT	84790	(435) 656-0011

\*Company name change. No change in ownership.

**Exhibit K:**  
**List of Non-Operational Franchisees**

**ALABAMA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
2315	JS & M Foods, Inc.	Mobile	AL	tom@kazbour.com

**ARIZONA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
01841	Desert Foods 1, LLC	Scottsdale	AZ	falazar@cox.net

**ARKANSAS**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
02900	Plan B Inc.	Conway	AR	(501) 206-0731

**CALIFORNIA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
00313	M & B, Inc.	Bakersfield	CA	(661) 342-7662
00367	Dave & Shan, LLC	Merced	CA	(209) 535-5024
00361	Annan Enterprises, Inc.	Sanger	CA	fresnohowies@sbcglobal.net
00357	Norayr Azaryan	Winnetka	CA	(818) 957-5364

**FLORIDA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
00147	Sports Pizza, LLC	Sebring	FL	(813) 385-4777
00268	Farr Out Pizza Company, Inc.	Winter Gardens	FL	(407) 654-5954

**GEORGIA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
02411	David F. Griffith & David R. Griffith	Newnan	GA	rodgriffith@numail.org

**Exhibit K:**  
**List of Non-Operational Franchisees**

**INDIANA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
02018	Travail, Inc.	Crown Point	IN	hhvalpo@hotmail.com

**LOUISIANA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
03800	D & C Restaurants, LLC.	Denham Springs	LA	dmontg99@aol.com

**MICHIGAN**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
00546	Belding Pizza Company, L.L.C.	Belding	MI	brianplait@live.com
00583	Magna Services Group, Ltd.	Boyne City	MI	dcopus@comcast.net
00551	Robert Wilson & Deborah Wilson	Brighton	MI	golfer8530@yahoo.com
01091	Robert Wilson & Deborah Wilson	Dexter	MI	golfer8530@yahoo.com
00046	East Point Pizza, Inc.	Detroit	MI	islandinc1@yahoo.com
01025	Timothy G. Beale & William G. Beale	East Grand Rapids	MI	timbeale@sbcglobal.net
00571	Ithaca Pizza Company LLC	Ithaca	MI	brianplait@live.com
00579	Magna Services Group, Ltd.	Kalkaska	MI	dcopus@comcast.net
00038	Shanker Corporation	Novi	MI	(248) 561-8372
01088	Murk's Village Market, Inc.	Paw Paw	MI	chrispratt@village-markets.com
03605	Sinclair/Weicks, LLC	Wayland	MI	bs.sinclair@hotmail.com
00553	S.M.J., Inc.		MI	speterson6808@comcast.net

**MISSISSIPPI**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
09003	GMLV, LLC	Brandon	MS	(601) 497-7658

**NEVADA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
00905	Magna Services Group Ltd.	Mesquite	NV	dcopus@comcast.net



**Exhibit K:**  
**List of Non-Operational Franchisees**

**NORTH CAROLINA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
00614	Satut Holdings, LLC	Chapel Hill	NC	danmsu@yahoo.com
00624	Dunaway & Flynn, LLC	Winston-Salem	NC	bldunaway@yadtel.net

**OHIO**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
00867	HHP Holdings, LLC	Columbus	OH	hhpholdings@att.net
00868	HHP Holdings, LLC	Columbus	OH	hhpholdings@att.net
00869	HHP Holdings, LLC	Columbus	OH	hhpholdings@att.net
00870	HHP Holdings, LLC	Columbus	OH	hhpholdings@att.net
00871	HHP Holdings, LLC	Columbus	OH	hhpholdings@att.net

**TEXAS**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Phone Number or Email Address</u>
01528	Enriquez Food Services, LLC	Brownsville	TX	genriquez@enriquezenterprises.net
01531	Bird Enterprises, LLP	Bryan	TX	hungryhowiescs@gmail.com
01527	Enriquez Food Services, LLC	Harlingen	TX	genriquez@enriquezenterprises.net

**UTAH**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Phone Number or Email Address</u>
02105	Magna Services Group Ltd.		UT	dcopus@comcast.net

**WEST VIRGINIA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Telephone No. or Email Address</u>
02205	Kramerica Industries, LLC	.	WV	rinaldi@gmail.com

**Exhibit L:**  
**List of Former Franchisee**

**ALABAMA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
02321	ZM & A Food, Inc.	Birmingham	AL	(205) 933-7373	Transfer to related parties

**ARIZONA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
01827	46th St. & Thomas Pizza 1804, LLC	Avondale	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01814	46th St. & Thomas Pizza 1804, LLC	Chandler	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01823	Hamzeh, Inc.	Gilbert	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
	Mario Attilio, Sr.; Mario Attilio, Jr.;				
01807	Nicholas Attilio	Glendale	AZ	(302) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01808	J.A.N.A. Pizza, Inc.	Glendale	AZ	(302) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01838	J.A.N.A. Pizza, Inc.	Glendale	AZ	(302) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01824	Sweet Peas Pizza, LLC	Goodyear	AZ	(623) 329-2648	Termination
01809	Valley Pizza, LLC	Mesa	AZ	(248) 414-3330	Transfer (part of a 17 unit deal to one franchisee)
01813	46th St. & Thomas Pizza 1804, LLC	Mesa	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01826	Lemon and Terrace Pizza 1805, LLC	Mesa	AZ	(408) 507-3728	Transfer (part of a 17 unit deal to one franchisee)
01819	J.A.N.A. Pizza, Inc.	Peoria	AZ	(302) 926-2706	Termination
01818	J.A.N.A. Pizza, Inc.	Peoria	AZ	(302) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01822	Ahwatukee Pizza, LLC	Phoenix	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01804	Valley Pizza, LLC	Phoenix	AZ	(248) 414-3330	Transfer (part of a 17 unit deal to one franchisee)
01825	Lemon and Terrace Pizza 1805, LLC	Phoenix	AZ	(408) 507-3728	Transfer (part of a 17 unit deal to one franchisee)
01840	Hamzeh, Inc.	Queen Creek	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01806	46th St. & Thomas Pizza 1804, LLC	Scottsdale	AZ	(482) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01811	J.A.N.A. Pizza, Inc.	Surprise	AZ	(302) 926-2706	Transfer (part of a 17 unit deal to one franchisee)
01805	Lemon and Terrace Pizza 1805, LLC	Tempe	AZ	(408) 507-3728	Transfer (part of a 17 unit deal to one franchisee)
01820	Hague Ventures 1, LLC	Tucson	AZ	(520) 886-1399	Transfer to existing franchisee

**CALIFORNIA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00339	2 Brothers Pizza, Inc.	Duarte	CA	(626) 599-9991	Transfer
00359	Annan Enterprises, Inc.	Sanger	CA	(559) 323-6001	Termination

**Exhibit L:**  
**List of Former Franchisee**

**CONNECTICUT**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
04100	Colonial Restaurant Properties, Inc.	Orange	CT	(203) 515-0934	Ceased Operations

**FLORIDA\***

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00111	BLT Pizza and Sub, LLC	Alachua	FL	(386) 462-9993	Ceased Operations
03010	B & J's Pizza, LLC	Avon Park	FL	(863) 784-0483	Transfer
00263	SIRRAP, LLC	Bellevue	FL	(352) 307-4694	Transfer
00112	Beverly Hills Pizza LLC	Beverly Hills	FL	(352) 527-3311	Transfer
03016	Bronson Pizza LLC	Bronson	FL	(352) 486-5848	Transfer
00254	Del Prado Pizza, Inc.	Cape Coral	FL	(239) 573-8222	Ceased Operations
00204	Clewiston Pizza	Clewiston	FL	(863) 983-1116	Transfer
00299	Cross City Pizza, LLC	Cross City	FL	(352) 498-0498	Transfer
00159	Fair Pizza, Inc.	Crystal River	FL	(352) 563-1151	Transfer
03006	Dunnellon Pizza, LLC	Dunnellon	FL	(352) 489-5661	Ceased Operations
00294	TNFS Inc.	Ft. Pierce	FL	(772) 462-3788	Ceased Operations
00232	232 Pizza, LLC	Gainesville	FL	(352) 335-8444	Transfer
00237	237 Pizza, LLC	Gainesville	FL	(352) 374-6600	Transfer
00275	Inverness Pizza LLC	Inverness	FL	(352) 344-3435	Transfer
00221	ACKG Pizza, Inc.	Jacksonville	FL	(904) 384-0092	Transfer
00210	Kazbour Food Service, Inc.	Newberry	FL	(888) 684-0622	Transfer
00220	Old Town Pizza	Old Town	FL	(352) 542-2212	Transfer
00253	Akam & Associated, LLC	St. Augustine	FL	(904) 794-1091	Ceased Operations
00239	FUFU Pizza, Inc.	St. Petersburg	FL	(727) 327-5555	Transfer
03005	Suncoast Ventures	Trenton	FL	(352) 463-9499	Transfer
00297	Dizo Inc.	Wildwood	FL	(352) 748-5525	Transfer

**GEORGIA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
02408	Culmination Holdings, LLC	Jonesboro	GA	(305) 693-3550	Ceased Operations

**INDIANA**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
02005	Columbus Pizza, LLC	Greenwood	IN	(678) 898-2239	Termination
02017	Trust Development, Inc.	Schererville	IN	(219) 548-2944	Termination

**Exhibit L:**  
**List of Former Franchisee**

**MICHIGAN\*\***

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00534	Plainwell Pizza Corporation	Cascade	MI	(248) 684-8478	Termination
03603	D & N Adventures, LLC	Detroit	MI	(248) 735-6016	Transfer
01002	Kevin Strominger	Grand Blanc	MI	(810) 606-0291	Transfer
00526	Greenville DC	Greenville	MI	(248) 546-2690	Termination
01097	Jackson Pizza, Inc.	Jackson	MI	(810) 227-8988	Transfer
00082	Strom Enterprises	Lake Orion	MI	(810) 606-0291	Non-Renewal
00569	The Word Enterprises, L.L.C.	Owosso	MI	(989) 725-3158	Termination
01004	GLS Pizza, Inc.	Shelby Twp	MI	(248) 377-0020	Transfer
00073	Carlyn, Inc.	Van Buren Twp	MI	(734) 697-4545	Transfer
00585	Millennium Food Service, LLC	West Branch	MI	(248) 414-3330	Termination

**OHIO**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00862	HHP Holdings, LLC	Clintonville	OH	(330) 605-8941	Ceased Operations
00861	William Moreau	South Euclid	OH	(419) 754-7169	Termination

**OREGON**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
07000	Two Eagles Enterprises, LLC	Aloha	OR	(503) 224-4444	Termination
07001	Two Eagles Enterprises, LLC	West Linn	OR	(503) 224-4444	Termination

**TEXAS**

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
01536	BD & D Enterprises, LLC	Austin	TX	(575) 921-5407	Termination

\*FLORIDA. Two Florida stores were inactive as of December 31, 2011, and have been listed on Exhibit L.

\*\*MICHIGAN. One Michigan store was inactive as of December 31, 2011, and has been listed on Exhibit L.

**Exhibit M:**  
**Receipt**

**This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.** If Hungry Howie's offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to the franchisor or an affiliate in connection with the proposed franchise sale.

**Maryland, New York and Rhode Island** require that Hungry Howie's give you this disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement or pay any consideration that relates to the franchise relationship.

**Michigan and Washington** require that we give you this disclosure document at least 10 business days before you sign a binding agreement or pay any consideration, whichever occurs first.

If Hungry Howie's does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state agency.

The name, principal business address and telephone number of each franchise seller offering this franchise in addition to those listed below is on the attached Addendum.

Brian J. Ognian  
30300 Stephenson Highway  
Madison Heights, MI 48071  
(248) 414-3300

Jennifer Jackson  
30300 Stephenson Highway  
Madison Heights, MI 48071  
(248) 414-3300

Elizabeth M. Reifert  
30300 Stephenson Highway  
Madison Heights, MI 48071  
(248) 414-3300

The issue date of this Disclosure Document is January 1, 2012.

The name and address of the Franchisor's registered agent authorized to receive service of process is listed on Exhibit C.

I have received a Disclosure Document dated January 1, 2012 that included the following Exhibits:

- |                                         |                            |                                        |
|-----------------------------------------|----------------------------|----------------------------------------|
| A. State Addenda to Disclosure Document | E. Manuals                 | J. List of Operational Franchisees     |
| B. State Administrators                 | F. Franchise Agreement     | K. List of Non-Operational Franchisees |
| C. Agents for Service of Process        | G. Multiple Unit Agreement | L. List of Former Franchisees          |
| D. Financial Statements                 | H. Standard Lease Rider    | M. Receipt                             |
|                                         | I. General Release         |                                        |

Signed: \_\_\_\_\_  
Individually

\_\_\_\_\_  
Street Address (domicile)

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
City or Town/State/Zip Code

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_  
Individually

\_\_\_\_\_  
Street Address (domicile)

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
City or Town/State/Zip Code

Dated: \_\_\_\_\_

and as officer(s), partner(s) or member(s) of \_\_\_\_\_, a \_\_\_\_\_ (corporation) (partnership) (limited liability company) and any other prospective franchisee entity (currently in existence or formed in the future) of which the above individual(s) is an officer, partner or member.

Please sign this copy of the Receipt, date your signature, insert your title (if appropriate) and the name and type of your business entity and return it to Brian J. Ognian, 30300 Stephenson Highway, Suite 200, Madison Heights, MI 48071, fax number (248) 414-3301. You should retain the duplicate copy for your records.

**Addendum to Receipt**

**HUNGRY HOWIE'S PIZZA & SUBS, INC.**

TO: \_\_\_\_\_

DATE: \_\_\_\_\_, \_\_\_\_\_

The name, principal business address, and telephone number of each franchise seller (in addition to those listed on the Receipt) with whom you had significant contact during the sales process is listed below.

**NAME\***

Timothy Lipka

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PRINCIPAL BUSINESS ADDRESS AND  
TELEPHONE NUMBER**

30300 Stephenson Highway  
Suite #200  
Madison Heights, MI 48071  
(248) 414-3300

This Addendum to Receipt should be attached to the Receipt signed by you acknowledging receipt of the Disclosure Document. If this Receipt does not list the name of each person with whom you had significant contact during the sales process, please contact Brian J. Ognian by telephone at the number set forth above or by mail at the address set forth above within five (5) days of receipt of this Addendum.

\*All individuals listed have the same principal business address and telephone number.

## Receipt

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|                                         | I. General Release         |                                        |

Signed: \_\_\_\_\_  
Individually

\_\_\_\_\_  
Street Address (domicile)

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
City or Town/State/Zip Code

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_  
Individually

\_\_\_\_\_  
Street Address (domicile)

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
City or Town/State/Zip Code

Dated: \_\_\_\_\_

and as officer(s), partner(s) or member(s) of \_\_\_\_\_, a \_\_\_\_\_ (corporation) (partnership) (limited liability company) and any other prospective franchisee entity (currently in existence or formed in the future) of which the above individual(s) is an officer, partner or member.

Please sign this copy of the Receipt, date your signature, insert your title (if appropriate) and the name and type of your business entity and return it to Brian J. Ognian, 30300 Stephenson Highway, Suite 200, Madison Heights, MI 48071, fax number (248) 414-3301. You should retain the duplicate copy for your records.

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DATE: \_\_\_\_\_, \_\_\_\_\_

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**NAME\***

Timothy Lipka

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PRINCIPAL BUSINESS ADDRESS AND  
TELEPHONE NUMBER**

30300 Stephenson Highway  
Suite #200  
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(248) 414-3300

This Addendum to Receipt should be attached to the Receipt signed by you acknowledging receipt of the Disclosure Document. If this Receipt does not list the name of each person with whom you had significant contact during the sales process, please contact Brian J. Ognian by telephone at the number set forth above or by mail at the address set forth above within five (5) days of receipt of this Addendum.

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