COMMISSIONERS
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BOYD DUNN





PATRICIA L. BARFIELD Director Corporations Division

ARIZONA CORPORATION COMMISSION

CHANCES ON 6TH, LLC, etal,

Date 02/07/2018

CHICAGO PIZZA KITCHEN L.L.C. 7570 E 6TH AVE SCOTTSDALE, AZ 85251

Dear Sir or Madam:

Enclosed is a copy of the following document(s) that were served upon the Arizona Corporation Commission on 02/02/2018 as agent for CHICAGO PIZZA KITCHEN L.L.C.:

Case COURT	number: 18CV668 Court: NORTHERN DISTRICT OF ILLINOIS, UNITED STATES DISTRICT
\boxtimes	Summons
\boxtimes	Complaint
	Subpoena
	Subpoena Duces Tecum
	Default Judgment
	Judgment
	Writ of Garnishment
	Motion For Summary Judgment
	Motion for
	Other
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Case caption: ROSATI'S FRANCHISING INC v.

Initials LA

Custodian of Records

File number L-1878227-7

COMMISSIONERS
TOM FORESE – Chairman
BOB BURNS
DOUG LITTLE
ANDY TOBIN
BOYD DUNN



TED VOGT Executive Director

PATRICIA L. BARFIELD Director Corporations Division

ARIZONA CORPORATION COMMISSION

CERTIFICATE OF MAILING

The undersigned person certifies the following facts:

On 02/02/2018, LETICIA ALONZO, an employee of the Arizona Corporation Commission ("ACC"), received on behalf of the ACC service of the following documents upon the ACC as agent for CHICAGO PIZZA KITCHEN L.L.C.

	"), received on behalf of the ACC se for CHICAGO PIZZA KITCHEN L. I		f the following documents upon the ACC as	
Case caption: ROSATI'S FRANCHISING INC v. CHANCES ON 6 TH , LLC, etal, Case number: 18CV668 Court: NORTHERN DISTRICT OF ILLINOIS, UNITED STATES DISTRICT COURT				
\boxtimes	Summons		Default Judgment	
\boxtimes	Complaint		Judgment	
	Subpoena		Writ of Garnishment	
	Subpoena Duces Tecum			
	Motion For Summary Judgment			
	Motion for			
	Other			
On 02/07/2018, the undersigned person placed a copy of the above listed documents in the United States Mail, postage prepaid, addressed to the entity at its last known place of business address, as follows: CHICAGO PIZZA KITCHEN L.L.C. 7570 E 6TH AVE SCOTTSDALE, AZ 85251				
		OR		
The u	undersigned was unable to mail the	above	listed documents to	
	izona, and the Arizona Corporation		on or limited liability company in the State ssion has no record of its known place of	
	are and certify under penalty of perj d name: LETICIA ALONZO cure:		t the foregoing is true and correct. 02/07/2018	
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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF ILLINOIS

SUMMONS IN A CIVIL CASE

ROSATI'S FRANCHISING, INC	Ξ.
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CASE NUMBER:

18-cv-668

V.

ASSIGNED JUDGE:

Honorable Joan H. Lefkow

CHANCES ON 6TH, LLC n/k/a CHICAGO PIZZA KITCHEN, LLC and WILLIAM JACHIMEK

DESIGNATED

MAGISTRATE JUDGE: Honorable Jeffrey Cole

TO: (Name and address of Defendant)

CHANCES ON 6TH, LLC n/k/a CHICAGO PIZZA KITCHEN, LLC
Care of its Statutory Agent, WILLIAM G JACHIMEK
7570 E 6TH AVE
SCOTTSDALE, AZ 85251

YOU ARE HEREBY SUMMONED and required to serve upon PLAINTIFF'S ATTORNEY (name and address)

Paula J. Morency Schiff Hardin LLP 233 S. Wacker Dr., Suite 7100 Chicago, IL 60606

an answer to the complaint which is herewith served upon you,	21	days after service of this
summons upon you, exclusive of the day of service. If you fail to do	so, judgment by default	will be taken against you for
the relief demanded in the complaint. You must also file your answ	ver with the Clerk of thi	s Court within a reasonable
period of time after service.		

THOMAS G. BRUTON, CLERK

(By) DEPUTY CLERK



January 30, 2018

DATE

		RETURN OF SEI	RVICE	
S	Service of the Summons and complaint was	s made by me ⁽¹⁾	Е	
ME OF S	SERVER (PRINT)	TITL	E	
Check	one box below to indicate appropriate	e method of service		
	Served personally upon the defendant	t. Place where served:		
	discretion then residing therein.		ee of abode with a person of suitable age and	
	Other (specify):			
		STATEMENT OF SER	VICE FEES	
AVEL	SEF	RVICES	TOTAL	
		DECLARATION OF	SERVER	
	I declare under penalty of perjure ontained in the Return of Service and States.	ry under the laws of the Unit	ed States of America that the foregoing informatue and correct.	tion
L	Date	Signature of Server		
		Address of Server		- X- X- X- X-

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

ROSATI'S FR	ANCHISING, INC.)
	Plaintiff,)
v.) Case No. 18-cv-668
CHANCES ON	N 6TH, LLC n/k/a)
CHICAGO PIZ	ZZA KITCHEN, LLC and)
WILLIAM JA	СНІМЕК,)
	Defendants.)

VERIFIED COMPLAINT

Plaintiff Rosati's Franchising, Inc. ("Rosati's") states as follows for its Verified Complaint against Defendants Chances on 6th, LLC n/k/a Chicago Pizza Kitchen, LLC ("Chances") and William Jachimek ("Mr. Jachimek") (collectively, "Defendants"):

NATURE OF THE CASE

1. This matter arises from Defendant Chances' failure to comply with its contractual obligations to Rosati's under a Franchise Agreement for the operation of a Rosati's Pizza franchise restaurant, and the breach of an associated personal Guaranty by Defendant Mr. Jachimek. Chances breached the Franchise Agreement in multiple ways, including by abandoning the franchised Rosati's Pizza restaurant it agreed to operate, operating a competing pizza restaurant (which it called "Sweet Home Chicago") at the franchise premises, failing to make required payments under the Franchise Agreement, and denying Rosati's access to the franchise premises for authorized inspections. Rosati's files this Verified Complaint to obtain injunctive relief for Defendants' violation of the contractual covenants against such competition, and to obtain damages for the violations of the parties' agreements and applicable law.

PARTIES

- 2. Plaintiff Rosati's Franchising, Inc. is a corporation organized under the laws of the State of Illinois with its principal place of business located in Elgin, Illinois.
- 3. Defendant Chances on 6th, LLC n/k/a Chicago Pizza Kitchen, LLC is a limited liability company organized under the laws of the State of Arizona with its principal place of business located in Scottsdale, Arizona. Mr. Jachimek has confirmed in writing that he is the sole member of Chances. (Rosati's Pizza Franchise Agreement, attached as Exhibit 1 to this Verified Complaint, in its Exhibit C, "100%".) After signing the Franchise Agreement, but without notice to Rosati's, Chances changed its name to Rosati's Old Town, LLC in 2015, then changed it again in October 2017, to Chicago Pizza Kitchen, LLC, according to the records of the Arizona Corporation Commission, Corporations Division, url http://ecorp.azcc.gov/Details/Corp?corpId=L18782277.
- 4. Defendant William Jachimek is an individual and is a citizen of the State of Arizona, residing in Scottsdale, Arizona.

JURISDICTION AND VENUE

- 5. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332(a) because the parties are citizens of different states and the matter in controversy exceeds the sum of \$75,000, exclusive of interests and costs.
- 6. This Court has personal jurisdiction over Chances. Section 16(C) of the Franchise Agreement, defined and attached below, expressly provides that Chances "irrevocably submits to the exclusive jurisdiction of any state or federal court of jurisdiction located in the State of Illinois and waives any objection [Chances] may have to either the jurisdiction or venue of such court." The Court also has jurisdiction over Chances as a result of the franchisee's long-

term Franchise Agreement with an Illinois franchisor, its refusal to make contractually required payments in Illinois, and resulting foreseeable injuries to Rosati's in Illinois.

- 7. The Court also has personal jurisdiction over Mr. Jachimek, who is the sole member of Chances and the guarantor of its Franchise Agreement obligations under the Guaranty, defined and attached below. Under the terms of the Guaranty, Mr. Jachimek agreed to perform and be bound by each and every provision, undertaking, agreement and covenant set forth in the Franchise Agreement, which includes the consent to personal jurisdiction of the state and federal courts located in the State of Illinois.
- 8. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b)(2) in that a substantial part of the events or omissions giving rise to the claims asserted in this Verified Complaint occurred in this judicial district, and also because Defendants waived any objection to venue in the United States District Court for the Northern District of Illinois in Section 17(C) of the Franchise Agreement and in the Guaranty.

THE ROSATI'S FRANCHISE SYSTEM

- 9. The first Italian restaurant owned by a Rosati family member opened in New York in the 1890's. After the turn of the century, members of the Rosati family moved to Chicago and opened a restaurant featuring "Italian Style Pizza," then a relatively unknown appetizer. In the decades that followed, generations of Rosati family members continued to develop and then, in the late 1970's, to franchise Rosati's Pizza restaurants. Rosati's Pizza restaurants have become known nationally and regionally as a high quality purveyor of Chicago pizza. Rosati's Pizza restaurants operate with the motto "Pizza Beer Sports."
- 10. In furtherance of their business as a franchisor of pizza restaurants under a uniform franchise system, Rosati's engages qualified independent franchisees to operate Rosati's Pizza restaurants under franchise agreements. Rosati's franchisees are licensed to use Rosati's

trade names, service marks, and trademarks, and to operate under the Rosati's system. Rosati's franchisees use Rosati's proprietary business system, procedures, standards and operational specifications, all of which are disclosed to Rosati's franchisees in confidence through training and a proprietary operations manual.

11. Rosati's has spent decades and substantial sums to develop its franchise system, advertise its name and service marks, and develop its reputation with consumers. As a result of Rosati's sales, advertising, and other efforts, the name "Rosati's" has become identified in the minds of the general public throughout the country with the products and services offered by Rosati's and its franchised chain of 127 restaurants, including 23 in Arizona and 4 in Scottsdale (before the events set forth in this Verified Complaint). Rosati's name, trademark, and service marks are valuable intellectual property of substantial value to Rosati's, associated with and conveying Rosati's considerable goodwill and favorable reputation.

THE FRANCHISE AGREEMENT AND GUARANTY

12. On or about April 22, 2014, Chances entered into the Franchise Agreement with Rosati's Franchising, Inc. (Ex. 1, p. 1). The Franchise Agreement is "binding upon the parties and their respective executors, administrators, heirs, assigns, and successors in interest." (*Id.* § 18(A).) Also on or about April 22, 2014, Mr. Jachimek individually executed a Guaranty and Assumption of Obligations (the "Guaranty"), which is Exhibit D to the Franchise Agreement.

The Fifteen-Year Term and Payment Obligations

13. Under the Franchise Agreement, Chances obtained the right and undertook the obligation to operate a Rosati's Pizza franchise restaurant for a term of 15 years, located at 7570 E. 6th Ave., Scottsdale, Arizona 85251 (the "Franchised Business"). (Ex. 1, §§ 7, 12.) Chances was granted a limited, non-exclusive license to use the "Rosati's Pizza" trade name and service mark (the "Marks") for the operation of the franchised business. (*Id.* at p. 1 and § 3(A)(3).)

- 14. Section 2 of the Franchise Agreement required that Chances agree to pay Rosati's an ongoing weekly royalty fee of 5% of the gross sales of the Franchised Business throughout the term of the Franchise Agreement. (That amount was briefly modified for a period of time, by a Royalty Reduction Agreement that was "contingent upon Franchisee submitting gross sales reports in a timely manner and Franchisee making timely payment of Royalties." (*Id.*, Par. 2.) Because Chances did not comply with those requirements, the remaining Royalty amounts for that period, as well as other unpaid Royalties, remain due and owing.)
- 15. Under Section 7(J), Chances agreed to make prompt payment to Rosati's for sums due under the Franchise Agreement. Chances further agreed that late payments would accrue interest at the rate of 2% per month and a \$100 late fee for every notification or demand for payment. Chances further agreed that any royalty payments and associated interest and late fees would be paid through an electronic transfer of funds and agreed to authorize Rosati's to cause Chances' banks to make such electronic transfers.
- 16. Under Section 8(A)-(B) of the Franchise Agreement, Chances agreed to provide Rosati's with specified accounting records and other information, including financial statements and weekly gross sales reports.
- 17. In order to induce Rosati's to enter into the Franchise Agreement, and to secure performance of the obligations Chances undertook in that agreement, Chances granted Rosati's a security interest in, among other items, "all equipment, fixtures, furnishings and improvements" used in the operation of the franchised business. (Ex. 1, § 7(N); Security Agreement, Exhibit B to the Franchise Agreement.)

In-term and Post-term Covenants Against Competition

18. Under Section 3(B) of the Franchise Agreement, Chances agreed not to engage in any other business or activity that conflicts with its obligations under the Franchise Agreement.

Chances further agreed to perform its obligations under the Franchise Agreement "faithfully, honestly and diligently," and continuously exert its best efforts to promote and enhance the Franchised Business.

- 19. Under Section 7(H), Chances agreed not to compete with Rosati's during the term of the Franchise Agreement. Among other non-compete obligations, Chances agreed that it would refrain from directly or indirectly participating in the operation of any other restaurant featuring pizza during the term of the Franchise Agreement, the "In-Term Non-Compete Covenant."
- 20. Chances further agreed not to compete with Rosati's following termination of the Franchise Agreement for a period of two years, the "Post-Termination Non-Compete Covenant." (*Id.*, § 14(C).) Under the Post-Termination Non-Compete Covenant, Chances agreed, among other obligations, not to operate, participate, or hold any interest in any restaurant serving or featuring pizza within twenty miles of the Franchised Business or within twenty miles of another Rosati's Pizza restaurant. The two-year period is tolled during any time that Chances fails to comply with the Franchise Agreement, including by failing to comply with the Post-Termination Non-Compete Covenant. Chances expressly acknowledged that violation of the Post-Termination Non-Compete Covenant would result in immediate and irreparable injury to Rosati's. Chances further agreed that it may conclusively be presumed that any violation of its non-compete covenants was accomplished by and through unlawful use of Rosati's Confidential Information.

Compliance with System Standards and Protection of the Marks

21. Chances agreed to conduct the affairs of the Franchised Business, and operate and maintain the Franchised Business, in accordance with Rosati's system standards. (*Id.*, § 7.) Chances further agreed to use the "Rosati's Pizza" trade name and service mark properly, and

acknowledged that Chances' permission to use the Marks is derived solely from the Franchise Agreement. (Id., § 10.)

22. Among other commitments, Chances pledged to permit Rosati's to enter the Franchised Business premises to inspect and to audit Chances to ensure compliance with the Franchise Agreement. (*Id.*, § 8(C)-(D).)

Confidentiality Obligations

Under Section 11 of the Franchise Agreement, Chances agreed to maintain the confidentiality of Rosati's trade secrets and "Confidential Information," defined to include, among other things, recipes and product mixes, the Rosati's Franchise Operations Manual, and other procedures, standards, and business practices. At the time it executed the Franchise Agreement, Chances acknowledged that it did not know these procedures, techniques, business methods or business policies, nor have access to Rosati's body of knowledge. (Ex. 1, at p. 1.) Chances further agreed that it would not use any of Rosati's Confidential Information in the operation of any other business, the "Confidentiality Covenant." (Id. § 11.)

Termination and Post-Termination Obligations

- 24. Under Section 13(A) of the Franchise Agreement, Chances had the right to terminate the Franchise Agreement only if Rosati's materially breached the agreement and Rosati's failed to cure such breach within a reasonable time, to be no less than 90 days after Chances provided written notice of such a breach. Chances has not provided any such notice, nor has it claimed any material breach by Rosati's.
- 25. Rosati's has the right to terminate for multiple reasons, set forth in Section 13(B)-(C) of the Franchise Agreement. Section 13(C) describes the grounds for termination after notice and an opportunity to cure, including a failure to pay amounts due, failure to submit reports and financial data, and failure to perform any of the terms and conditions of the Franchise

Agreement. If any such failures are not cured after 30 days, Rosati's is entitled to terminate the Franchise Agreement, effective upon delivery of a termination notice.

- 26. Under Section 14 of the Franchise Agreement, Chances agreed that following termination of the Franchise Agreement it would cease using Rosati's Marks, return Rosati's proprietary and confidential information, pay all amounts outstanding, undertake various other obligations, and furnish proof that the foregoing obligations had been completed.
- 27. In addition to the right to enforce the Security Agreement described in Paragraph 17 above, Chances agreed to permit Rosati's to enter the Franchised Business's premises upon termination or expiration of the Franchise Agreement to remove signage and other items bearing Rosati's Marks. (*Id.*, § 6(B).)
- 28. Under Section 9(B) and Exhibit E to the Franchise Agreement, Chances granted Rosati's the sole rights to and interest in the Franchised Business's telephone number(s), which consumers use to order pizza and other menu items and otherwise communicate with the franchised Rosati's location.

Applicable Law and Enforcement Rights

29. The parties agreed that the prevailing party in any legal proceeding to enforce the Franchise Agreement would be entitled to recover attorneys' fees and costs, and waived any right to trial by jury. (*Id.*, § 16(D)-(E).) The parties further agreed that Illinois law would govern both the Franchise Agreement and the franchise, without reference to Illinois choice of law and conflict of law rules. (*Id.*, § 16(C).)

Jachimek Obligations

30. Under the Guaranty, Mr. Jachimek agreed punctually to pay and perform each and every undertaking, agreement and covenant set forth in the Franchise Agreement. Mr. Jachimek also agreed to be personally bound by, and personally liable for the breach of, each and every

provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, among other obligations.

DEFENDANTS' DEFAULTS & VIOLATIONS OF THE FRANCHISE AGREEMENT & GUARANTY

- 31. In or around April 2017, Chances began failing to meet its obligations in breach of the Franchise Agreement, including but not limited to its failure to provide required financial reports for the franchised business. In or around the summer of 2017, Chances continued to breach the Franchise Agreement in numerous ways, including but not limited to its failure to provide required financial reports, its termination of Rosati's access to Chances' bank accounts, failure to make required payments to Rosati's, failure to provide insurance and leasing information required by the Franchise Agreement, and failure to allow Rosati's inspectors to have access to the franchise premises, among other contract violations. In violation of the Franchise Agreement and Guaranty, and despite repeated requests from Rosati's, Mr. Jachimek and Chances failed to remedy those violations.
- 32. In late 2017, Rosati's learned that Chances had abandoned its Rosati's Pizza Franchise Business and begun operating a different pizza restaurant at the franchise location under the name "Sweet Home Chicago" in violation of its noncompete obligations. In addition, Chances purported to change its motto, from "Pizza Beer Sports," as a Rosati's restaurant, to "Pizza BBQ Sports," for the current pizza restaurant. Attached as Exhibit 2 is a true and correct copy of a photograph taken on or about November 19, 2017, showing the exterior signage of the franchised location.

- 33. On December 15, 2017, Rosati's counsel sent by overnight mail a Notice of Default of Franchise Agreement to Chances and Mr. Jachimek (the "Notice of Default"). A true and correct copy of the Notice of Default is attached hereto as Exhibit 3.
- 34. The Notice of Default provided formal notice to Chances and Mr. Jachimek that they had violated the Franchise Agreement and the Guaranty, and provided Defendants with a 30-day cure period, in accordance with Sections 13 and 14 of the Franchise Agreement. The Notice of Default was specific in describing the violations:

Chances' decision to operate a competing business under the "Sweet Home Chicago" name follows its other recent defaults, including its refusal to allow Rosati's inspector to access and inspect the premises, its failure to provide required financial reports for the franchised business, its termination of Rosati's access to the franchisee's bank accounts, and its failure to provide insurance and leasing information required by the Franchise Agreement, among many other contract violations.

(Ex. 3, Notice of Default, at p. 1.) Accordingly, Rosati's required that Chances and its Guarantor immediately cure those violations, by taking the following actions:

- 1) Cease and desist all operation of the Sweet Home Chicago restaurant;
- 2) Return operations at the franchised location to a Rosati's Pizza franchise, in full compliance with the Franchise Agreement;
- 3) Allow the Rosati's inspector immediate access to the restaurant premises and computer system for inspection and audit;
- 4) Provide all missing financial information, including weekly gross sales reports from April 2017 to the present;
- 5) Provide all missing, insurance and leasing information;
- 6) Pay to Rosati's all unpaid amounts required by the Franchise Agreement, including royalties on all sales made at this location to date from April 2017 to the present;
- Reinstate the electronic funds transfer authorization that will permit Rosati's to withdraw royalties and other amounts due; and
- 8) Commit to perform all other obligations required by the Franchise Agreement. (*Id.* at 2.)

- 35. Chances and Mr. Jachimek have ignored that Notice of Default, and have continued to breach the Franchise Agreement in each of the ways described in the Notice of Default.
- 36. Their violations, including but not limited to their continued operation of a competing concept under the name Sweet Home Chicago, using a motto closely similar to Rosati's, in Rosati's former location and with Rosati's Confidential Information, harm Rosati's and other Rosati's franchisees in Arizona and nationwide. Defendants gained access to Rosati's system and the Confidential Information, including Rosati's recipes and cooking methods, the Rosati's Franchise Operations Manual, and other procedures, standards, and business practices. Defendants used that Confidential Information to establish a presence in this marketplace, and then converted the restaurant to a competing operation. Without the protections set forth in the contractual noncompete, the Rosati's system loses revenues, the promise of a presence at this location for an additional 12 years, and risks further danger to the system if other franchisees see Chances and its Guarantor break away without consequence and consider doing the same.
- 37. Given the competitive nature of the Scottsdale real estate market, limited suitable locations, and other nearby franchised locations, Rosati's believes it would be extremely difficult, if not impossible, to open another Rosati's pizza restaurant at a different location in close proximity to the Franchise Business premises. Furthermore, unless Defendants are restrained from the violation of their non-competition covenant, any new Rosati's pizza restaurant would then face the unfair competition of sharing a market with a franchisee that has kept the location and phone number, has access to the Rosati's system standards and operations manual, and is capitalizing on the goodwill that Chances concedes belongs to Rosati's. (Ex. 1, Franchise Agreement, § 10(E).)

- 38. Chances used the Rosati's brand and accompanying goodwill to build a customer base for Rosati's Pizza at the franchise premises, and now seeks to use that goodwill and customer base to further the new pizza restaurant. Customers of Sweet Home Chicago may reasonably believe that the new Chicago pizza restaurant is affiliated with Rosati's, given that Defendants are operating at the same location with the same phone number, similar menu items, and a similar motto, which would diminish Rosati's brand and goodwill. Defendants have refused Rosati's efforts to obtain access to the premises, which means the new operation is proceeding without any ability to inspect its compliance with system standards.
- 39. Sweet Home Chicago has copied many of Rosati's menu items. A true and correct copy of the menu for the Chances' Rosati's pizza restaurant is attached hereto as Exhibit 4. A true and correct copy of one of the new menus for Chances' Sweet Home Chicago is attached hereto as Exhibit 5. Both menus include square cut pizza, appetizer pizza nuggets with garlic butter sauce and marinara, a specialty Pomodoro pasta and a deep dish cookie for dessert (described on both as "[a] chocolate chip cookie made in a deep dish pan served with vanilla ice cream").
- 40. In addition, Sweet Home Chicago's menu on the pizza website SliceLife.com includes references to Rosati's. Attached as Exhibit 6 hereto is a true and correct copy of Sweet Home Chicago's menu from SlifeLife.com. Sweet Home Chicago's "Combo Sandwich" is described as "Rosati's Italian sausage link & beef on Italian bread with sweet peppers." Sweet Home Chicago's "Penne Pomodoro & Gourmet Italian Sausage" is described as "Rosati's gourmet Italian sausage, classic penne noodles, extra virgin olive oil & juicy, Pomodoro tomatoes, topped with shaved Asiago cheese & fresh parsley." (Ex. 6, at 4, 6 (emphasis supplied).) The url for the SliceLife.com Sweet Home Chicago menu likewise still includes a

reference to Rosati's: https://www.slicelife.com/restaurants/az/scottsdale/85251/rosati-s-old-town-pizza-sports-pub/menu.

41. Copying Rosati's style, Sweet Home Chicago has also decorated its exterior signage, menu and website with Chicago's skyline.

ROSATI'S TERMINATION OF THE FRANCHISE AGREEMENT

- 42. On January 19, 2018, Rosati's counsel sent a Notice of Termination of Franchise Agreement to Chances and Mr. Jachimek (the "Notice of Termination"), by overnight mail. A true and correct copy of the Notice of Termination is attached hereto as Exhibit 7.
- 43. As described in the Notice of Termination, Rosati's terminated the Franchise Agreement because Chances and Mr. Jachimek failed to cure the material contractual breaches set forth in the Notice of Default. Rosati's reserved all rights.

COUNT I – BREACH OF FRANCHISE AGREEMENT (Rosati's Franchising, Inc. v. Chances on 6th, LLC n/k/a Chicago Pizza Kitchen, LLC)

- 44. Paragraphs 1 through 43 above are incorporated by reference as if fully set forth herein.
- 45. Rosati's and Chances are parties to the Franchise Agreement, a binding and enforceable contract.
- Agreement, including by (i) licensing the Marks to Chances, (ii) providing Chances with procedures, techniques, business methods, business forms, business policies and a body of knowledge pertaining to the establishment and operation of a Rosati's Franchised Business, (iii) providing Chances the Rosati's Franchise Operations Manual and other confidential information, (iv) providing training and other assistance to Chances and (v) taking other actions in furtherance of the Franchised Business in accordance with the Franchise Agreement.

- 47. Chances has materially breached the Franchise Agreement in numerous ways. Most blatantly, Chances has abandoned the Franchised Business and opened a competing pizza restaurant at the same address as the franchise premises.
- 48. Chances has also breached the Franchise Agreement by (i) denying a Rosati's inspector access to the restaurant premises and computer system for inspection and audit, including to ensure proper use of the Marks, (ii) failing to provide Rosati's financial information, including weekly gross sales reports from April 2017 to the present, (iii) failing to provide missing insurance and leasing information, (iv) failing to pay Rosati's the amounts due and owing under the Franchise Agreement, including royalties on all sales made from April 2017 to the present, (v) cancelling electronic funds transfer authorizations that permitted Rosati's to withdraw, from the Chances bank account, royalties and other amounts due, (vi) failing to operate the Franchised Business in accord with Rosati's operational standards and (vii) misusing Rosati's Confidential Information in operating a competing pizza restaurant.
- 49. As a direct and proximate result of Chances' breaches of the Franchise Agreement, Rosati's has been damaged in ways that can be measured and in ways that cannot. Defendants are and have been operating a competing business, in complete disregard of their obligations under the Franchise Agreement. They have been doing so in the Rosati's franchised location, using the same phone number, with a similar menu and motto, apparently seeking to trade on Rosati's goodwill, confuse customers, and divert those customers to the Sweet Home Chicago concept. The risk to Rosati's from that continued behavior can be addressed only with injunctive relief. Unless Defendants are enjoined, Rosati's will continue to suffer substantial injury to its business, reputation and goodwill, for which Rosati's has no adequate remedy at law.

- 50. As set forth above, Chances has breached the In-Term Non-Compete Covenant, the Post-Termination Non-Compete Covenant, and the Confidentiality Covenant, among others. Those covenants are necessary to protect Rosati's legitimate business interests, including, particularly, its confidential business information, its substantial relationships with prospective and existing customers, its relationships with other franchisees, and the goodwill associated with its Marks and reputation in the geographic area served by Chances.
- 51. In addition, Rosati's has incurred other injuries entitling it to damages for the breach of Defendants' remaining 12 years of obligations to this brand, including the present value of all future royalty payments that would have been due under the Franchise Agreement through the end of the term, past-due royalties and fees, interest, and attorneys' fees and costs for pursuing this action, among other relief.

WHEREFORE, Rosati's prays for judgment against Chances as follows:

- a. For orders temporarily and permanently enjoining Chances and others acting in concert with it, from directly or indirectly competing with Rosati's for two years within a 20 mile radius of the Franchised Business and any other Rosati's location, including by operating a pizza restaurant under the name "Sweet Home Chicago" or any other name;
- b. For orders temporarily and permanently enjoining Chances and others acting in concert with it, from using, disclosing or retaining Rosati's Confidential Information, and requiring that Chances return Rosati's proprietary and Confidential Information including its Franchise Operations Manual, as provided by the Franchise Agreement's Confidentiality Covenant;
- c. For orders temporarily and permanently enjoining Chances and others acting in concert with it, from directly or indirectly infringing the Marks in any manner, including by using any name, mark, design, or logo that is confusingly similar to the trademarks in connection with the sale, offer for sale, advertising, or promotion of any goods or services on its menus, social media, third party platforms or other means of communication with consumers;
- d. For an order requiring Chances to specifically perform certain other posttermination obligations set forth at Section 14(A) and elsewhere in the Franchise Agreement by (i) providing Rosati's with the Franchised Business's customer

- information, and (ii) turning over to Rosati's any phone numbers used by Chances that were associated with the Rosati's name;
- e. For an accounting of all amounts due and owing under the Franchise Agreement;
- f. For an award of damages for all amounts due and owing under the Franchise Agreement, including interest, and lost profits;
- g. For attorneys' fees and costs incurred in the enforcement of the Franchise Agreement, in this matter and any other matters; and
- h. For such other and further relief as the Court deems proper.

<u>COUNT II – BREACH OF GUARANTY</u> (Rosati's Franchising, Inc. v. William Jachimek)

- 52. Paragraphs 1 through 51 above are incorporated by reference as if fully set forth herein.
- 53. Mr. Jachimek executed both the Franchise Agreement, on behalf of Chances, and the Guaranty, on his own behalf. Section 20 of the Franchise Agreement provides, "If Franchisee is an entity, this Agreement must be personally guaranteed and the obligations hereunder assumed by the Owners of the Franchisee, and all such Owners must execute the Guaranty and Assumption of Obligations which is attached hereto as Exhibit D concurrently with the execution of this Agreement by Franchisee." (Ex. 1, p. 34.)
- 54. Mr. Jachimek executed the Guaranty, and thereby agreed "to be personally bound by, and personally liable for the breach of, each and every provision in the [Franchise] Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities." (Ex. 1, Ex. D.)
- 55. Rosati's and Mr. Jachimek are parties to the Guaranty, a binding and enforceable contract.
- 56. Rosati's substantially complied with its obligations under the Guaranty or has been excused from those obligations.

57. Mr. Jachimek is therefore directly and jointly liable for each of Chances' breaches of the Franchise Agreement set forth above.

WHEREFORE, Rosati's prays for judgment against Mr. Jachimek as follows:

- a. For orders temporarily and permanently enjoining Jachimek and others acting in concert with him, from directly or indirectly competing with Rosati's for two years within a 20 mile radius of the Franchised Business and any other Rosati's location, including by operating a pizza restaurant under the name "Sweet Home Chicago" or any other name;
- b. For orders temporarily and permanently enjoining Jachimek and others acting in concert with him, from using, disclosing or retaining Rosati's Confidential Information, and requiring that Jachimek return Rosati's proprietary and Confidential Information including its Franchise Operations Manual, as provided by the Franchise Agreement's Confidentiality Covenant;
- c. For orders temporarily and permanently enjoining Jachimek and others acting in concert with him, from directly or indirectly infringing the Marks in any manner, including by using any name, mark, design, or logo that is confusingly similar to the trademarks in connection with the sale, offer for sale, advertising, or promotion of any goods or services on its menus, social media, third party platforms or other means of communication with consumers;
- d. For an order requiring Jachimek to specifically perform certain other post-termination obligations set forth at Section 14(A) and elsewhere in the Franchise Agreement by (i) providing Rosati's with the Franchised Business's customer information, and (ii) turning over to Rosati's any phone numbers used by Chances that were associated with the Rosati's name;
- e. For an accounting of all amounts due and owing under the Franchise Agreement;
- f. For an award of damages for all amounts due and owing under the Franchise Agreement, including interest, and lost profits;
- g. For attorneys' fees and costs incurred in the enforcement of the Franchise Agreement, in this matter and any other matters; and
- h. For such other and further relief as the Court deems proper.

<u>COUNT III – REPLEVIN</u> (Rosati's Franchising, Inc. v. Chances on 6th, LLC n/k/a Chicago Pizza Kitchen, LLC)

- 58. Paragraphs 1 through 51 above are incorporated by reference as if fully set forth herein.
- 59. Section 7(N) of the Franchise Agreement and the Security Agreement attached in its Exhibit B provide that if Chances fails to fulfill its obligations promptly and faithfully under the Franchise Agreement, then Chances is in Default of the Security Agreement, permitting Rosati's to enter the Franchised Business premises to remove all Collateral. Paragraph 7(N) defines Collateral to include, among other items:
 - [A]ll goods, wares, products, inventory, accounts, proceeds, furniture, equipment, fixtures, commercial tort claims, general intangibles and all other personal property interests of Franchisee arising or used in connection with the Franchised Business, whether at the Franchise Location or elsewhere, and whether now owned or hereafter acquired by Franchisee. This Agreement shall, in and of itself, constitute a Security Agreement within the meaning of the Uniform Commercial Code.
- 60. The Security Agreement attached to the Franchise Agreement as Exhibit B confirmed Rosati's right to obtain the Collateral upon the occurrence of an Event of Default.
- 61. Chances is in default under the terms of the Franchise Agreement. Rosati's therefore has the right to recover the Collateral for partial payment of amounts owing to Rosati's under the Franchise Agreement.
- 62. The Collateral described above is wrongfully detained by Chances, and Rosati's is the proper owner of the Collateral.

WHEREFORE, Rosati's prays for judgment against Chances as follows:

- a. For an order awarding possession of the Collateral to Rosati's for Chances' violation of the Franchise Agreement and its Security Agreement;
- b. For attorneys' fees and costs incurred in obtaining that Collateral; and

c. For such other and further relief as the Court deems proper.

Dated: January 30, 2018

Respectfully submitted,

/s/ Paula J. Morency

Paula J. Morency Ann H. MacDonald Michael K. Molzberger SCHIFF HARDIN LLP 233 South Wacker Drive, Suite 7100 Chicago, IL 60606 (312) 258-5500

Counsel for Plaintiff Rosati's Franchising, Inc.

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VERIFICATION

I, Anthony M. Rosati, Vice-President of Plaintiff Rosati's Franchising, Inc., have read the foregoing Verified Complaint and am familiar with its contents. I declare under penalty of perjury that the factual statements contained in the Verified Complaint are true and correct, except as to matters stated on information and belief or reflected in government records, and I certify that I believe those matters to be true.

Dated: January 2, 2018

Anthony M. Rosati

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EXHIBIT 1

DATE EXECUTED 4.22-2014

ROSATI'S PIZZA FRANCHISE AGREEMENT

ROSATI'S FRANCHISING, INC.

with

CHANCES ON 6TH LLC 7570 E. 6th Ave. Scottsdale, AZ 85251

Store Address:

7570 E. 6th Ave. Scottsdale, AZ 85251

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FRANCHISE AGREEMENT

Agreement made this 12 day of ______, 20 14, between Rosati's Franchising, Inc., an Illinois corporation located at 2250 Point Boulevard, Suite 335, Elgin, Illinois 60123 (hereinafter called the "Company") and Chances on 6th LLC, a(n) Arizona limited liability company located at 7570 E. 6th Ave., Scottsdale, AZ 85251 (hereinafter called the "Franchisee") for one (1) ROSATI'S PIZZA restaurant to be located in the State of Arizona.

RECITALS

- A. The Company franchises a restaurant featuring pizza and other food items (the "Franchised Business") under 'ROSATI'S PIZZA' trade name and service mark (the "Marks") using certain procedures, techniques, business methods, business forms, business policies and a body of knowledge pertaining to the establishment and operation of the Franchised Businesses (the "System"). The Franchisee acknowledges that Franchisee does not presently know these procedures, techniques, business methods or business policies, nor does the Franchisee have these business forms or access to the Company's body of knowledge.
- B. The Franchisee intends to enter the Franchised Business and desires access to the Company's System pertaining to the operation of the Franchised Business. In addition, the Franchisee desires access to information pertaining to new developments and techniques in the Company's Franchised Business.
- C. The Franchisee desires to participate in the use of the Marks in connection with one (1) Franchised Business location to be located solely at a site approved by the Company and the Franchisee.
- D. The Franchisee understands that information received from the Company or from any of its officers, employees, agents or franchisees is confidential and has been developed with a great deal of effort and expense. The Franchisee acknowledges that the information is being made available to Franchisee so that Franchisee may more effectively establish and operate a Franchised Business.
 - E. The Company has granted, and will continue to grant to others, access to its System.
- F. The Company has licensed, and will continue to license, others to use the Marks in connection with the operation of Franchised Businesses.
- G. The Company has received the nonexclusive right to use and sublicense the use of the Marks and System from Rosati's Franchise Systems, Inc. for the establishment of Franchised Businesses.

AGREEMENT

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

1. Franchise Fee. The Franchise Fee is due upon the signing of this Agreement.

Check either A or B below, as applicable:

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X	Α.	First Franchis	e. For a first fra	nchise for Franch	isee, Franchisee shall pay to
Company a	a Franchise	Fee of \$25,000 by	certified or cash	ier's check; or	
	В.	Additional Fra	nchise. If Franci	hisee is currently a	ROSATI'S PIZZA franchisee
purchasing	an additic	nal franchise, Fran	nchisee shall pay	to Company a F	ranchise Fee of \$12,500 by
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certified or cashier's check.

The Franchise Fee is deemed fully earned upon payment, in consideration of expenses incurred by Company in granting the franchise and for Company's lost or deferred opportunity to grant a franchise to others. The Franchise Fee is not refundable under any circumstances.

Royalty Fee. The Franchisee shall also pay to the Company weekly, or more frequently as the Company may designate, a Royalty Fee equal to five percent (5%) of the Gross Sales from the Franchised Business which Franchisee operates throughout the term of this Agreement. "Gross Sales" means all sales or revenues, derived directly or indirectly from the Franchisee's business (including all food, beverage, liquor, catering and other sales), including on-premises sales, from selling food products and services from temporary locations in the Protected Area (such as trucks, booths and handcarts) at special events, such as neighborhood festivals, carnivals, charitable events and the like ("Special Events") (these sales at Special Events are "Off-Premises Sales") and monies derived at or away from the Franchised Business, whether from cash, check, credit and debit card, trade credit or credit transactions, including without limitation business interruption insurance proceeds and service charges in lieu of gratuity, but excluding (i) sales taxes collected from customers and paid to the appropriate taxing authority, (ii) the amount of all coupons redeemed at the restaurant (but only if the coupons have been previously approved by the Company as provided in this Agreement and only if such coupons have been included in Gross Sales), and (iii) charges for delivery. The Royalty Fee shall be paid in the manner provided in Section 7.J. of this Agreement. The Royalty Fee is not refundable under any circumstances.

3. Grant of Franchise.

- A. The Company hereby grants to the Franchisee:
- (1) Access to the 'ROSATI'S PIZZA' System pertaining to the operation of the Franchised Business;
- (2) Access to information pertaining to new developments and techniques in the Franchised Business; and
- (3) A limited non-exclusive license to use of the Company's rights in and to 'ROSATI'S PIZZA' Marks according to this Agreement and the Company's Franchise Operations Manual and other Confidential Information in connection with the operation of one (1) ROSATI'S PIZZA restaurant to be located at a site approved by the Company and the Franchisee and identified in Exhibit A to this Agreement.
- B. Franchisee shall at all times faithfully, honestly and diligently perform Franchisee's obligations under this Agreement, continuously exert Franchisee's best efforts to promote and enhance the Franchised Business and not engage in any other business or activity that conflicts with Franchisee's obligations to operate the Franchised Business in compliance with this Agreement. Franchisee shall focus Franchisee's marketing efforts on developing the Marks and System within a protected area described in Exhibit A attached hereto.
- C. The Franchisee shall also have the right to sell food products and services from temporary (but not permanent) locations in the Protected Area (such as trucks, booths and handcarts) at special events, such as neighborhood festivals, carnivals, charitable events and the like ("Special Events") (these sales at Special Events are referred to as "Off-Premises Sales"), provided that the Franchisee obtains Company's prior consent to conduct Off-Premises Sales at each such Special Event and makes such sales in compliance with Company's standards and specifications to ensure quality and freshness. Immediately upon learning of a

COMPANY INITIALS WC
ROSATI'S PIZZA FRANCHISE AGREEMENT 2014

FRANCHISEE INITIALS

Special Event scheduled to occur in the Protected Area, whether from Company or another source, the Franchisee shall notify Company of the time, place and nature of such Special Event and such other information which Company may require from time to time. Within five (5) days of such notice, the Franchisee must notify Company whether it wishes to conduct Off-Premises Sales at such Special Event. If the Franchisee notifies Company that it wishes to conduct such Off-Premises Sales, and if Company does not notify the Franchisee of its disapproval within ten (10) days of its receipt of such notice, Company shall be deemed to have given the required consent. If the Franchisee fails to notify Company within five (5) days as provided above, or if the Franchisee notifies Company that it does not wish to conduct Off-Premises Sales at such Special Event, Company shall have the right to do so. If the Special Event is located in the Protected Area of more than one (1) ROSATI'S PIZZA restaurant, then the restaurant with the highest Gross Sales during the prior twelve (12) months shall have a higher priority to conduct Off-Premises Sales at the Special Event.

D. Franchisee is not granted the right to operate any additional ROSATI'S PIZZA restaurants other than at the Franchise Location identified in Exhibit A to this Agreement. Franchisee shall not sell products or services through the Internet or otherwise in e-commerce, by mail order or catalog, or through any other channel of distribution not specifically identified in this Agreement.

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

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

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

Company may enfranchise or operate itself through an affiliate any other ROSATI'S PIZZA restaurant outside of the Protected Area. Company and its affiliates have the right to, within and outside the Protected Area: (1) operate and enfranchise any business under different trademarks; (2) conduct any business using the Marks or System on the Internet or by any other alternate channel of distribution; (3) to offer and sell at wholesale, retail, or through any other distribution system, products and services which comprise, may in the future comprise or which do not comprise, a part of the System, including, but not limited to, the proprietary or branded products, which products may be resold at retail or through any other distribution channel under the Marks or other trademarks or service marks, including but not limited to, food stores and other retail facilities, the Internet, and as menu items in other restaurants or food service units; and (4) engage in any other activities that are

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

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COMPANY INITIALS W ROSATI'S PIZZA FRANCHISE AGREEMENT 2014

not expressly prohibited by this Agreement.

FRANCHISEE INITIALS

Initial here

Company decides to open a ROSATI'S PIZZA restaurant at any Limited Use Facility, or grant a license for others to do so, the delivery and service area of Franchisee's Franchised Business shall be automatically adjusted to exclude such Limited Use Facility.

- C. Franchisee's exclusive rights to the Protected Area as set forth in this Section 3 are dependent upon Franchisee meeting the minimum gross sales requirements of Twenty-Five Thousand Dollars (\$25,000) per month over any consecutive six (6) month period ("Minimum Monthly Gross Sales"). If Franchisee does not meet or exceed the Minimum Monthly Gross Sales for any consecutive six (6) month period, Company issues a notice of default advising the Franchisee of the failure to meet the Minimum Annual Gross Sales, and Franchisee fails to increase the Gross Sales of the Franchised Business so that the average Gross Sales for the three (3) months from the date of receipt of the notice of default meets or exceeds Twenty-Five Thousand Dollars (\$25,000) per month, Company may terminate this Agreement and/or may terminate all of your rights to the Protected Area. Thereafter, Company may enfranchise or operate itself or through an affiliate a ROSATI'S PIZZA restaurant in the Protected Area.
- D. Nothing in this Agreement grants to Franchisee the right to (1) conduct any of the activities reserved to Company herein or (2) share in any revenue generated by any of the Company's permitted activities.

5. Company Obligations; Training and Assistance.

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

Following Franchisee's completion of the initial training program, upon Franchisee's request, Company will provide additional training to Franchisee or initial training to new or additional managers upon request as space is available. Further, Company may require that Franchisee or Franchisee's manager attend additional training in the event that Company determines that the Franchised Business is not being operated in compliance with this Agreement, the Franchise Operations Manual and/or System Standards. In such case, Franchisee will pay Company's then-current training and shall be responsible for all transportation, lodging and other expenses incurred by Franchisee and/or Franchisee's manager, if any, in attending the initial training program.

- B. On-Site Assistance. Company shall provide a representative at the Franchise Location around the time of the opening of the Franchised Business to provide pre-opening and opening supervision and assistance.
- C. Ongoing Training. Franchisee shall participate, if Company requires, in up to five (5) days per calendar year of refresher training in the operations and marketing of the Franchised Business.

COMPANY INITIALS IV ROSATI'S PIZZA FRANCHISE AGREEMENT 2014

FRANCHISEE INITIALS

Company may charge Franchisee a fee for any such training. The refresher training shall be at a location which the Company selects and may or may not take place at an annual convention of franchisees. The Franchisee shall pay all transportation, lodging and other expenses incurred by the Franchisee in attending the refresher training.

- D. <u>Convention</u>. Franchisee shall attend, if Company requires, a national business meeting or convention of franchisees for up to three (3) days once per calendar year. Company may charge Franchisee a fee for attending the meeting or convention. The convention shall be at a location which the Company selects. The Franchisee shall pay all transportation, lodging and other expenses incurred by the Franchisee in attending the convention. This provision shall not obligate Company to hold a national business meeting or convention.
- E. Advisory Services. Throughout the term of this Agreement Company shall provide to Franchisee continuing advisory service concerning the operation of Franchisee's Franchised Business as Company in its discretion determines is reasonably necessary. This advisory service will, in Company's discretion, be furnished in the form of electronic communications, telephone consultations and/or personal consultation at Company's home office or other location designated by Company.
- F. Additional Assistance. If Franchisee requests additional assistance in writing and Company determines in its discretion that such additional assistance is reasonably necessary, Company shall provide additional assistance to Franchisee, at a cost to the Franchisee based on the Company's then-current daily fee for the Company's personnel performing such assistance, plus other reasonable expenses, including all transportation, lodging and other expenses.
 - 6. Development and Opening of the Franchised Business. Franchisee obligations include:
- Commence Operation Within 365 Days. Franchisee shall commence operating a ROSATI'S PIZZA restaurant within three hundred sixty-five (365) days of the date of this Agreement. If Franchisee has either (i) not provided Company with a copy of the fully executed lease for Franchisee's restaurant location within ninety (90) days of the date of this Agreement or (ii) not commenced operating a ROSATI'S PIZZA restaurant within three hundred sixty-five (365) days after the date of this Agreement, Company has the right to terminate this Agreement upon delivery of written notice to you. Franchisee acknowledges and agrees that Franchisee is responsible for obtaining a restaurant location for the Franchised Business acceptable to the Company. If Franchisee has not located and the Company has not approved a restaurant location for the Franchised Business as of the date of this Agreement, Franchisee agrees that, within ninety (90) days after the date of this Agreement, Franchisee must have obtained Company's approval of a restaurant location and obtained lawful possession of it through a lease. Upon approval of the restaurant location for the Franchised Business, the Company will, in accordance with its standard practices, complete Exhibit A to this Agreement identifying the restaurant location and describing the Protected Area. Franchisee acknowledges that the general territory for searching for a restaurant location may be different than the Protected Area granted to Franchisee. The Company's acceptance or approval of any restaurant location or Protected Area is not a warranty of any kind, express or implied, as to the success or profitability of the Franchised Business. The Company does not guaranty the sales, profits or success of the Franchised Business.
- B. Lease the Premises. Franchisee shall lease the premises of Franchisee's restaurant in the form and manner prescribed by the Company and deliver a copy of the executed lease to the Company immediately after its execution. The Franchisee agrees not to execute any lease which has not been approved in writing by the Company. If Franchisee is leasing the location, the Franchisee agrees that the lease or sublease (the "Lease") shall incorporate and include the Addendum to Franchisee's Lease which is attached to this Agreement as Exhibit F or will incorporate, in a form satisfactory to Company, the following terms: (1)

notice to Company of, and Company's right (but not obligation) to cure, Franchisee's default under said Lease within fifteen (15) business days after expiration of Franchisee's cure period; (2) lessor shall be authorized and required to disclose to Company, upon Company's request, any sales or other information pertaining to the location furnished to the lessor by the Franchisee; (3) the Lease shall be collaterally assigned to Company (with the consent of the lessor, if required), by execution of the Collateral Assignment of Lease attached hereto as Exhibit F (the assignment may be exercised only upon Franchisee's default under the Lease or this Agreement or the expiration or termination of this Agreement); (4) the lessor's consent to the Franchisee's use of Company's standard signage for the location according to the specifications in the Franchise Operations Manual; (5) that, during the term of the Lease, the premises may only be used for the operation of a ROSATI'S PIZZA restaurant; and (6) upon expiration and termination of this Agreement, the Company shall have the right to enter the premises in order to remove signage and other items bearing the ROSATI'S PIZZA Marks and otherwise de-identify the premises. The Franchisee shall not execute or agree to any modification of the Lease without the prior approval of the Company. The Franchisee agrees that any new, amended, restated, extended or renewed Lease for the restaurant will include the above terms and conditions required to be included in a Lease for a restaurant, as specified in this Agreement. Franchisee is encouraged to employ the services of a real estate attorney for legal advice regarding the terms of the Lease.

- C. Relocation. If the Franchisee wants to relocate the restaurant, the Franchisee must notify Company in writing at least one hundred eight (180) days prior to the relocation. Company reserves the right to refuse to approve a proposed relocation if Company believes that the proposed relocation is for any reason not acceptable to Company. Company's judgment may be based on factors such as the proximity to existing or proposed locations for restaurants owned by other franchisees or Company, the suitability of the proposed facilities, compliance with Company's then-current franchise location requirements, the competitiveness within the marketplace or other factors. Company's approval of the location and the Lease does not constitute a guaranty or a representation of the likelihood of success of the location or the viability of the Lease terms.
- Construct the Restaurant. Franchisee shall promptly after obtaining possession of the site for the Franchised Business: (i) Cause to be prepared and submit for approval by Company a site survey and any modifications to Company's basic plans and specifications (not for construction) for a ROSATI'S PIZZA Franchised Business (including requirements for dimensions, exterior design, materials, interior design and layout, equipment, fixtures, furniture, signs and decorating) required for the development of a ROSATI'S PIZZA Franchised Business at the site leased or purchased therefore, provided that Franchisee may modify Company's basic plans and specifications only to the extent required to comply with all applicable ordinances, building codes and permit requirements and with prior notification to and approval by Company (such approval shall not be construed as a guarantee or representation concerning the likelihood of success of such location); (ii) obtain all required zoning changes, building, utility, health, sanitation and sign permits and licenses and any other required permits and licenses; (iii) purchase or lease equipment, Off-Premises Sales vehicles, fixtures, furniture and signs in full and strict compliance with Company's purchasing standards and specifications; (iv) complete the construction and/or remodeling, equipment, furniture and sign installation and decorating of the Franchised Business in full and strict compliance with plans and specifications theretofore approved by Company and all applicable ordinances, building codes and permit requirements; (v) obtain all customary contractors' sworn statements and partial and final lien waivers for construction, remodeling, decorating and installation services; (vi) purchase in accordance with the Company's specifications and requirements, an opening inventory of food and beverages and the other products and supplies required for the Franchised Business; (vii) establish filing, accounting and inventory control systems conforming to the requirements presented by the Company; and (viii) otherwise complete development of and have the Franchised Business ready to open and commence the conduct of its business in accordance with the terms of this Agreement. Nothing in this Section shall create any responsibility or liability on the part of the Company for delays in obtaining permits, work of independent contractors, delays or losses in the construction phase, or

loss sustained because of building design or construction. The Franchisee agrees it will not open the Franchised Business for business without the Company's prior written approval. Franchisee shall pay the Company a fee in the amount of Five Hundred Dollars (\$500) per day for each day the Franchised Business is open without Company approval.

- E. Lease Renewal. Prior to renewal of the Lease, Company must review and approve the lease renewal. Company's approval of the lease renewal shall be conditioned upon the inclusion of terms in the lease acceptable to Company, including but not limited to those provisions required to be included in a lease for a location as specified in this Agreement. Company's approval of the lease renewal does not constitute a guaranty or a representation of the likelihood of success of the location or of the viability of the lease terms. Franchisee is encouraged to employ the services of a real estate attorney for legal advice regarding the terms of the lease. As a condition to approving the lease renewal, Franchisee may be required to remodel, modernize, and redecorate the premises of the Franchised Business so that the Franchised Business reflects the then-current image intended to be portrayed by ROSATI'S PIZZA businesses. Upon receiving a request for a lease renewal, Company shall furnish Franchisee with a written notice of any deficiencies which require correction and a schedule for corrections by Franchisee relating to the image, appearance, decoration, furnishings, equipment and stocking of the Franchised Business and a schedule for effecting upgrading or modifications in order to bring the Franchised Business in compliance with ROSATI'S PIZZA's then-current standards. The fee for Company's services in connection with the lease renewal and the process for evaluating the necessary upgrades is based upon the costs incurred by the Company, but currently does not exceed Two Thousand Five Hundred Dollars (\$2,500), and is due and payable to Company upon the execution of the lease renewal by the landlord for the Franchised Business premises. Company reserves the right to increase this fee during the term of the Agreement.
- F. Remodel the Premises. Franchisee shall be required to periodically make reasonable capital expenditures to re-equip, remodel, modernize and redecorate the premises of the Franchised Business so that the Franchised Business will reflect the then-current image intended to be portrayed by ROSATI'S PIZZA businesses. All remodeling, modernization, or redecoration of the premises of the Franchised Business and all re-equipping and replacing of vehicles, equipment, signs or other assets of the Franchised Business must be done in accordance with the standards and specifications as prescribed by Company from time to time and with the prior written approval of Company. All replacements must conform to Company's then-current quality standards and specifications and must be approved by Company in writing.

7. Franchisee Obligations.

shall conduct the Franchised Business According to System Standards. Franchisee shall conduct the Franchised Business offering only such services and products as Company authorizes from time to time. During the development and operation of the Franchised Business, Franchisee agrees to follow Company's specifications, standards, methods, operating procedures and rules (the "System Standards") contained in the Franchise Operations Manual. Franchisee agrees to develop and operate the Franchised Business in accordance with each and every System Standard, as periodically modified or supplemented by the Company. System Standards may govern all aspects of the development and operation of the Franchised Business, including without limitation, the following: (1) performance, quality and other relevant characteristics of the services and products offered by the Franchised Business; (2) use of the Marks and protection of Confidential Information; (3) types of authorized equipment, Off-Premises Sales vehicles, supplies and products; (4) designated and approved suppliers including, without limitation, Company or Company's designated supplier for the purchase of Company's proprietary food products; (5) minimum daily and specific hours of operation; (6) participation in market research and testing and product and service development programs prescribed by Company; (7) qualifications, training, appearance and attitude of the Franchised Business' employees; (8) use and retention of standard forms; (9) use of standard formats; (10) use

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of computer software; (11) adoption of technological developments or advances; and (12) the addition or deletion of new products and/or services. All products shall be sold only in the weights, sizes, forms and packaging approved by the Company. Franchisee shall bear all costs and expenses pertaining to the development, operation, and maintenance of the Franchised Business and Franchisee's compliance with the System Standards as periodically modified or supplemented by Company.

- Operating and Maintaining the Franchised Business. Franchisee shall operate and maintain the Franchised Business in accordance with Company's specifications, standards, methods, operating procedures and rules contained in the Franchise Operations Manual. All costs and expenses pertaining to operating and maintaining the Franchised Business shall be borne solely by the Franchisee. The Franchisee agrees to use only those architects and items of equipment, Off-Premises Sales vehicles, inventory, decor, supplies, apparel and signs, that the Company has approved for a Franchised Business as meeting its specifications and standards for appearance, function, trade dress, design, quality and performance and to purchase or lease them only from the Company, its affiliates or suppliers approved by the Company. If the Franchisee proposes to purchase, lease, or otherwise use any architect, equipment, Off-Premises Sales vehicles, inventory, decor, supply, apparel or sign which is not then approved by the Company or from a supplier not then approved by the Company, the Franchisee shall first notify the Company in writing and shall submit to the Company sufficient specifications, photographs, drawings, samples, and information, along with the Company's then-current daily fee for each person which the Company provides for this determination plus reasonable expenses, for a determination by the Company of whether such architect, equipment, Off-Premises Sales vehicles, inventory, decor, supply, apparel or sign or proposed supplier complies with its specifications and standards relating to among other factors quality, price, consistency, reliability, financial capability, and customer relations, which determination shall be made and communicated in writing to the Franchisee within a reasonable time. Franchisee acknowledges, agrees and accepts that Company and its affiliates may be making a profit on Franchisee's purchases when Franchisee purchases any goods or services from the Company or its affiliates or a designated supplier or an approved supplier. The Franchisee shall maintain the Franchised Business, equipment, Off-Premises Sales vehicles, and furnishings in good repair, attractive appearance, and sound operating condition. The Franchisee, at Franchisee's expense, shall do the repairs, re-equipping, and remodeling requested by Company. The Franchisee shall make no material replacements of or alterations to the Off-Premises Sales vehicles, equipment, signs or other assets of the Franchised Business without prior written approval by the Company.
- C. Operate in Compliance with Law and Good Practices. Franchisee shall operate the Franchised Business in compliance with applicable laws and governmental regulations, including without limitation, government regulations, relating to occupational hazards, health, worker's compensation and unemployment insurance, and the withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. The Franchisee will obtain at Franchisee's expense, and keep in force, any permits, licenses or other consents required for the leasing, construction or operation of his business. Franchisee agrees that in all dealings with Company, Franchisee's customers and suppliers, and with public officials, Franchisee will adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee further agrees to refrain from any business or advertising practice which may be harmful to Company, the goodwill associated with the Marks, and/or other ROSATI'S PIZZA restaurants. Franchisee must notify Company in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental unit, which may adversely affect Franchisee's operation or financial condition or that of the ROSATI'S PIZZA restaurant, or of any notice of violation of any law, ordinance, or regulation relating to health or safety.
- D. Operate in Compliance with the Manual. Franchisee shall operate the Franchised Business in accordance with the Company's Franchise Operations Manual, which contains the System Standards, and which may be amended from time to time as a result of experience, changes in the law or



changes in the marketplace. The Franchisee agrees to conform to such amendments, even though Franchisee may not agree with or benefit from the change, and to make all reasonable expenditures necessitated by the amendments, within the time periods reasonably established by the Company. The Franchisee shall refrain from conducting any business or selling any services or products other than those approved by the Company. The Franchisee shall use Franchisee's best efforts to promote and enhance the Franchised Business for the full term of this Agreement.

- E. Management of the Franchised Business. The Franchised Business shall at all times be under the direct on-premises supervision of Franchisee or Franchisee's manager who has attended and passed the initial training program. If any manager ceases to act as the Franchisee's manager, Franchisee must manage the Franchised Business until such time as a replacement manager has satisfactorily completed the initial training program. Franchisee must notify Company in writing of the name of each manager that Franchisee designates before they begin managing the Franchised Business, and Franchisee agrees that Company may direct communications to such manager concerning the operation of the Franchised Business.
- managers, assistant managers and employees sufficient to operate the Franchised Business in compliance with this Agreement and the standards and specifications in the Operations Manual and to provide proper customer service during all hours of operation. Franchisee shall be exclusively responsible for hiring, disciplining and firing all employees of the Franchised Business, and for the terms of their employment, their compensation and hours of work, and for the proper training of the employees in the operation of a ROSATI'S PIZZA restaurant that meets Company's standards. Franchisee agrees to require all employees to maintain a neat and clean appearance, and to wear uniforms if Company requires. Franchisee and Company acknowledge that the employees are employees of Franchisee and not employees of Company, and should not be held out to third parties to be Company's employees. Franchisee shall have the sole right to control personnel policies and to manage the day-to-day operations of the Franchised Business.
- G. Purchase and Maintain Insurance. Franchisee shall purchase and maintain at all times during the term of this Agreement at Franchisee's sole expense such insurance coverage as Company may, in its sole discretion, prescribe from time to time, from a supplier approved by us. Required coverage shall include but not be limited to workers' compensation and other employee insurance as required by law, comprehensive public liability and property damage, vehicle liability, including owned, hired and non-owned vehicle coverage, business interruption, general and umbrella coverages, and any insurance as required by the Lease for the Franchised Business. Franchisee must purchase and maintain dram shop insurance during all times that Franchisee is selling alcohol at the Franchised Business. Such insurance coverage shall be maintained under one (1) or more policies of insurance of the types and containing such terms and conditions and minimum liability protection in such amounts, as are specified from time to time by Company and issued by insurance carriers rated 'AAA' by A.M. Best Company. Company may from time to time increase the minimum amount of coverage required under any policy, and require different or additional kinds of insurance to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies required hereunder shall name Company (and its officers, directors, shareholders, members and employees) as additional insureds, shall contain a waiver by the insurance carrier of all subrogation rights against Company and shall provide that Company will receive thirty (30) days advance written notice of termination, expiration or cancellation or modification of any such policy. Prior to Franchisee's commencement of operations, and each year thereafter no later than twenty-four (24) hours after the expiration date of each annual policy, Franchisee shall furnish to Company a copy of the certificate, or other evidence of the insurance, renewal, or extension of each such insurance policy, together with evidence of payment of premiums, evidencing the required limits. If Franchisee does not maintain such insurance as required, the Company may, at its option and in addition to its other rights and remedies hereunder, but shall not be obligated to, obtain such insurance and keep the same infull force and effect on

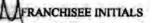
Franchisee's behalf, and Franchisee shall reimburse the Company for all premiums and other expenses incurred by the Company in connection with obtaining such insurance. In addition, the Franchisee shall indemnify and save the Company harmless (with counsel acceptable to the Company) from any liability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

- Agreement, Franchisee shall refrain from owning any interest in, engaging or participating in any, either directly or indirectly, other restaurant featuring pizza or the other food items on the then-current standard ROSATI'S PIZZA menu, during the term of this Agreement, except as a ROSATI'S PIZZA franchisee licensed by Company. During the term of this Agreement, Franchisee shall not be permitted to own any interest in, engage or participate in, either directly or indirectly, any ROSATI'S PIZZA restaurant that is licensed by any individual or entity other than Company, regardless of whether such individual or entity is authorized to license the use of the ROSATI'S PIZZA Marks. Franchisee shall not own, engage or participate in any other business, directly or indirectly, during the term of this Agreement, which franchises or otherwise grants to others the right to operate a restaurant featuring pizza or other food items on the then-current standard ROSATI'S PIZZA menu. Franchisee shall operate the Franchised Business in a manner which maximizes Franchisee's Gross Sales consistent with sound marketing and business practices, and Franchisee shall not engage in any business practice which diverts or reduces Franchisee's Gross Sales. Franchisee shall not employ or seek to employ any person employed by the Company or another ROSATI'S PIZZA business.
- I. Accept Credit Cards. Franchisee shall make arrangements with and accept Visa, MasterCard, and other credit card and debit card issuers and sponsors, check verification services, and electronic funds transfer systems which the Company designates from time to time, as part of the operation of the Franchised Business.

Time and Manner of Payment of All Amounts Due.

- I. Franchisee shall make prompt payment of all amounts due to the Company and its affiliates and to suppliers, vendors, lessors, utility companies and any landlord of the Franchised Business. Royalty Fees, Advertising Fund contributions, and any other amounts Franchisee owes to the Company or its affiliates shall bear interest, compounded from the date due until fully paid, at the rate of two percent (2%) per month; provided however, that in the event such rate exceeds the maximum rate allowable by applicable law, such amounts will bear interest at such maximum rate. Franchisee shall also pay the Company and its affiliates a late fee of One Hundred Dollars (\$100) for every notification or demand for payment, or for non-sufficient funds notices, or for violation of this Agreement, or for failure to timely provide required reports and financial statements. Franchisee acknowledges that the interest and late fee do not constitute the Company's agreement to accept payments or reports after they are due. Time is of the essence of this Agreement.
- 2. All Royalty Fees, Advertising Fund contributions, interest, late fees, and any other amounts which Franchisee owes to the Company or its affiliates shall be paid by or through an electronic transfer of funds as further described in the Franchise Operations Manual or in any other manner prescribed by the Company. Franchisee shall execute and deliver to Company any documents necessary to authorize Company to make electronic transfers from Franchisee's bank account prior to opening the Franchised Business and upon any change in Franchisee's bank account. Payments for all amounts shall be in accordance with the procedures set forth in the Franchise Operations Manual. The Company shall have sole discretion to apply any payments made by Franchisee to any of Franchisee's amounts due to the Company or its affiliates, including, without limitation, any amounts Franchisee may owe as Advertising Fund contributions or other advertising fees. If Franchisee fails to submit a report of the Gross Sales of the Franchised Business for the most recent reporting period before the date for the transfer or debit from Franchisee's account of





Royalties and Advertising Fund contributions due, Company shall have the right to estimate the Gross Sales for the period based on information available to Company and to then transfer or debit an amount based on such estimated Gross Sales. If the Company later determines that the amount of the Royalty and Advertising Fund contribution transferred or debited is less than the amount that was actually due based on actual Gross Sales, Company shall have the right to transfer or debit the balance. If the Company later determines from reports of Gross Sales submitted by Franchisee that the amount transferred or debited from Franchisee's account is greater than the Royalties and Advertising Fund contributions actually owed, Company will credit the excess against the next transfer or debit for Royalties and Advertising Fund contributions due.

- 3. Franchisee agrees that Franchisee will not, for any reason whatsoever, including without limitation on grounds of the alleged nonperformance by the Company or its affiliates of any obligations hereunder, set off against or withhold payment of any Royalty Fee, Advertising Fund contribution, or any other amounts due to the Company or its affiliates.
- K. Advisory Council. Franchisee shall participate actively in a ROSATI'S PIZZA Regional Advisory Franchisee Council ("Council") and participate in all Council programs, for Franchisee's particular Council, approved by Company. Such Council may be formed by Company, in its sole discretion, at any time that more than one (1) franchisee conducts a Franchised Business in any given region, the boundaries of which will be determined by Company in its sole discretion. The purposes of the Council(s) include, but are not limited to, exchanging ideas and problem solving methods, advising Company on expenditures for system-wide marketing, public relations and advertising, and coordinating franchisee efforts. Franchisee shall pay all assessments levied by the Council, and Company has the right to enforce this obligation. Amounts and expenditures may vary from time to time due to variations in Council participation and costs as determined by a particular Council and as approved by Company.
- L. Approved Products, Distributors and Suppliers. The reputation and goodwill of ROSATI'S PIZZA restaurants is based upon, and can be maintained only by, the sale of distinctive, high quality food products and beverages and the presentation, packaging, service and delivery of such products in an efficient and appealing manner. Company has developed various food products, ingredients, spices, seasonings, coatings, beverages and product mixes which will be prepared by or for Company according to Company's secret recipes and formulas. Company has developed standards and specifications for other food products, ingredients, spices, seasonings, coatings, mixes, beverages, materials and supplies incorporated in or used in the preparation, cooking, serving, packaging and delivery of prepared food products authorized for sale at ROSATI'S PIZZA restaurants. Company has and will periodically designate and/or approve suppliers and distributors of the foregoing products that meet its standards and requirements, including, without limitation, standards and requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations and customer relations. Franchisee agrees that the Franchised Business will: (1) purchase Company's product mixes and other products developed by Company pursuant to a secret recipe or formula, only from Company or a third party licensed by Company to prepare and sell such products; and (2) purchase from distributors and other suppliers approved by Company all other goods, food products, ingredients, spices, seasonings, mixes, beverages, materials and supplies used in the preparation of the food products, and equipment, menus, forms, paper and plastic products, packaging or other materials that meet Company's standards and specifications for the same. If Franchisee shall fail to comply with the requirements on food and ingredient purchases set forth herein, Company may assess and Franchisee shall pay to Company a noncompliance fee of Five Hundred Dollars (\$500) per occurrence, to cover costs incurred by Company in monitoring and obtaining compliance with this section.

Company may from time to time modify the list of designated and approved suppliers and/or list of approved brands and other purchasing standards and specifications, and Franchisee shall not, after ten (10) days from receipt in writing of such modification, purchase from a supplier which is no longer designated

or approved or purchase any brand of item no longer approved or any item following specifications that have been modified. Company may approve a single distributor or other supplier for any product and may approve a distributor or other supplier only as to certain products. Company may concentrate purchases with one (1) or more distributors or suppliers to obtain lower prices and/or the best advertising support and/or services for any group of ROSATI'S PIZZA restaurants franchised or operated by Company. Approval of a distributor or other supplier may be conditioned on requirements relating to the frequency of delivery, standards of service, including prompt attention to complaints, or other criteria, and concentration of purchases, as set forth above, and may be temporary pending a further evaluation of such distributor or other supplier by Company.

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

- M. <u>Delivery and Catering Services</u>. Franchisee agrees that the Franchised Business shall offer delivery and catering services in compliance with our System Standards. Company shall have the right to prescribe from time to time the boundaries beyond which the Franchised Business may not offer delivery service and the standards and specifications for delivery in order to preserve the quality and freshness of food products when delivered.
- N. Security Agreement. In order to secure the prompt performance by Company of the obligations of this Agreement, Franchisee hereby grants Company a security interest in all rights, entitlements, licenses and interests granted under this Agreement or otherwise inuring to Franchisee by reason hereof, and all goods, wares, products, inventory, accounts, proceeds, furniture, equipment, fixtures, commercial tort claims, general intangibles and all other personal property interests of Franchisee arising or used in connection with the Franchised Business, whether at the Franchise Location or elsewhere, and whether now owned or hereafter acquired by Franchisee. This Agreement shall, in and of itself, constitute a Security Agreement within the meaning of the Uniform Commercial Code. In addition, and as a supplement to this Agreement, Franchisee shall execute Company's standard Security Agreement as set forth in Exhibit B to this Agreement In order to perfect the security interest granted hereby and by the Security Agreement attached hereto, Franchisee authorizes Company to file any financing statement, continuation statement, statement of amendment, other statement or filing used or useful under the Uniform Commercial Code, including any amendment or replacement thereof, to perfect Company's security interest as provided herein.

O. Technology Requirements.

1. The Company may require the Franchisee to utilize a point of sale system, computer system or web-based platform, including a customer order processing and inventory control system and/or cash register and credit/debit card system, as specified by Company in the Franchise Operations Manual or otherwise in writing. Franchisee is responsible for becoming proficient in the use of any required point of sale, computer systems and/or web-based platform and software. Company shall have the right to access, for any purpose or use related to our operation, management and/or monitoring of the System, any information or reports generated or stored by the required point of sale system, computer system and/or web-based platform.

Company shall have the right to require Franchisee to replace any of the components of your point of sale and/or computer system if Company deems the component to be (a) undersized or otherwise insufficient for the efficient operation and management of the Franchised Business, or (b) incompatible with our computer system or the computer system that Company designates for franchise network use. Throughout the term of this Agreement, Franchisee shall be responsible for maintaining and upgrading as necessary all computer hardware and software required to be used in the operation of the Franchised Business and shall be solely responsible for any and all consequences of not doing so.

- 2. If Company develops and custom designs a software program and hardware system for conducting accounting, inventory or point-of-sale functions and/or other activities related to the Franchised Business (hereinafter "Software Program"), Franchisee agrees to implement the Software Program into the Franchised Business, and to comply with all specifications and standards prescribed by Company regarding the Software Program as provided from time to time in the Company manuals. At such time as Company requires the implementation of such Software Program, Franchisee shall only utilize the Software Program as prescribed by Company. At such time as Company requires the implementation of such Software Program, Franchisee shall be required to purchase, lease or license the designated Software Program, to purchase or lease specified computer hardware compatible with Company's Software Program requirements and contract for on-going service, maintenance and support for such hardware and Software Program at terms designated by Company or its suppliers.
- 3. Throughout the term of this Agreement, Franchisee must maintain an active e-mail account and use the e-mail address provided by Company for promoting and operating the business and for communicating with the Company. Franchisee must have and maintain high-speed access to the Internet for promoting and operating the business and for communicating with and receiving information from the Company in the manner Company designates, including but not limited to system-wide area computer networks, intranet system or extranet system. Franchisee shall use any system-wide computer network or intranet or extranet system in compliance with the Franchise Operations Manual.

8. Accounting Systems and Reporting; Inspections.

- A. Accounting and Record Keeping. Franchisee shall use the bookkeeping, accounting, and record keeping system prescribed by the Company and submit to the Company such periodic reports, forms, and records as specified, and in the manner and at the time specified, in the Franchise Operations Manual. To ensure uniform financial statements are submitted by Franchisee, Company reserves the right to require Franchisee to use a standard Chart of Accounts for tracking income and expense items for the Franchised Business and the right to require Franchisee to have a fiscal year-end of December 31. For a period of five (5) years from their date of preparation, the Franchisee will keep on file at the Franchisee's principal office and make available to the Company all such records, including, without limitation, the following: receipts, invoices, payroll records, check stubs, bank deposit receipts, sales tax records and returns, business and personal tax returns, and such journals and transactions which properly summarize the transactions of the Franchised Business. The Franchisee hereby grants permission to the Company to examine all records of any supplier pertaining to Franchisee's purchases.
- B. Reporting. The Franchisee shall furnish to the Company the following reports among others: (i) by the third (3rd) day after the end of the business week (currently Sunday), a telephonic or other electronic report (as the Company designates) of the Gross Sales of the Franchised Business for the preceding week; (ii) by the third (3rd) day after the end of the business week, a written report of the Gross Sales of the Franchised Business for the preceding week; (iii) by the fifteenth (15th) day after each calendar month, a profit and loss statement for the preceding calendar month and a year-to-date profit and loss statement and balance sheet; (iv) within seventy-five (75) days after the end of each calendar year, a calendar year-end

balance sheet and an annual profit and loss statement for the calendar year reflecting all year-end adjustments; (v) within thirty (30) days of filing due dates, all state and local sales tax returns and all federal, state and local income tax returns; and (vi) such other reports as Company may require from time to time. The Franchisee must verify and sign all reports submitted to the Company. Franchisee shall submit all reports in the manner prescribed by Company from time to time. If the Franchisee fails to report Franchisee's weekly Gross Sales on a timely basis, the Company may estimate Franchisee's Gross Sales; the Company may then withdraw any unpaid Royalty Fee, advertising contribution or other amount due by use of the electronic funds transfer system. The Franchisee authorizes the Company to utilize the data supplied by Franchisee in such manner and for such purposes as the Company may desire, including but not limited to, operations reports, advertising reports, other business reports and in any publication, disclosure statement, franchise disclosure document, or advertisement related to the sale of franchised businesses or related entities by Company, anywhere, at any time, without specific compensation therefore.

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

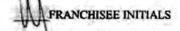
D. Inspections. The Franchisee acknowledges that to assure Franchisee's compliance with this Agreement, the Franchise Operations Manual and System Standards, Company shall have the unrestricted right to enter the Franchised Business to examine the operations and facilities including, but not limited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

In the event the premises and/or the operation of Franchisee's Franchised Location are rated unacceptable by Company or a qualified third party agent designated by Company according to published standards for ROSATI'S PIZZA restaurants based on such inspection, Franchisee shall reimburse Company for any and all costs and expenses connected with the inspection (including, without limitation, reasonable compensation for the third party designated agent). Thereafter, Company may conduct additional inspections every thirty (30) days itself or through a designated third party agent and Franchisee must reimburse Company for

any and all costs and expenses connected with any and all inspections that result in an unacceptable rating for Franchisee's restaurant premises or business operations. The foregoing remedies shall be in addition to any other remedies Company may have for Franchisee's failure to comply with the terms of this Agreement.

9. Advertising.

- A. Contribute to the Advertising Fund. Franchisee shall contribute to the advertising fund (the "Advertising Fund") for such advertising and marketing programs as the Company in its sole discretion from time to time deems appropriate. The Company shall direct all advertising and marketing programs financed by the Advertising Fund, with sole discretion over the creative concepts, materials and endorsements used therein, and the geographic, market and media placement and allocation thereof. Franchisee agrees to contribute to the Advertising Fund zero to five percent (5%) of Franchisee's Gross Sales, as herein defined, such amount to be determined by Company. Advertising Fund contributions shall be paid together with the Royalty Fee due hereunder.
- Franchisee agrees that the Advertising Fund may be used to pay the costs of preparing advertising materials and administering national, regional and local advertising programs and public relations activities. These programs and activities may include, without limitation, creating direct mail and media materials, formulating advertising and marketing programs, developing and maintaining website and internet-based advertising and marketing programs, intranet development and ongoing operation, toll-free restaurant locator and other customer services, employing advertising agencies to assist therewith, providing brochures and other advertising and marketing materials for ROSATI'S PIZZA restaurants, and participating in any national or regional trade shows that Company, in its sole discretion, deems appropriate. Through the Advertising Fund, the Company shall furnish Franchisee with approved advertising and marketing materials on the same terms and conditions as such materials are furnished to other ROSATI'S PIZZA restaurants. The Advertising Fund shall be accounted for separately from the other funds of the Company and shall not be used to defray the Company's general operating expenses, except for such reasonable salaries of personnel who manage and administer the Advertising Fund, administrative costs and overhead as the Company may incur in activities reasonably related to the administration of the Advertising Fund and its advertising and marketing programs (including, without limitation, conducting market research, public relations, preparing advertising and marketing materials and collecting and accounting for contributions to the Advertising Fund). The Company shall be authorized to spend in any fiscal year an amount greater or less than the aggregate contribution of all ROSATI'S PIZZA restaurants to the Advertising Fund in that year; and the Advertising Fund may borrow from the Company or other lenders to cover deficits of the Advertising Fund or cause the Advertising Fund to invest any surplus for future use by the Advertising Fund. A report of the receipts and disbursements of the Advertising Fund, which may be audited, shall be prepared annually and shall be made available to Franchisee upon written request. The cost of preparing the report shall be paid by the Advertising Fund. Franchisee understands and acknowledges that the Advertising Fund is intended to maximize general public recognition and patronage of the Marks and ROSATI'S PIZZA businesses for the benefit of all ROSATI'S PIZZA restaurants and that the Company undertakes no obligation in administering the Advertising Fund to ensure that expenditures which are proportionate or equivalent to Franchisee's contributions are made for the market area of the Franchised Business or that any ROSATI'S PIZZA restaurant benefits directly or pro rata from the conduct of marketing programs or the placement of advertising. Except as expressly provided in this Section, the Company assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Advertising Fund.
- 2. The Company shall also be allowed to cause the Advertising Fund to be incorporated or operated through an entity separate from the Company at such time as the Company deems appropriate; such entity shall have the same rights and duties as the Company does pursuant to this Section. Upon thirty (30) days prior written notice to Franchisee, the Company shall have the right, in its sole



discretion, (i) to suspend contributions to and operation of the Advertising Fund for one (1) or more periods that Company determines to be appropriate or (ii) to terminate the Advertising Fund. The Company shall distribute all unspent monies of the Advertising Fund which was terminated to the Company, its affiliates and ROSATI'S PIZZA franchisees in proportion to their respective contributions to the Advertising Fund during the preceding twelve (12) month period. The Company shall have the right to reinstate the Advertising Fund upon the same terms and conditions as set forth in this Agreement, upon thirty (30) days prior written notice to Franchisee.

- B. Telephone Directory Listing. Franchisee agrees to list and advertise continually the Franchised Business in the principal regular (white pages) and classified (yellow pages) telephone directories distributed within Franchisee's Protected Area and online directory listings, as are specified by the Company, utilizing the Company's standard forms of listing and advertisements. The Company may, at its option, maintain one (1) or more telephone numbers, including the applicable area code, for the Franchised Business and, if the Company does maintain such number(s), the Franchisee shall be authorized and required to use such number(s) during the term of this Agreement. The Franchisee acknowledges that Company shall have the sole rights to and interest in all such telephone numbers. Company shall notify the Franchisee monthly of the cost of such telephone service and the Franchisee shall, within five (5) days of the Franchisee's receipt of such a bill, reimburse Company for Company's costs in maintaining telephone numbers for the Franchised Business. In the event that the Franchisee does not reimburse Company, Company may, at its option, instruct the telephone service provider to terminate such telephone number(s) or to transfer such number(s) to Company or its designee.
- C. Grand Opening Advertising. Company recommends that Franchisee spend, during the first four (4) months following the opening of the Franchisee's restaurant, a minimum of Five Thousand Dollars (\$5,000) on local advertising, marketing and promotion of the opening of the Franchised Business in accordance with an opening marketing plan approved by the Company. These grand opening expenditures are in addition to the Advertising Fund contributions specified above.
- D. Local Advertising. In addition to Franchisee's obligations to contribute to the Advertising Fund and to pay for the grand opening expenditures, as set forth above, Franchisee agrees to expend monthly on local advertising and promotions of the Franchised Business and the Marks in each fiscal year of the Company four percent (4%) to seven percent (7%) of Franchisee's Gross Sales. Expenditures in any fiscal year in excess of such minimum advertising requirement shall not be credited against minimum advertising requirements for any other fiscal year. The Company shall have the right to require Franchisee to submit reports on local advertising expenditures and/or to review Franchisee's books and records from time to time to determine Franchisee's expenditures for such required advertising and promotion. If the Company determines that Franchisee has not spent the requisite amount, the Company may require Franchisee to pay such unexpended amounts to the Advertising Fund.

For purposes of the foregoing minimum advertising requirements, advertising expenditures shall include contributions to Company-approved advertising cooperatives, and amounts expended for advertising media such as television, radio, newspaper, billboards, magazines, posters, direct mail, yellow pages, program booklet advertising, collateral promotional and novelty items, advertising on public vehicles, and, if not provided by the Company, the cost of producing approved materials necessary to participate in these media, including advertising agency commissions related to the production of such advertising. Advertising expenditures shall not include payments for items which the Company, in its reasonable judgment, deems inappropriate for meeting the minimum advertising requirements, including, without limitation, payments in connection with permanent on-premises signs, lighting, purchasing or maintaining vehicles, even though such vehicles may display the Marks, and other payments.



Prior to their use by Franchisee, samples of all local advertising, promotion and public relations materials, including content to be placed on the Internet by Franchisee, not prepared or previously approved by the Company must follow our guidelines and shall be submitted to the Company for approval, which shall not be unreasonably withheld. If written disapproval is not received by Franchisee within fourteen (14) days from the date of receipt by the Company of such materials, the Company shall be deemed to have given the required approval. Franchisee shall not use any advertising, promotion or public relations materials or Internet content that the Company has disapproved. In such event, Franchise shall pay an administrative fee in the amount of Five Hundred Dollars (\$500) for each violation upon receiving our invoice. This administrative fee shall compensate the Company for, amongst other things, the additional expenses incurred due to Franchisee's breach of this restriction. Nothing in this Section shall affect the Company's other rights and remedies under this Agreement.

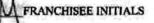
E. Internet Promotion. Franchisee specifically acknowledges and agrees that any website, directory listing or advertising on the Internet using the Marks or any use of the Marks on any social network, blog, micro-blog, or other on-line venue or in any other manner on the Internet shall be deemed advertising under this Agreement, and will be subject to, among other things, Company's approval pursuant to the Section 9.D above. In connection with any website relating to the Franchised Business that Franchisee wishes to establish, Franchisee agrees to the following: (1) Franchisee shall not establish or use the website without the Company's prior written approval, which approval may be conditioned on using a standard template provided by Company and which approval may be withheld by Company in its discretion; (2) Before establishing the website, Franchisee shall submit to Company a sample of the website format, content and other information in the form and manner Company may reasonably require; (3) In addition to any other applicable requirements, Franchisee shall comply with Company's standards and specifications for websites as prescribed in the Franchise Operations Manual or otherwise in writing; (4) If required by Company, Franchisee shall establish its website as part of Company's website and/or establish electronic links to Company's website; and (5) If Franchisee shall submit each such revision to the website or any of the information contained in the website, Franchisee shall submit each such revision to Company for Company's prior written approval.

10. Marks.

A. <u>Use the Marks Property.</u> Franchisee shall use the Marks as the sole identification of the Franchised Business, provided that Franchisee shall identify itself or himself as the independent owner thereof in the manner prescribed by the Company. Franchisee shall not use any Marks as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form, nor may Franchisee use any Marks in connection with the sale of any unauthorized service or product or in any other manner not expressly authorized in writing by the Company. Franchisee agrees to display the Marks prominently and in the manner prescribed by the Company on or in connection with signs, posters, displays, service contracts, stationery and other forms Company designates. Further, Franchisee agrees to give such notices of trademark or service mark registrations and copyrights as the Company specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law. All bank accounts, licenses, permits or other similar documents shall contain the actual name of the person or entity owning the Franchised Business and may contain 'd/b/a 'ROSATI'S PIZZA.' Any sign face bearing the ROSATI'S PIZZA name shall remain the property of the Company even though the Franchisee may have paid a third-party provider to make the sign faces.

B. <u>Infringing Uses.</u> Franchisee shall immediately notify the Company in writing of any apparent infringement of or challenge to Franchisee's use of any Marks, or claim by any person of any rights in any Marks or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee shall not communicate with any person other than the Company and its counsel in connection with any such infringement, challenge or claim. The Company and its affiliates shall have sole discretion to take

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such action as they deem appropriate and the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Marks. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of the Company's counsel, or the counsel of the Company's affiliates, be necessary or advisable to protect and maintain the interests of the Company and its affiliates in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or to otherwise protect and maintain the interests of the Company and its affiliates in the Marks.

- C. <u>Indemnification for Use of Marks.</u> The Company may in its discretion but shall not be obligated to indemnify or defend Franchisee against, and to reimburse Franchisee for, all damages for which Franchisee is held liable in any proceeding in which Franchisee's use of any Marks, pursuant to and in compliance with this Agreement, is held to constitute trademark infringement, unfair competition or dilution, and for all costs reasonably incurred by Franchisee in the defense of any such claim brought against Franchisee or in any such proceeding in which Franchisee is named as a party, provided that Franchisee has timely notified the Company of such claim or proceeding and has otherwise complied with this Agreement and that the Company shall have the right to defend any such claim.
- D. Modification, Discontinuance or Substitution of Marks. If it becomes advisable at any time, in the Company's sole discretion, for the Company and/or Franchisee to modify or discontinue use of any Marks, and/or use one (1) or more additional or substitute trademarks or service marks, Franchisee agrees to comply therewith a reasonable time after notice thereof by the Company, and the sole liability and obligation of the Company in any such event shall be to reimburse Franchisee for the out-of-pocket costs of complying with this obligation.
- E. Ownership of the Marks. Franchisee acknowledges the Company's prior rights in and to the Marks and that Franchisee's right to use the Marks is derived solely from this Agreement, does not give Franchisee any ownership interest therein, and is limited to the conduct of Franchisee's business pursuant to and in compliance with this Agreement and all applicable specifications, standards and operating procedures prescribed by the Company from time to time during the term of this Agreement. Any unauthorized use of the Marks by Franchisee shall constitute an infringement of the rights of the Company in and to the Marks. Franchisee agrees that all usage of the Marks by Franchisee and any goodwill established thereby shall inure to the exclusive benefit of the Company, and Franchisee acknowledges that this Agreement does not confer any goodwill or other interest in the Marks upon Franchisee. All provisions of this Agreement applicable to the Marks shall apply to any additional trademarks, service marks, logo forms and commercial symbols hereafter authorized for use by and licensed to Franchisee pursuant to this Agreement. All products, services, and any sales, marketing or promotional programs concerning same, which are developed presently or in the future by or on behalf of Franchisee in conjunction with, for use in, or arising from or related to the Franchised Business are irrevocably and permanently licensed to the Company for no additional charge to become part of ROSATI'S PIZZA System and for subsequent use by the Company and its affiliates and, if the Company determines, other ROSATI'S PIZZA franchisees.
- F. Internet Usage. The Franchisee shall not obtain any domain names or website addresses for the Internet incorporating the Marks or create, develop, maintain and/or use a web site on the Internet using any of the Marks without the Company's prior written consent which may be withheld in its discretion. Franchisee shall not use any of the Marks on the Internet in any directory listing or advertising without the Company's prior written consent. Franchisee shall not make any reference to or any association with the Marks on any social network, blog, micro-blog, or other on-line venue or in any other manner on the Internet without the Company's prior written consent. If any of the foregoing uses is specifically permitted in the Franchise Operations Manual or written policy, Franchisee use must conform completely to all of the applicable standards

and procedures set forth in the Franchise Operations Manual or policy.

11. Confidential Information; Manuals.

Confidential Information. "Confidential Information" as used in this Agreement shall include information which Company considers its trade secrets and confidential information, including the Company's customer service standards and other standards and procedures, recipes and product mixes, promotional and marketing strategies, business methods, customer information and any other techniques and know-how concerning the operation of a ROSATI'S PIZZA restaurant business that make up part of the Systems and which may be communicated to Franchisee or which Franchisee may be apprised of by virtue of the training provided by Company, the Franchise Operations Manual, or otherwise by virtue of Franchisee's operation of the Franchised Business. Further, Franchisee acknowledges that any and all information, knowledge, know-how, techniques, and other data which Franchisor designates as confidential shall be Confidential Information for purposes of this Franchise Agreement. Franchisee acknowledges that if Franchisee disclosed any Confidential Information that it could substantially harm the Company, Franchisee and other ROSATI'S PIZZA franchisees. Franchisee agrees to secure, keep secret, and lock away the Franchise Operations Manual and any other ROSATI'S PIZZA System confidential materials. Franchisee agrees that Franchisee will maintain the absolute confidentiality of all, and not disclose any, Confidential Information during and after the term of this Agreement and that Franchisee will not use any Confidential Information in any other business or in any manner not specifically authorized or approved in writing by the Company. Franchisee agrees to require all of Franchisee's personnel that have access to the Confidential Information in carrying out his or her duties to sign a confidentiality and non-competition agreement in the form prescribed by the Company.

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

PIZZA System and Marks and to further the purposes of this Agreement and is specifically incorporated into this Agreement such that it shall constitute provisions of this Agreement as if fully set forth herein. Franchisee acknowledges that the Franchise Operations Manual is not intended to control the day-to-day operations of the Franchised Business and that the Franchised Business will be under the control of Franchisee at all times. Company shall loan Franchisee one (1) copy of the Company's Franchise Operations Manual either as a hard paper copy or an electronic copy or accessed on an intranet system, which may include one (1) or more separate manuals as well as audiotapes, videotapes, compact discs, computer software, information available on an Internet site, other electronic media and/or written materials that Company may periodically change. The Franchise Operations Manual may be modified from time to time to reflect changes in the specifications, standards, operating procedures and other obligations in operating ROSATI'S PIZZA restaurants. Franchisee must keep their copy of the Franchise Operations Manual current by immediately inserting all modified pages Company furnishes to Franchisee. Revisions to the Franchise Operations Manual will be deemed effective immediately, unless Company specifies later effective date for a particular revision. If a dispute develops with

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respect to the contents of the Franchise Operations Manual, the master copy Company maintains at its principal office or the online Franchise Operations Manual will be controlling. Franchisee shall not duplicate or copy any part of the Franchise Operations Manual, permit any part of it to be copied, or disclose it to anyone not having a need to know its contents for purposes of operating the Franchised Business without Company's permission.

12. Term and Renewal.

- A. <u>Term.</u> Commencing upon the date of this Agreement, the term of this Agreement is fifteen (15) years unless terminated prior thereto pursuant to the provisions hereof.
- B. Renewal. Franchisee may, at Franchisee's option, renew this franchise term for a successive additional five (5) year term, subject to the following conditions which must be met prior to each renewal:
- Franchisee shall have delivered to the Company written notice of Franchisee's desire to exercise Franchisee's option to renew at least six (6) months, but no more than twelve (12) months prior to the expiration of the term of this Agreement;
- Franchisee shall have during the entire term of this Agreement substantially complied with all of its provisions and the provisions of any other agreement between Franchisee and the Company and/or its affiliates;
- 3. Company and Franchisee (and Franchisee's shareholders or partners or members, if Franchisee is a corporation or partnership or limited liability company) shall execute the form of franchise agreement and such ancillary agreements as are then customarily used by Company in the grant of ROSATI'S PIZZA franchises (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise);
- 4. Franchisee shall pay a renewal fee to Company upon the execution of the renewal franchise agreement in the amount of Five Thousand Dollars (\$5,000);
- Franchisee shall have satisfied all monetary obligations owed to Company and its subsidiaries and affiliates and to Company's designated suppliers;
- Franchisee shall have presented satisfactory evidence to Company that
 Franchisee has the right to remain in possession of the Franchise Location for the duration of the renewal term;
- Franchisee shall refurbish and remodel the premises of the Franchise Business
 and replace the equipment of the Franchised Business to be in compliance with the then-current standards and
 specifications utilized in the granting of ROSATI'S PIZZA franchises;
- 8. Franchisee shall comply with Company's then-current qualification and training requirement; and
- 9. Franchisee (and Franchisee's shareholders or partners or members, if Franchisee is a corporation or partnership or limited liability company) shall execute general releases, in form satisfactory to Company of any and all claims against the Company and its affiliates, and their officers, directors, shareholders, members, employees and agents.

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

13. Termination.

- A. Termination by Franchisee. If Franchisee is in substantial compliance with this Agreement and the Company materially breaches this Agreement and fails to cure such breach within a reasonable time, which in no event shall be less than ninety (90) days, after written notice thereof is delivered to the Company, Franchisee may terminate this Agreement. Such termination shall be effective ten (10) days after delivery to the Company of notice that such breach has not been cured and Franchisee elects to terminate this Agreement. Except as described in this Section, Franchisee has no right to terminate this Agreement.
- B. <u>Termination by Company without Opportunity to Cure.</u> In addition to the other provisions of this Agreement allowing termination, the Company may terminate this Agreement effective upon delivery of notice of termination to Franchisee in the following circumstances:
- Franchisee becomes insolvent; makes an assignment for the benefit of
 creditors; files a voluntary petition in bankruptcy; files any pleading seeking any reorganization, liquidation or
 dissolution under any law; admits or fails to contest the material allegations of any such pleading filed against
 Franchisee; is adjudicated a bankrupt; a receiver is appointed for a substantial part of Franchisee's assets; or
 the claims of creditors of Franchisee or the Franchised Business are abated or subject to a moratorium under
 any law;
- 2. Franchisee fails to pass the training program for franchisees, or if Franchisee fails to provide Company with a copy of the fully executed Lease for Franchisee's restaurant within ninety (90) days after the date of this Agreement, or if Franchisee fails to commence operating ROSATI'S PIZZA restaurant within three hundred sixty-five (365) days after the date of this Agreement;
- Franchisee abandons, or surrenders control of the operation of the Franchised Business without the Company's prior written consent;
- 4. Franchisee loses possession of the restaurant premises, or fails to make rental payments when due, or suffers termination of the Lease;
- 5. Franchisee submits to the Company on two (2) or more separate occasions at any time during any two (2) year period during the term of this Agreement a report, financial statement, tax return, schedule or other information or supporting record which understates the Gross Sales of the Franchised Business for any period by more than two percent (2%);
- 6. Franchisee is convicted of or pleads guilty to or no contest to a felony or other crime which substantially impairs the goodwill associated with ROSATI'S PIZZA Marks or ROSATI'S PIZZA System or engages in any misconduct which affects the reputation of the Franchised Business or the goodwill associated with ROSATI'S PIZZA Marks or ROSATI'S PIZZA System, as determined by the Company;

- 7. Franchisee loses any permit or license which is a prerequisite to the operation of the Franchised Business, or if Franchisee operates the Franchised Business in a manner that presents a health or safety hazard to customers, employees, or the public;
- Franchisee makes a transfer or assignment of this Agreement, the assets of the Franchised Business, or Franchisee's ownership interest, which is not authorized as provided in the transferability section of this Agreement;
- 9. Franchisee has received three (3) or more notices of default during any twelve (12) month period, whether or not such defaults were cured;
- 10. Franchisee delivers to Company three (3) or more non-sufficient funds checks within any twelve (12) month period, whether or not such checks were subsequently paid; and
- 11. Franchisee made any material misrepresentation or omission in its application for the franchise.
- C. <u>Termination by Company with Opportunity to Cure.</u> In addition to the other provisions of this Agreement allowing termination, the Company may terminate this Agreement effective upon delivery of notice of termination to Franchisee in the following circumstances:
- Franchisee fails to pay any amount owed to the Company or its affiliates or to Franchisee's suppliers, providers or vendors, when the same is due and payable and does not correct such failure within ten (10) days after written notice of such failure to comply is delivered to the Franchisee;
- Franchisee fails to submit reports or financial data which Company requires under this Agreement, when the same are due and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee;
- 3. Franchisee fails to meet the Minimum Annual Gross Sales requirements set forth in Section 4.C within three (3) months after written notice of such failure is delivered to Franchisee; and
- 4. Franchisee fails to perform any of the terms and conditions in this Agreement, any mandatory specification, standard or operating procedure prescribed by the Company in the Franchise Operations Manual, or otherwise in writing, and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee.
- D. Upon the occurrence of any of the above events of default which would allow the Company to terminate this Agreement (which termination Company may or may not choose to do), Company may authorize its suppliers to withhold shipment to the Franchisee of the Company's proprietary products and services and approved products and services until such time as Franchisee has cured the event of default.
- E. Cross Default. Any default by Franchisee of any other agreement between the Company and Franchisee shall be deemed a default under this Agreement, and any default by Franchisee of this Agreement shall be deemed a default under any and all other agreements between Company and Franchisee. If the nature of such default under any other agreement would have permitted the Company to terminate this Agreement had said default occurred hereunder, the Company shall have the right to terminate this Agreement as if such default has occurred hereunder. For purposes of this Section, an agreement between the Company or an affiliate of the Company and Franchisee or Franchisee's partner, shareholder, member, manager, executive officer or affiliate shall be deemed an agreement between the Company and Franchisee.

COMPANY INITIALS _____ ROSATI'S PIZZA FRANCHISE AGREEMENT 2014 F. Appointment of Manager. Notwithstanding the provisions of Sections 13.B. and 13.C. above, in the event that Franchisee does not comply with any provision of this Agreement, the Company may, at its sole option, assign a manager to the Franchised Business on a daily basis for a continuous period of at least up to ninety (90) days, which may be extended by Company at its election for up to one (1) year, whose function will be to ensure compliance by Franchisee, Franchisee's employees and agents with the provisions of this Agreement, including without limitation, adherence to the standards, methods, procedures and specifications of the ROSATI'S PIZZA System and the rights and duties upon termination or expiration of this Agreement. During this time, the Company agrees to utilize reasonable efforts to periodically consult with Franchisee to discuss the return of management to the Franchisee. Franchisee shall pay the Company for the services of such manager at such reasonable rate as may be established by the Company. Franchisee agrees to indemnify and hold harmless the Company and its agents and employees who may act hereunder. Nothing in this Section shall affect the Company's other rights and remedies under this Agreement.

14. Rights and Duties Upon Termination or Expiration.

- A. Upon termination or expiration of this Agreement, all of Franchisee's rights hereunder shall terminate, and Franchisee shall cease operating the Franchised Business. Franchisee complies with the following:
- Franchisee shall forthwith discontinue use of the ROSATI'S PIZZA Marks, ROSATI'S PIZZA System, and all trade names, trademarks, service marks, trade dress, signs, colors, structures, interior and exterior decor, business methods, Confidential Information, printed goods and forms of advertising indicative of the Franchised Business.
- Franchisee shall return the Franchise Operations Manual, any proprietary Software Program and any and all other materials containing Company's Confidential Information.
 - 3. Franchisee shall pay all amounts due the Company and its affiliates.
- Franchisee shall cancel any assumed name registration it obtained containing the Marks.
- Franchisee shall return to the Company any ROSATT'S PIZZA signs and sign faces.
- Franchisee shall not represent that Franchisee formerly did business under the ROSATI'S PIZZA name or that it is a current or former franchisee of Company.
- Franchisee shall provide the Company with the names, addresses and telephone numbers of Franchisee's customers during the preceding three (3) years and any other customer data Company requests.
- 8. Franchisee shall promptly notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone number and any regular, classified or other telephone directory listings associated with the Marks and to authorize transfer of same to or at the direction of the Company. Franchisee acknowledges that as between the Company and Franchisee, the Company has the sole rights to and interest in all e-mail and internet addresses, websites, domain names and search engine identifiers, and all telephone and facsimile numbers and directory listings associated with the Marks. Franchisee authorizes the Company, and hereby appoints the Company and any officer of the Company as Franchisee's attorney-in-fact, to direct the telephone company (as authorized by the Exhibit E

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Conditional Assignment of Telephone Number executed with this Agreement), internet service providers, domain name registrars, and all listing agencies to transfer same to the Company or at its direction, should Franchisee fail or refuse to do so, and the telephone company, internet service providers, domain name registrars, and all listing agencies may accept such direction or this Agreement as conclusive of the exclusive rights of the Company in such e-mail and internet addresses, websites, domain names and search engine identifiers, and all telephone and facsimile numbers and directory listings and its authority to direct their transfer.

- 9. Should Company exercise its option to assume the Lease for the Franchise Location pursuant to the Exhibit F Collateral Assignment of Lease, Franchisee shall promptly cooperate with Company in delivering possession of the leased premises to Company. If Company does not opt to take assignment of the Lease for the Franchise Location upon the expiration or termination of this Agreement, Franchisee shall immediately make such modifications or alterations to the leased premises as may be necessary to prevent any association between Company or the System and any business thereon subsequently operated, and shall make such specific additional changes thereto as Company may reasonably request for that purpose, including, without limitation, removal of all distinctive physical and structural features identifying the System. In the event Franchisee fails or refuses to comply with the requirements of this paragraph, Company shall have the right to enter upon the premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at Franchisee's expense, which expense Franchisee agrees to pay upon demand.
- 10. Franchisee shall furnish to the Company within thirty (30) days after the effective date of the termination or expiration evidence satisfactory to the Company of Franchisee's compliance with the foregoing obligations.
- B. Option to Purchase Assets. Upon the termination or expiration of this Agreement, the Company shall have a ninety (90) day option to purchase from Franchisee all of the equipment, supplies, inventory, advertising materials and any items with Company's Marks for cash at fair market value. If the Company and Franchisee do not agree upon the amount of the fair market value within a reasonable amount of time, then a business appraiser selected by mutual agreement shall determine the fair market value. The cost of the business appraiser shall be borne equally by the Company and Franchisee. The Company has an unrestricted right to assign this option to a third party. If the Company and Franchisee cannot mutually agree on one (1) appraiser, then the Company and Franchisee shall select separate appraisers, and the average of the determinations will be binding. In the event of separate appraisers, the Company and Franchisee shall bear costs separately. If Company elects to exercise any option to purchase herein provided, Company shall have the right to set off all amounts due from Franchisee under this Agreement, and the cost of the appraisal, if any, against any payment therefore.
- C. <u>Post-Termination Covenant Not to Compete.</u> In the event of termination or expiration of this Agreement, Franchisee shall not, for a period of two (2) years after the later of (i) the date of the termination or expiration or (ii) the date on which Franchisee ceases to conduct the business conducted pursuant to this Agreement, directly or indirectly:
- (1) be associated as an employee, proprietor, stockholder, partner, member, agent, officer, director, consultant, representative, manager, spouse, parent, or in any other capacity with, or operate, engage, own, invest in, or participate in, (i) any Competitive Restaurant located within twenty (20) miles of Franchisee's former restaurant location or (ii) any Competitive Restaurant within twenty (20) miles of any other ROSATI'S PIZZA restaurant licensed by Company or (iii) any entity which franchises or otherwise grants to others the right to operate any restaurant serving featuring pizza or the other food items on the thencurrent ROSATI'S PIZZA menu. "Competitive Restaurant" as used herein shall mean any restaurant featuring

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pizza or other food items on the then-current ROSATI'S PIZZA menu. Competitive Restaurant shall include a restaurant licensed to use the "Rosati's Pizza" Mark from any licensor other than Rosati's Franchising, Inc.;

- (2) divert or attempt to divert any former business or customer of the Franchised Business to any Competitive Restaurant;
 - (3) solicit or accept business from any former customers of the Franchised Business;
- (4) solicit or employ or contract with any current or former employee or subcontractor of Franchisee, Company or any other ROSATI'S PIZZA business.

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

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

Franchisee acknowledges that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company for which no adequate remedy at law will be available. Accordingly, Franchisee hereby acknowledge that Company may seek to obtain the entry of an injunction prohibiting any conduct by Franchisee or Franchisee's owners in violation of the terms of the covenants not to compete set forth in this Agreement. Franchisee expressly agrees that it may conclusively be presumed that any violation of the terms of said covenants not to compete was accomplished by and through your unlawful use of the Company's Confidential Information. Further, Franchisee expressly agrees that the existence of any claims Franchisee may have against Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Company of the covenants not to compete set forth in this Agreement. Franchisee further agrees to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by the Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.

D. <u>Continuing Obligations</u>. All obligations of the Company and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement and until they are satisfied in full or by their nature expire.

15. Transferability of Interest.

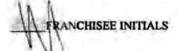
- A. <u>Transfer by the Company.</u> The Company shall have the right, in its sole discretion, to transfer or assign this Agreement and all or any part of its rights or obligations to any person or legal entity, and any designated assignee of Company shall become solely responsible for all obligations of Company under this Agreement from the date of assignment. Franchisee shall execute such documents consenting to such a transfer as Company shall request.
- B. <u>Transfer by Franchisee</u>. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Company has granted this franchise

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ROSATI'S PIZZA FRANCHISE AGREEMENT 2014

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

- C. <u>Conditions to Transfer</u>. The Company shall not unreasonably withhold its written approval of an assignment or transfer, provided Franchisee and the assignce or transferee have met all of the following conditions as determined by Company in its sole discretion:
- Franchisee has properly offered the Company the opportunity to exercise the right of first refusal as provided in the right of first refusal section of this Agreement, and the Company declined to exercise it;
- The assignee or transferee has sufficient business experience, aptitude, financial resources, meets the Company's then-applicable standards for franchisees; is of good moral character; and does not operate a Competitive Restaurant;
- 3. Franchisee has delivered a copy of the purchase agreement to Company. Company shall have the right to communicate with and confer with both Franchisee and the proposed assignee on any aspect of the proposed transfer and to furnish the proposed assignee with financial and other information regarding the Franchised Business in Company's possession;
- 4. The assignee or transferee completes the initial training program required of new franchisees to Company's our satisfaction;
- 5. The assignee or transferee executes the then-current form of franchise agreement and other agreements (which may contain materially different terms than those set forth herein) being used by the Company; or at Company's option, the assignee or transferee agrees in a form approved by the Company to be personally bound jointly and severally by all the provisions of this Agreement and assume and guarantee all of Franchisee's obligations hereunder and all other agreements between Franchisee and the Company or its affiliates to the same extent as if they had been original parties to the original agreements;
- Franchisee engages an escrow agent approved by the Company to handle the closing and supervise the exchange of funds;
- All of Franchisee's money obligations owed to the Company, its affiliates, and the Advertising Fund are fully paid;
- 8. Franchisee is not in default under this Agreement or any other agreement between Franchisee and Company or its affiliates;
- 9. The assets of the Franchised Business must be refurbished, remodeled or replaced in order to be in compliance with the then-current standards and specification utilized in the granting of ROSATI'S PIZZA franchises;

- 10. The lessor has consented to the assignment of the Lease for the restaurant premises to the assignee or transferee if the Lease requires such a consent;
- Franchisee pays the Company a non-refundable transfer fee in the amount of one-half (1/2) of the then-current initial franchise fee for a first franchise;
- 12. Franchisee (and each of Franchisee's shareholders or partners or members, if Franchisee is a corporation or a partnership or limited liability company) shall execute general releases of all claims against the Company, its affiliates, and their officers, directors, shareholders, members, employees and agents;
- 13. Company approves the material terms and conditions of the assignment from Franchisee to the proposed assignee and must have determined that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Franchised Business by the assignee; and
- 14. Franchisee must comply with all of the post-termination obligations under this Agreement.
- Assignment to Partnership, Corporation or Limited Liability Company. If Franchisee is in full compliance with this Agreement, the Company shall not unreasonably withhold its consent to a transfer of this Agreement and the assets of the Franchised Business to a partnership or corporation or limited liability company, provided: (1) the partnership or corporation or limited liability company name does not include the word 'ROSATI'S' and its activities are confined exclusively to operating Franchisee's Franchised Business; (2) Franchisee owns and controls all of the general partnership interests, stock, membership interests, or the equity and voting power, and provided that, in a form approved by the Company, the partnership or corporation or limited liability company assumes all of Franchisee's obligations hereunder and the partners or shareholders or members agree to be personally bound jointly and severally by all the provisions of this Agreement and assume and guarantee all of Franchisee's obligations hereunder and all other agreements to the same extent as if they had been parties to the original agreements; (3) any subsequent transfer or issuance of partnerships interests or of shares of the corporation or membership interests in the limited liability company shall be subject to Company's consent and agreement; (4) the partnership's Partnership Agreement and each partnership interest certificate, or the corporation's Articles of Incorporation and Bylaws and each stock certificate, or the limited liability company's Articles of Organization and Operating Agreement and each membership certificate shall clearly indicate that any transfer of partnership interests, shares of stock or membership interests is restricted and may be transferred subject to Company's consent and agreement only in accordance with the terms of this Agreement; and (5) Franchisee shall pay to the Company all legal expenses and other charges incurred by the Company in connection with such transfer.
- E. Right of First Refusal. If Franchisee shall at any time determine to sell Franchisee's rights under this Agreement, or the assets of the Franchised Business, or Franchisee's ownership interest, in whole or part, Franchisee shall obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to the Company. The Company or its designee shall, for a period of thirty (30) days from the date of delivery of such offer to the Company, have the right, exercisable by written notice to Franchisee, to purchase the interest for the price and on the terms and conditions contained in the offer, provided that any brokers', agents', or finders' fees shall be deducted from the purchase price and the Company or its designee may substitute cash for any form of payment proposed in such offer. If the Company or its designee does not exercise this right of first refusal, Franchisee may, subject to the same conditions for transfers contained in this Agreement, complete the sale to such purchaser on the terms of the bona fide offer. If the sale to such purchaser is not completed within one hundred twenty (120) days after



delivery of such offer to the Company, or if there is a material change in the terms of the sale, the Company or its designee shall again have the right of first refusal herein provided.

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

16. ENFORCEMENT.

Mandatory Mediation. Prior to commencing any legal proceeding, Franchisee must give notice to Company setting forth in reasonable detail the nature and basis of the claim or dispute and the parties shall then seek to negotiate and resolve the dispute by negotiation through an independent mediator. Unless otherwise mutually agreed, mediation shall commence within two (2) weeks after the selection of the mediator. Mediation shall continue until the parties agree to terminate the process, the mediator determines that the process is not working (i.e., has reached an impasse), or thirty (30) days have elapsed since the commencement of mediation and the parties do not by mutual agreement extend the process. Any recommendation or decision by the mediator shall be non-binding and confidential. The fees and expenses of the mediator shall be shared equally by the parties, and each party shall bear its own costs otherwise. In the event the dispute is not resolved through mediation as provided herein, either party may proceed immediately to initiate litigation concerning the dispute. Each party hereby agrees that all statements made in the course of mediation shall be strictly confidential, and shall not be disclosed to or shared with any third parties, other than the mediator. Each party also agrees that any documents or data specifically prepared for use in good faith negotiations and/or mediation shall not be disclosed to or shared with any third party except those parties whose presence is necessary to facilitate the mediation process. The parties agree not to make copies of any such documents, and to return them to the other party upon the conclusion of the mediation. Each party agrees and acknowledges that no statements made in, or evidence specifically prepared for mediation shall be admissible for any purpose in any subsequent proceedings. Company shall have no obligation to mediate claims that are the subject of Paragraph 17.B herein.

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B. Specific Performance: Injunctive Relief. Provided Company gives Franchisee the

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appropriate notice, Company will be entitled, without being required to post a bond, to seek the entry of temporary and permanent injunctions and orders of specific performance to: (i) enforce the provisions of this Agreement relating to Franchisee's use of the Marks and Franchisee's non-disclosure and non-competition obligations under this Agreement; (ii) prohibit any act or omission by Franchisee or Franchisee's employees that constitutes a violation of any applicable law, ordinance or regulation, constitutes a danger to the public, or may impair the goodwill associated with the Marks or the ROSATT'S PIZZA franchises; (iii) prevent any other irreparable harm to Company's interests; (iv) enforce Franchisee's obligations upon termination or expiration of this Agreement; and (v) to prohibit an assignment or attempted assignment of the this Agreement, the franchise or Franchisee in violation of the applicable provisions of this Agreement. If Company obtains an injunction or order of specific performance, Franchisee agrees to pay Company an amount equal to the total of Company's costs of obtaining it, including, without limitation, reasonable attorneys' fees, expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages Company incurs as a result of the breach of any such provision. Franchisee further agrees to waive any claims for damages in the event there is a later determination that an injunction or specific performance order was issued improperly.

- C. Governing Law/Consent to Jurisdiction. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act 15 U.S.C. Section 1051 Et. Seq.), this Agreement and the franchise shall be governed by the internal laws of the State of Illinois (without reference to its choice of law and conflict of law rules), except that the provisions of any franchise law of such state shall not apply unless the jurisdictional requirements of said law have been met independently of this provision. Franchisee irrevocably submits to the exclusive jurisdiction of any state or federal court of jurisdiction located in the State of Illinois and waives any objection Franchisee may have to either the jurisdiction or venue of such court.
- Company or its affiliates is asserted in any legal proceeding before a court of competent jurisdiction, if the Company or Franchisee are required to enforce this agreement in a judicial proceeding, the party prevailing in such proceeding shall be entitled to recover from the other its costs and expenses, including without limitation, court costs, fees for in-house or outside attorneys and paralegals, management preparation time, expert witness fees, collection agency fees, accounting fees, whether incurred prior to, in preparation for or in contemplation of the filing of such proceeding. If the Company is required to engage a collection agency or legal counsel in connection with any failure by Franchisee to pay when due amounts due the Company, or to submit when due any reports, information, or supporting records, or in connection with any failure to otherwise comply with this Agreement, Franchisee shall reimburse the Company for any of the above listed costs and expenses incurred by it.
- E. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL. THE COMPANY AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY (I) ACTUAL DAMAGES SUSTAINED BY IT AND (II) TRADEMARK LAW TREBLE DAMAGES. THE COMPANY AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM.
- F. <u>Limitation of Claims</u>. Except for claims arising from underreporting of Gross Sales by Franchisee or nonpayment of amounts owed by Franchisee to the Company or its affiliates pursuant to this Agreement, any and all claims arising out of or relating to this Agreement or the relationship of the Company and Franchisee in connection with Franchisee's operation of the business shall be barred unless an action or proceeding is commenced within one (1) year from the date of the occurrence of the facts giving rise to such claims.

- G. <u>Cumulative Remedies.</u> The rights and remedies specifically granted to either Company or Franchisee by this Agreement will not be deemed to prohibit either party from exercising any other right or remedy provided under this Agreement or permitted by law or equity.
- Independent Contractor; Indemnification. The Company and Franchisee are independent contractors. This Agreement does not create a fiduciary relationship between the Company and Franchisee.
- Independent Contractor. Franchisee is not and shall not represent itself or himself to be the agent, joint venturer, partner or employee of the Company, or to be related to the Company other than as its independent franchisee. Franchisee shall conspicuously identify itself or himself at the Franchised Business and on the vehicles of the Franchised Business and in all dealings with suppliers, customers, employees, public officials and others as the owner of the Franchised Business. Franchisee shall place notices of independent ownership at the Franchised Business and on business cards, stationery, advertising and other materials as Company requires from time to time. Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Company's behalf or to incur any debt or other obligation in Company's name. No representations shall be made or acts taken by Franchisee which could establish any apparent relationship of agency, joint venture, partnership or employment, and the Company shall not be bound in any manner whatsoever by any agreements, warranties or representations made by Franchisee to any other person nor with respect to any other action of Franchisee. The Company shall have no liability for any sales, use, excise, income, property or other taxes levied upon Franchisee, the Franchised Business or its assets, or on Company in connection with the business Franchisee conducts, or on any payments Franchisee makes to Company pursuant to this Agreement or any franchise agreement (except for Company's own income taxes). If any such taxes are assessed against Company, Franchisee shall reimburse Company the actual amount of the taxes upon demand and upon receipt of proof of tax assessment. All royalty fees, advertising fees and other charges referred to in this Agreement are quoted exclusive of any value added, sales or other tax chargeable thereon, and Franchisee shall pay any such tax as required by law. The Company shall not be obligated or liable for any injury or death of any person or damage to any property caused by Franchisee's action, failure to act, negligence or willful conduct, nor for any liability of Franchisee.
- B. Indemnification. Franchisee and its owners shall indemnify and save the Company and its affiliates and their shareholders, members, managers, directors, officers, employees and agents ("Indemnitees") harmless (with counsel acceptable to the Company) from all fines, taxes, suits, proceedings, claims, demands or actions of any nature or kind whatsoever, directly or indirectly arising out of, or in any manner whatsoever associated or connected with Franchisee's operation of the Franchised Business and against any and all damages, costs, expenses and fees (including without limitation, attorneys', accountants', and experts' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses) incurred by or on behalf of any of the foregoing in the investigation or defense of any and all such fines, taxes, suits, proceedings, claims, demands or actions. The Company shall have the right to defend any such claim against it. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

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

In order to protect persons or property, or its reputation or goodwill, or, the reputation or goodwill

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

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

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

18. General Provisions.

- A. This Agreement shall be binding upon the parties and their respective executors, administrators, heirs, assigns and successors in interest.
- B. All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when tendered for delivery if delivered by hand, or one (1) day after the date of deposit if deposited with a commercial delivery service which guarantees next day delivery, or two (2) days after deposit if mailed certified mail, return receipt requested, postage prepaid, addressed to the appropriate party at their respective addresses above or at such other place as the party entitled to notice may designate by notice given in the same manner to the other.
 - C. Time is of the essence of this Agreement and all provisions shall be so interpreted.
- **D.** If any applicable law or rule requires a greater prior notice of the termination of or election not to renew this Agreement, or the taking of some other action than is required under this Agreement, the prior notice or other requirements required by this law or rule shall be substituted for the requirements of this Agreement.
 - E. The obligations and authorizations hereunder shall be joint and several.
- F. The invalidity of any provision of this Agreement shall not impair the validity of any other provision. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, that provision will be deemed severable and this Agreement may be enforced with that provision severed or as modified by the court. In the case of any questions of ambiguity relating to any provisions contained herein, there shall not be any construction against the drafter of the document.
- G. The preamble and recitals set forth above are hereby incorporated into and made a contractual part of the covenants of this Agreement. The exhibits referred to in this Agreement are attached hereto, made a part hereof, and are incorporated herein by reference.
- H. The headings and captions in this Agreement are inserted for convenience only and shall not constitute a part hereof or affect the construction or interpretation of any provision of this Agreement. Whenever required by context, the masculine pronouns shall include the feminine and neuter genders and the singular shall include the plural and vice versa.

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- L No waiver of or failure to enforce any of the provisions, terms, conditions, or obligations herein by any party shall be construed as a waiver of any subsequent breach of such provision, term, condition, or obligation of this Agreement or of any other provision, term, condition, or obligation hereunder, whether the same or different nature. Subsequent acceptance by the Company of the payments due it hereunder shall not be deemed to be a waiver by the Company of a preceding breach by Franchisee. If there develops a custom or practice which is at variance with the terms of this Agreement, the Company will not be deemed to have waived its right to demand exact compliance with any of the terms of this Agreement at a later time.
- J. Franchisee acknowledges that the Company has, and will in the future enter into license or franchise agreements with third parties pursuant to which such third parties are licensed to use the Marks and otherwise receive the benefits of ROSATI'S PIZZA System (the "Other Agreements"). Franchisee acknowledges that the provisions of the Other Agreements have or may vary substantially from those contained in this Agreement. No action taken by Company with respect to any one (1) or more of the Other Agreements or any party thereto shall create a course of conduct which may be relied upon or asserted by Franchisee under this Agreement as a modification to this Agreement or otherwise. Company shall not bear any liability whatsoever to Franchisee under this Agreement by reason of Company's failure to waive any of the provisions of this Agreement, or to give a consent or approval hereunder even though Company may have waived such provisions or similar provisions or given similar consents or approvals under any one (1) or more of the Other Agreements.
- K. No implied covenant of good faith and fair dealing shall be used to alter the express terms of this Agreement. The parties agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent.
- L. If by virtue of the community property laws of any state, Franchisee's spouse is deemed to have any property interest in this Agreement, Franchisee's ownership interest, or the Franchised Business, the Company will have the right to require Franchisee's spouse to consent and join in all of the terms and conditions of this Agreement, any related agreements and any amendments thereto.
- M. This Agreement and all exhibits to this Agreement, together with the System Standards contained in the Franchise Operations Manual, (which may be periodically modified, as provided in this Agreement) constitute the entire understanding and agreement between the parties and there are no other oral or written understandings or agreements between the parties, and no oral or written representations by the Company relating to the subject matter of this Agreement, the franchise relationship, or the Franchised Business, except for those contained in the Franchise Disclosure Document provided to Franchisee (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Nothing in this Section is intended as, nor shall it be interpreted to be, a disclaimer by the Company of any representation made in its Franchise Disclosure Documents, including the exhibits and any amendments thereto. This Agreement may be executed in more than one (1) counterpart, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same instrument.
- N. The terms and conditions of any State Law Addendum attached hereto are incorporated herein.
- O. Whenever a time period is specified herein within which the Franchisee or the Company has a duty to perform some act, such period shall be extended for a time period corresponding to the duration of any delay caused by events or circumstances beyond the reasonable control of such party.
- P. Franchisee and Franchisee's owners agree to comply with and/or to assist Company to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws (as defined below). In connection

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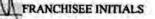
with such compliance, Franchisee, and Franchisee's owners certify, represent, and warrant that none of Franchisee's property or interest is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and Franchisee's Owners are not otherwise in violation of any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing in or in any way relating to terrorist acts and acts of war. Franchisee and Franchisee's owners acknowledge and agree that any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's owners or employees or any "blocking" of any of Franchisee's assets under the Anti-Terrorism laws shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee shall have entered with Company or its affiliates, in accordance with the termination provisions of this Agreement.

19. Acknowledgments. Franchisee acknowledges each of the following:

- A. Franchisee received the Company's franchise disclosure document at least fourteen (14) days prior to the signing of this Agreement.
- B. Franchisee received a copy of this Agreement and any related agreements at least seven (7) days prior to signing them if unilateral changes have been made by Company to the form of Franchise Agreement in Company's Franchise Disclosure Document.
- C. Franchisee has read and understands the Company's franchise disclosure document and this Agreement. Franchisee acknowledges that Franchisee has had the time and opportunity to obtain the advice and assistance of independent attorneys, accountants and other professional advisors and that all of Franchisee's questions regarding the Franchised Business have been answered to Franchisee's satisfaction prior to Franchisee's signing of this Agreement.
- D. Franchisee understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Company's high standards of quality and service and the uniformity of those standards at all ROSATI'S PIZZA Franchised Businesses in order to protect and preserve the goodwill of the Marks.
- E. Franchisee has conducted an independent investigation of the business contemplated by this Agreement and recognized that, like any other business, the nature of the business conducted by ROSATI'S PIZZA franchises may evolve and change over time, that an investment in a ROSATI'S PIZZA franchise involves business risks and that the success of the venture is largely dependent upon Franchisee's business abilities and efforts.
- F. Neither Company nor any of its agents has made any oral, written or visual representations or projections of actual or potential sales, costs, earnings, income, gross or net profits or success of the business venture contemplated by this Agreement other than financial performance representations contained in Item 19 of Company's franchise disclosure document.
- G. Franchisee has not received or relied on any representations about the franchise by Company, or its officers, directors, employees or agents, that are contrary to the statements made in Company's franchise disclosure document or to the terms herein.
- H. In all of Franchisee's dealings with Company, the officers, directors, employees and agents of Company act only in a representative capacity, not in an individual capacity, and that this Agreement and all

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business dealings between Franchisee and such persons as a result of this Agreement are solely between Franchisee and Company.

- I. Company reserves the right, without accountability to Franchisee, to receive and retain commissions, rebates, allowances and other similar amounts received by Company from any supplier who has been approved by Company from time to time in connection with the supply of goods, fixtures, furnishings, equipment, signs, supplies, and other products or services for the Franchised Business.
- J. The covenants not to compete set forth in this Agreement are fair, reasonable and will not impose any undue hardship on Franchisee, since Franchisee has other considerable skills, experience and education which afford Franchisee the opportunity to derive income from other endeavors.
- K. Franchisee affirms that all information set forth in any and all applications, financial statements and submissions to Company is true, complete and accurate in all respects, with Franchisee expressly acknowledging that Company is relying upon the truthfulness, completeness and accuracy of such information.
- L. Each party to this Agreement states that he has no legal claims against the Company or any of its affiliates and releases the Company and its affiliates and their respective officers, directors, managers, agents and employees from any damage, expense, claim or actions of the past.
- 20. Entity as Franchisee; Guaranty and Assumption of Obligations. If Franchisee is an entity, the Exhibit C Statement of Ownership, Officers and Managers must be completed concurrently with the execution of this Agreement, and Franchisee hereby represents that the information provided in Exhibit C is true, complete and accurate. Franchisee shall promptly provide Company with written notification if any of the information contained in Exhibit C changes at any time during the term of this Agreement and will comply with the applicable transfer provisions contained herein prior to making any change in ownership. If Franchisee is an entity, this Agreement must be personally guaranteed and the obligations hereunder assumed by the Owners of the Franchisee, and all such Owners must execute the Guaranty and Assumption of Obligations which is attached hereto as Exhibit D concurrently with the execution of this Agreement by Franchisee.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date first above written.

COMPANY:

ROSATI'S FRANCHISING, INC.

An Illinois corporation

Name: Marla Topliff

Title: President

FRANCHISEE:

CHANCES ON 6TH LLC

An Arizona fimited liability company

By: William Jachimek

Title: Member

EXHIBIT A

Case: 1:18-cv-00668 Document #: 1-1 Filed: 01/30/18 Page 40 of 51 PageID #:60

EXHIBIT A

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT DATED: 4-22-14 BETWEEN THE UNDERSIGNED PARTIES

FRANCHISE LOCATION AND PROTECTED AREA

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

Franchise Location: The franchise location approved by the Company for operation of the ROSATI'S PIZZA restaurant is 7570 E. 6th Ave., Scottsdale, AZ 85251 ("Franchise Location").

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

in number of mues if in an Orban Location.	
area within four (4) miles of the front door, I as of the date of this Agreement. The Protected	an Urban Location. The Protected Area is the geographical by road, of the Franchise Location using the roads in existence Area is not computed as a radius as the crow flies around the door to front door. The Protected Area does not prohibit or this Agreement.
existence as of the date of this Agreement. The	cation. The Protected Area is the geographical area within oor, by road, of the Franchise Location using the roads in a Protected Area is not computed as a radius as the crow flies from front door to front door. The Protected Area does not the date of this Agreement.
COMPANY:	FRANCHISEE:
ROSATI'S FRANCHISING, INC.	CHANCES ON 6TA LLC
An Illinois corporation	An Arizona limited hability company
mit.	
Wy first Liber	By: // //
Name: Marla Topliff	Name: William Jachmel
Title: President	Title: Member

EXHIBIT B

EXHIBIT B

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT DATED: 4-27-14 BETWEEN THE UNDERSIGNED PARTIES

SECURITY AGREEMENT

Rosati's Franchising, Inc., an Illinois corporation ("Secured Party"), and Chances on 6th LLC, an Arizona limited liability company ("Debtor"), agree as follows:

I. Background.

Secured party, as franchisor, and Debtor, as franchisee, are parties to a Franchise Agreement of even date (the "Franchise Agreement") pursuant to which, among other things, Debtor is obligated to pay, from time to time, certain sums to Secured Party. In order to induce Secured Party to enter into the Franchise Agreement, Debtor, among other things, is entering into this Security Agreement pursuant to which Debtor's payment and performance of all obligations under the Franchise Agreement are secured on the terms and conditions hereinafter provided for. Capitalized terms defined in the Franchise Agreement shall have the same meaning herein as therein.

2. Security Interest.

To secure the payment and performance by Debtor of all obligations and liabilities under the Franchise Agreement (such payment and performance of such obligations and liabilities collectively, "Obligations"), Debtor shall and hereby does grant, convey, assign and transfer to Secured Party, a security interest in and to the Franchise Agreement and all signs and other appurtenances and other property, real and personal, bearing any of the Proprietary Marks used at, located on or affixed to the Franchised Business operated by Debtor ("Rosati's Pizza Restaurant"), and all equipment, fixtures, furnishings and improvements located at the Rosati's Pizza Restaurant, whether now owned or hereafter acquired by Debtor (the "Collateral").

3. Default.

- 3.1. <u>Definitions</u>. The term "Event of Default" means the occurrence and continuation of any one (1) or more of the following events:
 - (a) any failure of Debtor promptly and faithfully to pay, observe and perform, when due, any of the Obligations;
 - (b) if Debtor becomes insolvent, commits an act of bankruptcy, files a voluntary petition in bankruptcy, or an involuntary petition in bankruptcy is filed, or a permanent or temporary receiver or trustee for the Rosati's Pizza Restaurant, or all or substantially all of the Debtor's property, is appointed by any court and such appointment is not actively opposed through legal action, or Debtor makes an assignment or arrangement for the benefit of creditors, or calls a meeting of creditors, or Debtor makes a written statement to the effect that he or it is unable to pay his or its debts as they become due, or a levy of execution is made upon Debtor, or an attachment or lien outstanding with respect to the Rosati's Pizza Restaurant for thirty (30) days, unless the attachment or lien is being duly contested in good faith by Debtor and Secured Party is advised in writing;

- (c) if Debtor loses possession or the right of possession of all or a significant part of the Rosati's Pizza Restaurant through condemnation or casualty and the Rosati's Pizza Restaurant is not relocated or reopened as required by the Franchise Agreement;
- (d) if Debtor abandons, surrenders or transfers control of the operation of the Franchised Business without Secured Party's prior written consent; or
- (e) if Debtor is a corporation, limited liability company, partnership, joint venture or other legal entity, any action is taken which purports to merge, consolidate, dissolve or liquidate Debtor without the prior written consent of Secured Party.
- 3.2. Remedies. Upon the occurrence of an Event of Default, all amounts payable to Secured Party shall become immediately due and payable and Secured Party shall have all the rights and remedies of a secured party under the Uniform Commercial Code as in effect in the state or states in which the Collateral may be located, including, but not limited to, the right to enter upon the Rosati's Pizza Restaurant peaceably and remove all Collateral. Secured Party shall give Debtor reasonable notice of the time and place of any public or private sale or other intended disposition of all or any particular Collateral, as the case may be. Debtor agrees that the requirement of reasonable notice shall be met if notice is mailed to Debtor at its address first above written not less than five (5) business days prior to the sale or other disposition. Expenses of retaking, holding, preparing for sale, selling or the like, shall include, without limitation, Secured Party's reasonable attorneys' fees and other legal expenses. Secured Party's rights and remedies, whether pursuant hereto or pursuant to the Illinois Uniform Commercial Code or any other statute or rule of law conferring rights similar to those conferred by the Illinois Uniform Commercial Code, shall be cumulative and not alternative.
- 4. Notices. Any notice, request or other communication to either party by the other as provided for herein shall be given in writing and shall be deemed given on the date the same is (i) actually received or (ii) three (3) days after being mailed by certified or registered mail, return receipt requested, postage prepaid and addressed to the addresses first set forth below. The person and the place to which notices or copies of notices are to be mailed to either party may be changed from time to time by such party by written notice to the other party.
- Applicable Law. This Agreement shall be governed by and interpreted under the laws of the State
 of Illinois, without regard to the principles of conflict of laws thereof.

6. Miscellaneous.

- 6.1. This Security Agreement shall inure to the benefit of, and shall be binding upon the respective successors, assigns, and legal representatives of the parties hereto.
- 6.2. The captions used herein are inserted for reference purposes only and shall not affect the interpretation or meaning of this Security Agreement.
- 6.3. Debtor hereby authorizes Secured Party, from time to time, to file financing statements in such form as may be necessary to perfect the security interest in the Collateral in any or all pertinent jurisdictions and in this regard, to execute said financing statements for itself (as secured party) and for Debtor (as debtor), as Debtor's agent. Upon Secured Party's request, Debtor shall execute any such financing statement as debtor.

SECURED PARTY:

ROSATI'S FRANCHISING, INC.

Ву: ///

Name: Marla Tooliff

Title: President

Address for Notice:

2250 Point Blvd, Ste 335

Elgin, IL 60123

DEBTOR:

CHANCES ON 6TH LLC

By:

Name: William Jach mek

Title: Member

Address for Notice:

7002 E-BARADIL DR SUHISING AZ 85254 Case: 1:18-cv-00668 Document #: 1-1 Filed: 01/30/18 Page 45 of 51 PageID #:65

EXHIBIT C

EXHIBIT C

	HIP, OFFICERS A	ND MEMBERS	
ners of the Franchisee Entity:			
t below the names, titles, residential addresses are the Franchisee entity executing this Agreement, we bility company, or partner of a partnership (attack	whether shareholder	of a corporation, member of a	lim
William Jachimek	2.	N/A	
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Scotlidde Az 85254	and the second second	N/A	
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N/A	4.	N/A	
N/A	0.00	N/A	
N/A	3	N/A	
<u>N/A</u> %		_N/A	
	(if manager-manage	ed LLC) of the Franchisee En	tity
nicers (for corporation or LLC) and/or Managers			
William Jachimek	2.	N/A	
William Jachimek 7002 E. Panapus Q.	2.	N/A N/A	_
William Jachimek	2.		_
William Jachimek 7002 E. Panaose Q.	2	N/A	
William Jachimek 7002-E. Pannerse Q. Scrttsdall Az 15257 Title: Member	2.	N/A N/A	
William Jachimek 7002-E. Panaphe Q. Scrttsdall AL 15257 Title: Member	2.	N/A N/A N/A	
7002 E. GALADIKA. SCHOOL AL BEZEY Title: Member N/A	2.	N/A N/A N/A N/A	

COMPANY INITIALS _______ ROSATI'S PIZZA FRANCHISE AGREEMENT 2014

EXHIBIT D

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EXHIBIT D

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT DATED: 400. 22. 2017

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this 22 day of chances on 6th IJC, an Arizona limited liability company.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date herewith (the "Agreement") by Rosati's Franchising, Inc. (the "Company"), each of the undersigned hereby personally and unconditionally, jointly and severally: (a) guarantees to the Company, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that William Jachimek of Chances on 6th LLC ("Franchisee") will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific activities.

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

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several with all other current and future guarantors of Franchisee's obligations; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) such liability will not be contingent or conditioned upon pursuit by the Company of any remedies against Franchisee or any Other person; (4) such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Company may from time to time grant to Franchisee or to any Other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement; and (5) this Guaranty shall apply to any amounts recovered from Company as a preference, fraudulent transfer or otherwise in a bankruptcy or similar proceeding.

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

GUARANTO	R(S)	% OF INTEREST IN FRANCHISE
141		10010
Print Name: V	William Jachimek	The second secon
Address:	17002 E. PARADISON.	
- Scott	Blade AL 85254	
	N/A	N/A
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Address:	N/A	
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EXHIBIT E

Case: 1:18-cv-00668 Document #: 1-1 Filed: 01/30/18 Page 51 of 51 PageID #:71

EXHIBIT E

TO THE ROSATI'S PIZZA FRANCHISE AGREEMENT DATED: BOAL BETWEEN THE UNDERSIGNED PARTIES

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS

Franchisee (Assignor): Chances on 6th LLC, an Arizona limited liability company whose business address is 7570 E. 6th Ave., Scottsdale, AZ 85251, in consideration of the granting of a franchise to Assignor contemporaneously herewith, and other valuable consideration paid by Rosati's Franchising, Inc., an Illinois corporation (Franchisor/Assignee), hereby assigns unto the Assignee all telephone numbers and listings utilized by Assignor in the operation of Assignor's ROSATI'S PIZZA restaurant at Assignor's address abovereferenced. Assignor acknowledges that "ROSATI'S PIZZA" and the associated marks are solely the property of Franchisor/Assignee. As such, Assignor's right to use any telephone numbers and directory listings associated with "ROSATI'S PIZZA" trademarks and service marks was solely due to a limited license granted by Assignee/Franchisor in connection with the Assignee/Franchisor's trademark(s)/service mark(s) pursuant to a Franchise Agreement. Once said license has expired and/or terminated pursuant to the expiration or termination of the Franchise Agreement, Assignor has no right to the telephone number or directory listing associated with the Assignee/Franchisor's trademark, including, but not limited to ROSATI'S PIZZA.

This Assignment shall constitute authorization to the appropriate telephone company to change and transfer to Franchisor/Assignee all of Assignor's rights in and to the use of said business telephone lines and Assignor hereby irrevocably appoints and authorizes Franchisor/Assignee to act as Assignor's attorney-in-fact and hereby empowers Franchisor/Assignee to execute such instruments in the Assignee's name in order to give full effect to this Assignment and to effectuate any transfer.

Upon the Assignment, the Assignee hereby assumes the performance of all of the terms, covenants and conditions of the telephone company with respect to such telephones, telephone numbers and telephone listings with the full force and effect as if the Assignce has been originally issued such telephones, telephone numbers, telephone listings and the usage thereof.

ASSIGNOR (Franchisee): CHANCES ON 6TH LLC

By:

Name: William Title: Member

ASSIGNEE (Franchisor): ROSATI'S FRANCHISING, INC.

Name: Marla Topliff

Title: President

COMPANY INITIALS NO ROSATI'S PIZZA FRANCHISE AGREEMENT 2014 ANCHISEE INITIALS

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EXHIBIT 2



NU DABRIME FIRE LANE

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EXHIBIT 3

Carter & Tani

Attorneys at Law 402 E. Roosevelt Road, Suite 206 Wheaton, Illinois 60187 www.cartertani.com

Partners
DORIS ADKINS CARTER
CHRISTINE K. TANI

Associate
Alissa Carter Verson

December 15, 2017

Telephone (630) 668-2135 FAX: (630) 668-9009 Writer's Email: dcarter@cartertani.com

UPS OVERNIGHT DELIVERY

Chances on 6th LLC c/o Mr. William Jachimek 7570 E. 6th Ave. Scottsdale, AZ 85251 Mr. William Jachimek 7002 E. Paradise Drive Scottsdale, AZ 85254

Re: Notice of Default of Franchise Agreement

Dear Mr. Jachimek:

As you may recall, I represent Rosati's Franchising, Inc. Pursuant to Section 13 of the April 22, 2014 Rosati's Pizza Franchise Agreement between Rosati's Franchising Inc. ("Rosati's") and Chances on 6th, LLC ("Chances"), this letter provides formal notice that Chances has violated the Franchise Agreement. Rosati's hereby invokes its rights under the Franchise Agreement and under the Guaranty.

My client has learned that Chances has abandoned its Rosati's Pizza Franchise, removed the Rosati's signs, and instead is operating a different pizza restaurant at the franchised location. Using the name "Sweet Home Chicago," Chances is operating in direct violation of its obligations under the Franchise Agreement. Chances' decision to operate a competing business under the "Sweet Home Chicago" name follows its other recent defaults, including its refusal to allow Rosati's inspector to access and inspect the premises, its failure to provide required financial reports for the franchised business, its termination of Rosati's access to the franchisee's bank accounts, and its failure to provide insurance and leasing information required by the Franchise Agreement, among many other contract violations.

The 2014 Franchise Agreement requires Chances to operate as a Rosati's Pizza franchised restaurant for a term of 15 years. (Agreement, Sections 7 and 12.) Chances is required to operate under the Rosati's brand and marks, in accordance with Rosati's Franchise Operations Manual, which contains the System Standards. Chances is also required to use Rosati's confidential information only in operating its Rosati's Pizza franchise. As the Franchise Agreement further provides,

Franchisee shall at all times faithfully, honestly and diligently perform Franchisee's obligations under this Agreement, continuously exert

Franchisee's best efforts to promote and enhance the Franchised Business and not engage in any other business or activity that conflicts with Franchisee's obligations to operate the Franchised Business in compliance with this Agreement. (Section 3(B).)

Chances has failed to do that. Its abandonment of the Rosati's Pizza franchise after less than 3 years, and its operation of another restaurant business at the franchised location, are flagrant violations of Rosati's rights.

You have also failed to meet your personal obligations as the Guarantor of the Franchise Agreement, including your obligation to guarantee that Chances will "perform each and every undertaking, agreement and covenant set forth in the Agreement." (Guaranty, Ex. D to the Franchise Agreement.) Under the terms of the Guaranty, you are personally and unconditionally liable for each of Chances' violations of the Franchise Agreement.

Rosati's therefore requires that Chances, and you as its personal guarantor, immediately cure its violations, by taking the following actions:

- 1) Cease and desist all operation of the Sweet Home Chicago restaurant;
- 2) Return operations at the franchised location to a Rosati's Pizza franchise, in full compliance with the Franchise Agreement;
- 3) Allow the Rosati's inspector immediate access to the restaurant premises and computer system for inspection and audit;
- 4) Provide all missing financial information, including weekly gross sales reports from April 2017 to the present;
- 5) Provide all missing, insurance and leasing information;
- 6) Pay to Rosati's all unpaid amounts required by the Franchise Agreement, including royalties on all sales made at this location to date from April 2017 to the present;
- 7) Reinstate the electronic funds transfer authorization that will permit Rosati's to withdraw royalties and other amounts due; and
- 8) Commit to perform all other obligations required by the Franchise Agreement.

While Rosati's will provide Chances with the 30-day cure period described in Section 13 of the Franchise Agreement, we will terminate the Franchise Agreement and enforce Rosati's full legal rights if these violations are not fully cured by January 17, 2018. Meanwhile, Rosati's reserves all rights, including its rights to seek injunctive relief, damages for past violations, attorneys' fees and costs.

Very truly yours, 1000ùl Olokun Cathu

Doris Adkins Carter

cc: Rosati's Franchising, Inc.

EXHIBIT 4

Build Your Own Pasta

Pastas are served with a side of garlic bread & Romano cheese

\$12.95

Sauce select

Pasta Select 1

Penne Fettuccine Ravioli Spaghetti

Alfredo Chunky Pomodoro Marinara Meat Vodka

Meathalls
Meathalls
Grilled Chicken
Sauteed Mushrooms
Sauteed Mushrooms
Sauteed Spinach
Sauteed Spinach
Fresh Garlic
Fresh Garlic
Riootta & Additions

Further Additions (each) - 2.00

Rosalis Saccially Pasia

Three Cheese Baked Penne

Spaghetti & Meatballs

Penne & Grilled Chicken a la Vodka

Four Cheese Blend Ravioli

Visit Us @ RosatisFranchising.com For Franchising Information

Sandwiches

Italian Beef

eathall Parmigiana

Turtle Cockie Dough Fudge Brownie

Deep Dish Cookie

2-Liter Bottle

20 oz. Bottle

Red Bull





480.999.5

7570 E 6TH AVE

Dine-In. Delivery, Carryout & Catering!

SUN - THURS DINE-IN HOURS

SUN - THURS | | | | | | | | | | | | | | | | DELIVERY & CARRYOUT HOURS

BEER & WINE FOR CARRYOUT & DELIVERY

6-PACK BOTTLES

8-07-00668 16 oz. Aluminum Bottless Michelob Ultra. Bud Light ... Coors Light Budweiser. Miller Lite

Blue Moon. Dos Equis.

16 oz. Cans: Goose Island IPA.

Sycamore lane by O
Trinchero Family Estates.
Chardonnay
Pinot Grigio.
Cabernet Sauvignon.
Meriot.
Pinot Noir
Alias Winery:
Cabernet Sauvignon.
Cab

WINE BY THE BOTHE

Cabernet Sauvignon Chardonnay. Pinot Grigio.

Merlot

Pinot Noir

Chardonnay Pinot Noir

Cabernet Sauvignon Red Blend ...

Pagelb Charles Smith: Velvet Devil Merlot Eve Chardonnay

DOLLES.



	6 wings
BBQ Honey BBO	12 wings
	24 wings
	6 wings
	12 wings
	24 wings

French Fries	
Mozzarella Sticks Sorved with a side of marinara	
Breaded Mushrooms Served with a side of teach	
Fried Pickles Sorved with a mile of ranch	
Cheesy Garlic Bread Served with a side of marinara	
Bruschetta	

Calzares

Cheese Calzone

Cheese Sausage Pepperoni

Any Slice & 20 oz of Pop Any Two Slices

Order Online @ MyRosatis.com/Scottsdale6th

Build Your Own Pizza

Choose Your Pizza Size		12	14"	16"	18	
	Serves	2	3-4	4-5	9-9	
Thin Crust 11.99 14.99 11.99 Our signature - light, flaky crust that is always crispy & golden brown, perfected	rust that is	11.99 always cz	14.99 rispy & golde	11.99 n brown, perf	19.99 ecto!	indicate:
Double Dough 11.39 11.39 Our own creation, slightly thicker & seaturing a unique hand-rolled edge	cker & fea	12.98 Ituring a t	15.99 unique hand-	17.99 rolled edge	=	- and other and of
Each Additional Topping		1.75	2.00	2.25	2.50	-
Olyten-Prees Picta						- 80
				Ser	Serves 1-2	EG.

Sales		
10" Gluten-Free* Thin Crust Adelicious & crispy gluten-free crust 9" Gluten-Free* Chicago-Style Deep Dish Agluten-free version of this Chicago classic	Each Additional Topping	*Please know that we practice caution and proper procedures when preparing our gluten-free items and do our very best to ensure a final gluten-free product. In consuming our gluten-free product. In consuming our gluten-free products, be aware that there still may be a chance of cross-contact or cross-contamination. Glussis are advised to consider this information as it relates to their individual dielary needs and requirements. A pizza made with a gluten-free crust, but still prepared in a common kitchen has a risk of gluten exposure. Rosafi's Pizza is NOT a gluten free servionment.

Items and do our very best to ensure a final gither-free product. In consuming our gluser-free products be awate that there still may be a chance of cross-contact or cross-contamination. Guests are advised to consider this information as it relates to their individual detary needs and requirements. A pizza made with a gluten-free crust, but still prepared in a common kitchen has a risk of gluten exposure. Rosali's Pizza is NOT a gluten tree environment. Choose Your Toppurgs *Double Ingredient Charge	& More	Extra Cheese	Anchovies	Banana Peppers	Hot Giardiniera	Ialapeño	Pineapple	Fresh Basil	Feta Cheese
e nexus a final quite-free product. I settll may be a chance of cross-con for this information as it relates to it nade with a gluten-free crust, but a exposure. Rosall's Pizza is NOT a "Shouble Ingredient Charge."	Veggie	Mushroom	Onion	Green Pepper	Black Olives	Green Olives	Tomato	Fresh Garlic	Sautéed Spinach
illens and do our very best to products, be sware that therm Guests are advised to consider and requirements. A pizza richen has a risk of gluten Choose Your Toppungs	Meat	Italian Sausage	Pepperoni	Canadian Bacon	Meatball	Bacon	Grilled Chicken*	Italian Beef*	



Caesar Salad

Chopped Salad

Greek Salad

Side Salad

SLOUDIN KADEOOKS

Rib Dinner

Chicken Dinner

SHZZLE	Vegetarian
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No Personal Checks Accepted · All Prices & Items Subject to Change Becept: Visa, Mastercard, Discover, American Express

EXHIBIT 5





sweet home Appetizers



Jalapeno Poppers

Jalapenos filled with cream cheese then breaded and fried 6.95

Fried Calamari

Fried light and crisp served with marinara 6.95

Onion Rings

Large breaded sweet onion rings 5.95

Mozzarella Sticks

Battered with marinara sauce 7.95

Cheezy Garlic Bread

Our delightful garlic bread with oven-melted mozzarella cheese 5.95

Queso de Cabra

Oven-baked goat cheese over our home made marinara sauce on toasted rustic baquette 6.95

Zucchini Slices

Zucchini slices breaded and fried till golden brown 5.95

Breaded Mushrooms

Deep fried golden and delicious 5.95

Beer Nuggets

Chunks of deep fried pizza dough tossed in garlic butter, served with marinara 6.95

French Fries 2.95

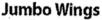
Sweet Potato Waffle Fries 3.95



Wings & Strips

Wing Sauces: Mango Habanero, BBQ, Honey BBQ, Sweet Chili, Buffalo, Mild Buffalo, Cajun Cayenne, X-tra Hot Cajun Cayenne, Parmesan Garlic, Sriracha, Honey Hot, Carolina Gold All Wings & Strips served with carrots, celery and ranch or blue cheese dressing

Extra Sauces .50



Our wings smothered in your sauce choice and served with your choice of dipping sauce

7 Wings 8.95

14 Wings 14.95 24 Wings 24.95

Extra Sauces

.50

Wings 24.95

Boneless Wings

7 wings 7.95 14 wings 12.95

24 wings 22.95



Chicken Strips

Marinated in buttermilk overnight then fried, tender and flavorful, choice of dipping sauce 6.95

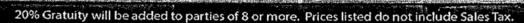
Dipping Sauces: Ranch, Chipotle Ranch, Honey Mustard, Blue Cheese, Marinara

Pig Wings

That's Right..We said Pig Wings! Bone in 4 oz., lip smacking mini

pork shanks slow cooked and flash fried and tossed in your favorite sauce

3 Wings 8.95 5 Wings 14.95 7 Wings 19.95





Salads



Dressings: Ranch, Chipotle Ranch, Italian, Caesar, Bleu Cheese, Honey Mustard, 1000 Island, Greek Vinaigrette & our Iconic George Diamond House dressing

Caesar Salad

Romaine lettuce, freshly made croutons and fresh parmesan cheese served with classic Caesar dressing Small 4.95 Large 7.45
Add Smoked Chicken 3 Add Anchovies 1

Antipasto Salad

Crisp lettuce, red onions crunchy green peppers, freshly sliced salami and pepperoni, grape tomatoes, pepperoncini tossed in Italian dressing and served with a gourmet cheese blend 9.95

BBQ Chicken Salad

Mixed greens, pit smoked chicken, onions and crumbled tortilla chip with BBQ ranch dressing 10.95

Greek Salad

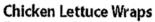
Iceberg & romaine lettuce, kalamata olives, feta cheese, pepperoncini, grape tomatoes, red onions and shaved Aslago, Choice of dressing. Add Gyro meat 3



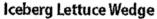
Simple Salad

Mixed greens, red onion, grape tomato, shaved carrot and a sprinkling of Italian cheese with your choice of dressing

Small 4.45 Large 6.95



Marinated shredded smoked chicken served with crisp leaf lettuce and dipping sauce 7.95



Applewood smoked bacon, grape tomatoes, red onlon and bleu cheese crumbles with bleu cheese dressing 7.95



Smoked Cobb Salad

Mixed greens, avocado, tomato, shaved carrots, bleu cheese crumbles, apple wood smoked bacon and deviled egg with your choice of smoked chicken, pork or turkey and choice of dressing 11.95



Eat your greens!

Greate Your

South Side Ultra-Thin Tavern Crust

Originated on the South Side to keep working men in taverns after their shifts. It was cut into squares and served complimentary.

Traditional Thin Crust

Our light flaky crust is always crispy and golden brown

Chicago Deep Dish

Pan cooked with a buttery crust blanketed in cheese, your choice of ingredients and topped with our zesty sauce full of chunky tomatoes (allow 40 min to cook)

Available in 10",14"& 16"

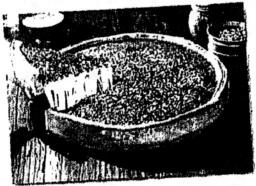


Hand Tossed Pizza

Twice as thick as out traditional thin crust. It is cut like a pie just like a New York pizza

Sicilian Style Stuffed Pizza

Our deep dish style pizza with your choice of ingredients topped with another thin crust and house made tomato sauce then sprinkled with Romano cheese. A Chicago favorite since Nancy's invented this pie in 1972. (allow 40 minutes to cook) Available in 10", 14" & 16"



Fresh Ingredients

Meats: Italian Sausage, Pepperoni, Canadian Bacon, Italian Beef, Apple Wood Sinoked Bacon, Shredded Sinoked Chicken

Veggies

Mushroom, Onion, Green Peppers, Fresh Tomatoes, Black Olives, Spinach, Green Olives

Other Toppings: Pineapple, Ricotta Cheese, Feta Cheese, Hot Giardiniera, Pepperoncini, Jalapeno Peppers, Banana Peppers, Androvies, Fresh Garlic, Fresh Basil

Tavern or Thin Grust

	8"	12"	14"	16"	18"		ℬ Gluten Free
Cheese Pizza		11.95	14.95	17.95	19.95	Hand Tossed Add 2.00	12" or 14" Only
Additional Ingredients	1.00	1.75	2.00	2.25	2.50	Auu 2.00	Add 3.00

Deep Dish or Stuffed

	10"	14"	16"
Cheese Pizza	14.95	19.95	22.95
Additional Ingredients	2.00	2.50	3.00



Jumbo Calzone

A pizza folded in half and stuffed with mozzarella 8.9 Choose up to 3 Additional Ingredients 1.50 each

*We offer gluten free crusts but are not a gluten free kitchen



Sperious Diraces

Tavenn or Thin Crust Prices

12" 14" 16" 18" Hand Tosse 17.95 20.95 24.95 28.95 Add 2.00

Hand Tossed Add 2.00 Gluten Free 12" or 14" Only Add 3.00

Sausage Classic

A delicious blend of Italian sausage, mushrooms, onion and green pepper

Meat Classic

A must for hearty appetites, pepperoni, Canadian bacon, sausage and applewood smoked bacon

Vegetarian Delight

A garden fresh delight with mushroom, onion, green pepper, and fresh tomato

Super Supreme

Sausage, pepperoni, mushroom, onion, green peppers and black olives

BBQ Smoked Chicken

Our pit smoked chicken with our tangy BBQ sauce (no pizza sauce) with red onion

Hawaiian Luau

A taste of the islands with diced pineapple paired with Canadian bacon, with our special mix of tomato & BBQ sauce

Margarita

Olive oil in place of regular sauce with tomatoes and fresh basil

Great White

Olive oil (no red sauce) fresh garlic, fresh spinach, mushrooms and onions topped with ricotta and mozzarella cheeses

Da Beef

Our tender roast beef with hot giardiniera, fresh garlic and onions

(Gluten Free Crust

Disclaimer: We offer gluten free crusts but we are not a gluten free restaurant. There is a danger of cross contamination so we are unable to guarantee this item is free of all allergens.







A generous portion of pasta served with garlic bread and grated cheese.

Baked Lasagna

Delicious layers of ribbon noodles with three cheeses smothered in marinara and melted mozzarella 10.95

Baked Mostaccioli

Penne like pasta served with marinara and melted mozzarella

Fettucine Alfredo

Fettucine pasta with sun dried tomatoes in our house made sauce 10.95 Add Shredded Chicken 3

Salsicce Al Pomodoro

Our sweet Italian sausage simmered in tomatoes covering your choice of pasta, Spaghetti or Mostaccioli topped with Asiago Cheese and fresh parsley 12.95

Four Cheese Ravioli

Ravioli stuffed with Ricotta, Parmesan, Auribella and mozzarella cheese, topped with Asiago cheese & fresh parsley 11.95

Chicken Parmigiana

Breaded chicken breast baked with marinara with melted Italian cheese on a bed of pasta





Spaghetti Traditional spaghetti or mostaccioli covered in marinara 7.95

Add 2 Meatballs, 1 Sausage or Shredded Smoked Chicken to Any Entrée

Control of the second s

Substitute any Pasta with Gluten Free Penne Pasta (We are not a gluten free kitchen)



Sandwiches

Served on fresh baguette with one side: Creole Potato Salad, BBQ Beans & Smoked Pork, Mac & Cheese, French Fries, Creamy Colesiaw, Honey Hush Cornbread

Italian Beef

Slow reasted beef, sliced thin in its own natural gravy 9,95. Add Melted Mozzarella 1. Add sweet and hot peppers 1.

Dry - Very Little Gravy - Extra Gravy - Splashed on Sandwich - Dipped - Wo

Italian Sausage

Deliciously spicy sausage with marinara sauce or natural gravy 8.95

Combo

Italian sausage topped with our homemade Italian beef 9.95

Chicken Parm

Breaded chicken topped with marinara and melted mozzarella 8.95

Meatball Parm

Juicy meatballs covered with marinara and melted mozzarella 8.95

Italian Sub

Genoa salami, boiled ham, Capicola, provolone, lettuce, tomato, onions topped with balsamic vinalgrette 8.95

Smoked Turkey Wrap

Our house smoked turkey breast with olives, bell pepper, carrots, tomato, shredded lettuce & mozzarella cheese 9.95

Pork Daddy

Breaded pork tenderloin, fried golden brown, shredded lettuce, tomatoes and onions with choice of chipotle ranch, mustard, mayo or zip sauce served on bun 9.95

Chicken Caesar Wrap

Marinated, grilled smoked and pulled chicken breast with romaine, cherry tomatoes, parmesan and Caesar dressing all wrapped in flour tortilla 9.95

Extra Sides 2.95

Char Burgers & Baskets

Served with one side: Creole Potato Salad, BBQ Beans & Smoked Pork, Mac & Cheese, French Fries, Creamy Coleslaw, Honey Hush Combread

Steak House Burger*

Traditional freshly ground 1/2 lb. burger with lettuce, tomato and onions 9.50 Add Cheese 1

Pimento Burger*

1/2 lb freshly ground burger topped with our house made pimento cheese, with lettuce, tomato, onion 10.95

Bacon Deluxe*

Smoked applewood bacon, caramelized onions, melted Swiss and pickles 11.95

Beyond Burger (Vegetarian)

Plant based burger, juicy and meaty - free of soy, gluten, peanut, dairy and non GMO topped with crisp lettuce, tomato and onion 9.95

Fish & Chips*

Two cod North Atlantic cod filets breaded fried and served with side of tartar sauce, malt vinegar and fries 10.95

Extra Sides 2.95



Thinly sliced gyro meat served in large pita with tratziki, dired tomatoes, onions and shredded lettuce

Ground Prestraint Dubon

\$11.95

Tender pastrami piled high with sauerkraut, molted Swiss cheese, Thousand Island dressing

GNacostylollollog With Fries

Vienna hot dog sorved on steamed poppy seed bun with mustard, onion, rolish and tomato





Bacon Candy Applewood smoked bacon, brown sugar, cayenne, nutmeg and cinnamon 9.95

Fried Green Tomatoes

Served with pecorino romano and cayenne buttermilk ranch 6.95

Creole Deviled Eggs Made with Cajun spiced chives 6.95

Fried Pickles

Breaded and fried dill pickle spears served with cayenne buttermilk ranch dressing 5.95

Fried Catfish Strips

Catfish filets fried in seasoned corn meal served with remoulade sauce 8.95

Drunken Spicy Shrimp Boil

Peel and eat shrimp cooked in beer, herbs and spices served cold with habanero cocktail sauce 14 lb 6.95 / 14 lb 11.95



Louis Style BBO RouleRibs

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BBQ Pork Plate

Slow smoked pulled pork with pickles, jalapeño pickled onions, honey hush corn bread and two sides 12.95

Brisket Plate

Slow smoked, hand sliced with jalapeño pickled onions, honey hush corn bread and two sides 13.95

Combination Plate

Brisket and pork served with honey hush corn bread, jalapeño pickled onions and two sides 14.95

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*BURGERS, STEAKS AND EGGS ARE SERVED COOKED TO ORDER.
*The Arizona Health Department requires us to inform you that consuming raw or undercooked meals may increase your risk of food young illness especially if you have certain medical conditions.



Rib Tips, Ends & Links

Served with choice of one side

Rib Tips A pound of tips in BBQ sauce served with Jalapeño pickled onlons and honey hush corn bread 10.95

Burnt Ends

Tender pieces of beef brisket chopped and caramelized in BBQ sauce with honey hush corn bread 10.95

Hot Links

Spicy hot link sausage with choice of BBQ sauce and honey hush corn bread 9.95

Pit Smoked & Grilled Sandwiches

Served with choice of one side



Smoked Brisket Hand sliced brisket piled high, served with

pickled Jalapeño onlons 10,95

Smoked Pork
Pulled pork topped with pickles and
BBQ sauce 9,95

Memphis Chop
Chopped brisket topped with colesiaw 10.95

Memphis Smoked Pork
Topped with colesiaw and BBQ sauce 10.50

BBS (Brisket, Bacon & Swiss)
Sliced brisket, applewood smoked bacon and melted Swiss cheese 11.95

Southbound

Homemade pimento cheese, pulled pork, melted cheddar, colesiaw and BBQ sauce 11.95

Figgy Piggy

Pulled pork, crispy smoked applewood bacon, creamy goat cheese, fresh spinach and sweet fig Jam on a rustic baguette 12,50

Turkey Club

Smoked turkey, applewood smoked bacor, lettuce, tomato and mayo on toasted sour dough bread 10.95

BBQ Chicken

Shredded and smoked in BBQ sauce 9,95

Pulled Chicken Melt

Tangy onlons, smoked green chiles and cheddar 10.95

Pimento Grilled Cheese

Homemade pimento and American cheese on marble rye 9.95



Figgy Piggy



Sides



Jumbo Fried Shrimp

7 Freshly breaded large shrimp with choice of two sides 14.95

Extra Sides 2.95

Creole Potato Salad BBQ Beans with Smoked Pork Mac & Cheese French Fries Creamy Coleslaw Honey Hush Cornbread



Deep Dish Cookie 5.95

A chocolate chip cookie freshly made in a deep dish pan served with vanilla ice cream

Cannoli 5.95

Two crisp pastry shells filled with sweet ricotta cheese and chocolate chips dipped in pistachios & dusted with powdered sugar

Zepploe 6.95

Italian doughnuts, dough deep fried and covered with powdered sugar with Chocolate Hazelnut Nutella topping

Bread Pudding with Pecan Whiskey Sauce 4.95

Baguette soaked in buttermilk with candied pecans, golden raisins, vanilla, cinnamon, nutmeg and baked with a creamy pecan whiskey sauce

We Proudly Serve Coke Products!

Free Refills on Fountain Drinks, Iced Tea & Coffee Only

Fountain Drinks 2.75

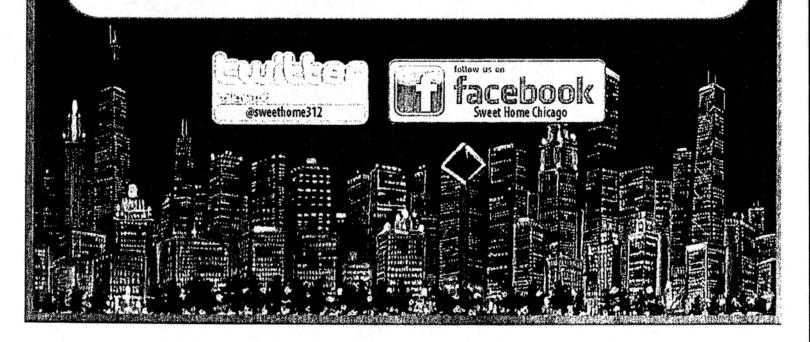
Coke, Diet Coke, Orange, Sprite, Root Beer, Dr Pepper, Ginger Ale, Lemonade

Fresh Brewed Ice Tea 2.75



Bottled Water 1.75 Coffee 2.75 Red Bull 3.50 Original, Sugar Free, Orange

Red Bull



The wines on this Progressive Wine Menu are grouped in Flavor Categories. Wines with similar flavors are listed in a simple sequence starting with those that are sweeter and very mild in taste, progressing to the wines that are drier and stronger in taste.

Sweet White Wines

(Listed from sweetest to least sweet) Glass / Bottle Cavit, Moscato, July Notes of apricot, white peach and sage, Wonderfully sweet, vibraru and refreshing 21 CK Mondayi, White Zinfandel, GA Bright admon color with notes of strawberry and spice, Refreshing, crisp and clean 19 Choo Rosé, A soft shade of pink, this wine shows red apple, nectarine and a fint of lime zest on the noie. The palate offers slight citize and raspberry notes with a touch of fresh kerbs. 21 Cupcake, Riesling, Pfalz, Germany Full bodied with croamy lemon, bright citrus and a hint of sweemess

Light Intensity White Wines (Listed from mulder to stronger)

Kendali Jackson, Pinoi Gris, "Vintners Reserve", CA Straw yellow in color, pleasant bouquet, delicate, fruity, dry in flavor, alogant and well balanced 9 Matchbook Chardonnay CA
A supple round Chardonnay with creamy oak & ripe
tropical Iruit
On Tap Class 7 * Carale 15 Carale 28 Kim Crawford, Sauvignon Blanc, Mailborough, New Zealand Light straw color with hues of yellow and green. Friggraft topical fruits with well-balanced, juiry acidity and a clean limsh

Brancolt Estates, Sauvignon Blane, Marlborough, New Zeeland - Fragrant and juicy, with apple blossom, lune zers and clive blossom notes autrounding a core of intense and refreshing lemon and grapefurit flavors.

Druk now, 160,000 cases imported.

8 2

Medium Intensity White Wines

Menage A Trois, White Blend, CA
A decadent blend of three heartiful grapes,
rich Chardennay, exoue Museat, soft Cherun Blane 8 Kendall Jackson, Chardonnay, "Vintner's Reserve", CA 2014 Tropical flavors of mange and pineapple dance with aromas of peach, apple and pear 12

Light Intensity Red Wines

(Lestod from milder to stronger)

Angeline, Panot Noir, CA
Aromas such as fresh cranborries, maraschino cherries, and
orange sest Lively acidity, touch of oak.
On Tap Glass 7 1: Carafe 15 Carafe 28

Hob Nob, Pinot Noir, Vin de Pays d Oc, Languedoc, France As elegant as a bouquet of violets. Enticing fruit forward flavors of cherry, earth and spice with a polished palate

Ruffino, Chianti, Tuscany, Italy
Fruity notes lead towards a finish of slightly spicy scents
of white pepper and hazelnuts
7 Bell Agio Cheanti, Tuscany, Italy
Dry and smooth with zesty notes of cherry and Berry fruit.
Pairs great with pastas and cheeses. Comes in woven
baskei, take home and burn a candle in it

Medium Intensity Red Wines

(Listed from milder to stronger)

Dona Pauls, Malbee, Argentina Intenso violet color in the nose, aromas of black fruits, violets and spices Great balance with good concentrat and medium structure Soft tannins and persistent finish

Famini, Montepulciano, Tuscany
Ruby red with garnet reflections, the bouquet is fruly and
persistent, reminiscent of red fruits, marasca cherries, and
plums with vanila miances full bodied, with good balance
and firm tannins

Kenwood Vineyards, Merlot, Yulupa", CA A flavorful, medium-bodied and well-balanced with raspberry, blueberry, plum and soft vanilla notes rounded out by supply Limins 7

Full Bodied Red Wines (Listed from milder to stronger)

Josh Cellars, Cabernot Sauvignon,
"Graffsman's Collection", CA
Bouquet of dark fruits, cinnamon, clone and subtle oak.
On the palate, black chernes and black currant

9

Menage A Trois, Red Blend Rich full-bodied flavors with firm tannins and a smooth finish

Francis Coppola Diamond, Cabernet Sauvignon, CA A powerfully complex white with a classic flavor profile and youthful maturity 10 29

Mike Ditka Wines

All American Vicros, Mike Ditka's passions extend beyond football to include the world of food, wine and scene steakhouses. Sauvignon Blanc, Chardonnay, Pinot Grigio. Morlet Cabernet Sauvignen

House Wines (by the glass) Chardonnay, Pinet Grigio, Merlot, Cabernet, Pinot Noir

Wines on Tap Glass 7 1/4 Carate 15 Carate 28

Angeline, Pinot Noir, CA
Aromas such as fresh eranberries, maraschino cherries, and
orange zost Lively acidity, touch of oak.

Matchbook, Chardonnay CA A supple round Chardonnay with creamy oak & noe tropical fruit

Sangria

Glass 7 ', Carate 18 Carate 28

Dry Sparkling Wines

Split / Bottle

Glass / Bottle

Cupcake, Protecco, Italy
The line efforcescence gives way to creamy
flavors of ripe lemons and refined circs notes
with a teasted bricche finish

Freixenet Cordon Negro, Brut, Spain Crisp, clean and well balanced with notes of apple, tipe pear and citrus.

Riunite Lambrusco Emila-Romagna, haly "Lush, crisp and alighey sweet"

Domestic Drafts

Pint Big Boy 15 Pitcher Pitcher 5.50 Bud Light, Michelob Ultra

Miller Light, Coors Light **Craft Drafts**

Pint Big Boy 's Pitcher Pitcher 7.95 5 Stella Artois...... Dos Equis Lager 4.5% Big Blue Van... Huss Scottsdale Blonde...... 4.8% Blue Moon Withiet 5.4% Shock Top Withier 5.2% Goose Island 312 Withier...... 5.4% Four Peaks Hop Knot IPA 6.7! > Four Pobs Peach ... 4.212 San Tan Devil's Pale Ale...... 6.514 Odell 90 Schilling Scottish Ale Four Peaks Bit Lifter Scottish Ale 6.0%

MORE CRAFT BEERS ON ROTATING HANDLES

Angry Orchard Apple Cider...... 5.0%

Bottles

-4.00 Bucket (6) 20.00 16 oz. Aluminum

Budweiser & Bud Light Micheloh Ultra Miller Leght Coors & Coors Light

> Glass Bottles Corona

Peroni Sluner Bock Motson Schlitz Heineken Landshark Lager Dos Egus Amber Modello O'Dont's Kon Alcoholic

Old School Cans

12 Oz. Cans 3.00

Pabst Blue Ribbon Old Style Old Milmaukee Hamm's

Shot & Beer Club

Shameless O'd School Can & Jim Beam 8 Mexican Torpedo Dos Equis Pant & Jose Cuervo 9 Irish Car Bomb Guinness 12oz. Bailey's & Jameson 9 Dirty Blonde

Huss Scottsdale Blonde

& Bulleit Rye 10

Signature Cocktails

Sea Mist

Malibu Coconut Rum, Blue Curacao, Taple Sec, Pineapple Juice, Sugared Rim 10

Purple Rain Cooler Absolut Vodka, Blue Curacao, Cranberry Juice, a hint of Lime 10

Coco Snow Ball Ketel One Vodka, Coconut Rum, Blue Curacao, Coconut Water 10

Cucumber Watermelon Cooler Effen Cucumber Vodka, Watermelon Schnapps, Lemonade, Fresh Mint Sprig 9

Moscow Cucumber Mule Essen Cocumber Vodka, Jame Juice. Ginger Beer, Fresh Mint 9

Lemon Drop

Absolut Citron Lemon Vodka, Sweet & Sour, Sugar Rim 12

Fuzzy Melon Cooler

Tito's Homemade Vodka, Melon Liqueur, Peach Schnapps, Lime Juice, Grenadine, with a VA. Splash of Sprite 10 3AAIGOS

Sharkarita

3 Amigo's Margarita, toppod with a bottle of Land Shark Lager (Original or strawberry) 10

Royale

Pendleton Whiskey, Ketel One Vodka, Southern Comfort, Amaretto, Raspberry Liquedr. Pineapple and Cranberry Juice 10

Classic Cocktails

Cosmopolitan Ketel One Vedra, Triple Sec Cranborry and Lime Juice 12

Manhattan Bulleit Bourbon Wluskoy, Szeot Vermouth, Eitters 12

Side Car Rèmy Martin VSOP Cognac. Cointreau, Lime Juice 12

Gimlet

Grey Goose Vodka or Tanqueray Gin, Sweet Lime Juice 10

Maiden's Prayer Tanqueray Gin, Cointreau, Lemon and Orange Juice 12

Classic Mojito Mount Gay rum, Mint and Iame, Cane Syrup, a spaish of Soda 9

Mai Tai

Captain Morgan Rums, Spiced & Coconut, Pineapple and Orange Juice, Splash of Dark Rum 10

Harvey Wall Banger Ketel One Vocka, Orange Juice, topped with Galliano 9

3 Amigo's Margarita Organic Traditional Margania on tap, mixed in house with locally made 3 Amigo's and Organic Mix 8

Lime, Strawberry, Raspburry, Mango, Black Cherry On the Rocks or Frozen

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About Text me the App Sign In Restauranta Pwners Sweet Home Chicago is not currently open. Place a future order or find other great pizzerias around **ASAP Delivery** Update you! Delivery **Pickup** We can't tell if the restaurant delivers to your location unless you provide us with an address. **Edit Address** Sweet Home Chicago 7570 E 6th Ave, Scottsdale, AZ 480-725-7812 · Currently Closed **\$3 Delivery** • View Full Hours \$15 Minimum Pickup Time: 15 - 30 min Menu Your cart is empty. Select from the menu to start an order! Q Search the menu Pizza Thin Crust Cheese Pizza \$795+ Add Our signature - light, flaky crust is always crispy & golden brown. Classic cheese or create your own pizza. Tavern Cheese Pizza \$795 Add Our signature - light, flaky crust is always crispy & golden brown. Classic cheese or create your own pizza. Tavern Cheese Pizza \$1195+ Add Originated on the South Side to keep working men in taverns after their shifts. It was cut into squares and served complimentarily. Classic cheese or create your own pizza. Chicago Deep Dish Cheese Pizza \$1495+ Add Pan cooked with a buttery crust blanketed in cheese, your choice of ingredients and topped with our zesty sauce full of chunky tomatoes (allow 40 min to cook). **Continue to Checkout** Need Help? eese Pizza \$14⁹⁵+

Add

1/30/2018

Our deep dish style pizza with your choice of ingredients topped with another thin crust and house-made tomato sauce then sprinkled with Romano cheese. A Chippe favoria tince Nancy's invented this pie in 1972 (allow 40 minutes to cook). Classic cheese or create your own pizza,

Specialty Pizza	
Sausage Classic Pizza \$17 ⁹⁵ + A delicious blend of Italian sausage, mushrooms, onions and green peppers.	Add
Meat Classic Pizza \$17⁹⁵+ A must for hearty appetites, pepperoni, Canadian bacon, sausage and applewood smoked bacon.	Add
/egetarian Delight Pizza \$17⁹⁵ + A garden fresh delight with mushrooms, onions, green peppers, and fresh tomatoes.	Add
Super Supreme Pizza \$17 ⁹⁵ + Sausage, pepperoni, mushrooms, onions, green peppers and black olives.	Add
BBQ Smoked Chicken \$1795 + Our pit-smoked chicken with our tangy BBQ sauce (no pizza sauce), with red onions.	Add
Hawaiian Luau Pizza \$17 ⁹⁵ + A taste of the island with diced pineapple paired with Canadian bacon, with our special mix of tomato & BBQ sauce.	Add
Margarita Pizza \$17 ⁹⁵ + Olive oil in place of regular sauce with tomatoes and fresh basil.	Add
Freat White Pizza \$1795 + Olive oil (no red sauce) fresh garlic, fresh spinach, mushrooms and onions topped with ricotta and nozzarella cheese.	Add
Oa Beef Pizza \$1795 + Our tender roast beef with hot giardiniera, fresh garlic, and onions.	Add
Hand Tossed Pizza	^
land Tossed Thin Crust Cheese Pizza \$995 + lassic cheese or create your own pizza.	Add
Hand Tossed Tavern Cheese Pizza \$995 + Originated on the South Side to keep working men in taverns after their shifts. It was cut into squares and served complimentarily. Classic cheese or create your own pizza.	Add

Gluten	Free Pizza Your Car	t
	I Oui Cui	

Tour care	
Gluten Free Thin Crust Cheese Pizza \$14 ⁹⁵ + Classic cheese or create your own pizza.	Add
Gluten Free Tavern Cheese Pizza \$14 95 + Originated on the South Side to keep working men in taverns after their shifts. It was cut into squares and served complimentarily. Classic cheese or create your own pizza.	Add
Appetizers	^
alapeno Peppers \$6 ⁹⁵ alapenos filled with cream cheese then breaded and fried.	Add
Bacon Candy \$9 ⁹⁵ Applewood smoked bacon, brown sugar, cayenne, nutmeg, and cinnamon.	Add
ried Green Tomatoes \$6 ⁹⁵ erved with pecorino romano cheese and cayenne buttermilk ranch.	Add
reole Deviled Eggs \$6°5 Made with cajun spiced chives.	Add
ried Pickles \$5 ⁹⁵ readed and fried dill pickles spear served with cayenne buttermilk ranch dressing.	Add
ried Catfish Strips \$895 atfish filets fried in seasoned cornmeal served with remoulade sauce.	Add
runken Spicy Shrimp Boil \$6 ⁹⁵ + eel and eat shrimp cooked in beer, herbs and spices served cold with habanero cocktail sauce.	Add
ried Calamari \$6 ⁹⁵ ried and crisp served with marinara.	Add
onion Rings \$5°5 arge breaded sweetonion rings	Add
lozzarella Sticks \$7 ⁹⁵ erved with a side of marinara sauce.	Add
heesy Garlic Bread \$595 erved with a side of marinara sauce.	Add
Need Help?	Add

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Zucchini Slices \$595 Zucchini slices breaded and fried till golden brown. Your Cart	Add
Breaded Mushrooms \$595 Served with a side of ranch sauce.	Add
Beer Nuggets \$695 Chunks of deep fried pizza dough tossed in garlic butter served with marinara.	Add
Sweet Potato Waffle Fries \$395	Add
French Fries \$295	Add
Salads	^
Caesar Salad \$495 + Romaine lettuce, freshly made croutons, and fresh parmesan cheese served with classic Caesar dressing.	Add
Antipasto Salad \$9°5 Crisp lettuce, red onions crunchy green peppers, freshly sliced salami and pepperoni, grape tomatoes, pepperoncini tossed in Italian dressing and served with a gourmet cheese blend.	Add
BBQ Chicken Salad \$1095 Mixed greens, pit-smoked chicken, onions and crumbled tortilla chip with BBQ ranch dressing.	Add
Greek Salad \$10 95 Iceberg & romaine lettuce, kalamata olives, feta cheese, pepperoncini, grape tomatoes, red onions and shaved Asiago cheese.	Add
Simple Salad \$4 ⁴⁵ + Mixed greens, red onions, grape tomatoes, shaved carrots and a sprinkling of Italian cheese.	Add
Chicken Lettuce Wraps \$795 Marinated shredded smoked chicken served with crisp leaf lettuce and dipping sauce.	Add
Iceberg Lettuce Wedge Salad \$795 Applewood smoked bacon, grape tomatoes, red onions and bleu cheese crumble with bleu cheese dressing.	Add
Smoked Cobb Salad \$1195 Mixed greens, avocado, tomatoes, shaved carrots, bleu cheese crumbles, applewood smoked bacon your choice of smoked chicken, pork or turkey.	Add

Need Help?

Side Order Cart	
reole Potato Salad \$2 ⁹⁵	Add
BQ Beans with Smoked Pork \$2 ⁹⁵	Add
/lac & Cheese \$2 ⁹⁵	Add
rench Fries \$2 ⁹⁵	Add
Creamy Coleslaw \$2 ⁹⁵	Add
Honey Hush Cornbread \$2 ⁹⁵	Add
ll wings & strips served with carrots, celery, and ranch or blue cheese dressing.	
Jumbo Wings \$8 ⁹⁵ +	Add
Dur wings smothered in your sauce choice and served with your choice of dipping sauce.	Add
Our wings smothered in your sauce choice and served with your choice of dipping sauce. Boneless Wings \$7 ⁹⁵ + Chicken Strips \$6 ⁹⁵	
Our wings smothered in your sauce choice and served with your choice of dipping sauce. Boneless Wings \$795 + Chicken Strips \$695 Marinated in buttermilk overnight the fried, tender and flavorful, choice of dipping sauce. Pig Wings \$895 + That's right. We said pig wings! Bone in 4 oz., lip-smacking mini pork shanks slow cooked and flash fried	Add
Our wings smothered in your sauce choice and served with your choice of dipping sauce. Boneless Wings \$795 + Chicken Strips \$695 Marinated in buttermilk overnight the fried, tender and flavorful, choice of dipping sauce. Pig Wings \$895 +	Add
Jumbo Wings \$895 + Our wings smothered in your sauce choice and served with your choice of dipping sauce. Boneless Wings \$795 + Chicken Strips \$695 Marinated in buttermilk overnight the fried, tender and flavorful, choice of dipping sauce. Pig Wings \$895 + That's right. We said pig wings! Bone in 4 oz., lip-smacking mini pork shanks slow cooked and flash fried and tossed in your favorite sauce. Calzones	Add

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Sandwiches

Your	Cart

Served on a fresh baguette with your choice of side. Italian Beef Sandwich \$995 Add Slow roasted beef, sliced thin in its own natural gravy. Chicago Style Gyro's \$895 Add Thinly sliced gyro meat served in a large pita with tzatziki, diced tomatoes, onions and shredded lettuce. Grilled Pastrami Rueben Sandwich \$1195 Add Tender pastrami piled high with sauerkraut, melted Swiss cheese, and thousand island dressing. Chicago Style Hot Dog \$545 Add Vienna hot dog served on steamed poppy seed bun with mustard, onions, relish, and tomatoes. Comes with fries. Italian Sausage Sandwich \$895 Add Deliciously spicy sausage with marinara sauce or natural gravy. Combo Sandwich \$995 Add Rosati's Italian sausage link & beef on Italian bread with sweet peppers. Chicken Parmigiana Sandwich \$895 Add Breaded chicken topped with marinara and melted mozzarella cheese. Meatball Parmigiana Sandwich \$895 Add Juicy meatballs covered with marinara and melted mozzarella cheese. Italian Sub Sandwich \$895 Add Genoa salami, boiled ham, capicola, provolone cheese, lettuce, tomatoes, onions, topped with balsamic vinaigrette. Pork Daddy Sandwich \$995 Add Breaded pork tenderloin, fried golden brown, shredded lettuce, tomatoes and onions with choice of chipotle ranch, mustard, mayo or zip sauce served on a bun. Chicken Caesar Wrap \$995 Add Marinated, grilled smoked and pulled chicken breast with romaine, cherry tomatoes, parmesan cheese and caesar dressing all wrapped in flour tortilla. Smoked Turkey Wrap \$995 Add Our house smoked turkey breast with olives, bell peppers, carrots, tomatoes, shredded lettuce & mozzarella cheese.



Pit Smoked & Grill¥ดง Safattiches

Served with choice of a side. Smoked Brisket Sandwich \$1095 Add Hand sliced brisket piled high, served with pickled jalapenos onions. Smoked Pork Sandwich \$995 Add Pulled pork topped with pickles and BBQ sauce. Memphis Chop Sandwich \$1095 Add Chopped brisket topped with coleslaw. Memphis Smoked Pork Sandwich \$1050 Add Topped with coleslaw and BBQ sauce. BBS Sandwich \$1195 Add Brisket, Bacon & Swiss cheese. Sliced brisket applewood smoked bacon and melted Swiss cheese. Southbound Snadwich \$1195 Add Homemade pimento cheese, pulled pork, melted cheddar, coleslaw and BBQ sauce. Figgy Piggy Sandwich \$1250 Add Pulled pork, crispy smoked applewood bacon, creamy goat cheese, fresh spinach and sweet fig jam on a rustic baguette. Turkey Club Sandwich \$1095 Add Smoked turkey, applewood smoked bacon, lettuce, tomatoes, and mayo on a toasted sourdough BBQ Chicken Sandwich \$995 Add Shredded and smoked in BBQ sauce. Pulled Chicken Melt Sandwich \$1095 Add Tangy onions, smoked green chilies, and cheddar cheese. Pimento Grilled Cheese Sandwich \$995 Add Homemade pimento and American cheese on marble rye.

Char Burgers & Baskets

^

Served with your choice of side.



Steak House Burger \$950



Baked Pasta

Baked Lasagna \$1095 Delicious layers of ribbon noodles with three kinds of cheese significant are sauce and melted nozzarella cheese.	Add
Baked Mostaccioli \$10 ⁹⁵ Penne like pasta served with marinara sauce and mozzarella cheese.	Add
Specialty Pasta Dishes	
erved with a side of garlic bread & Romano cheese. Serves 1-2.	
Three Cheese Baked Penne \$1295 A hearty pasta dish smothered in our homemade marinara sauce then baked with ricotta, mozzarella & siago cheeses, topped with fresh parsley.	Add
ipaghetti & Meatballs \$12 ⁹⁵ raditional spaghetti with marinara sauce served with homemade meatballs from the family recipe, opped with shaved Asiago cheese & fresh parsley.	Add
Penne Pomodoro & Gourmet Italian Sausage \$12 ⁹⁵ cosati's gourmet Italian sausage, classic penne noodles, extra virgin olive oil & juicy, Pomodoro omatoes, topped with shaved Asiago cheese & fresh parsley.	Add
ettuccine Alfredo with Grilled Chicken \$12 ⁹⁵ ettuccine noodles & tender grilled chicken tossed in a rich, creamy Alfredo sauce made with Asiago & comano cheeses with a hint of garlic & fresh parsley.	Add
asagna \$10 ⁹⁵ Iomemade from the family recipe: layers of ribbon noodles & three kinds of cheese, smothered in narinara sauce, topped with baked mozzarella cheese & fresh parsley.	Add
Chicken Parmigiana \$12 ⁹⁵ readed chicken breast baked with marinara sauce, topped with baked mozzarella cheese, shaved siago cheese & fresh parsley.	Add
our Cheese Blend Ravioli \$10 ⁹⁵ avioli with marinara sauce stuffed with ricotta, parmesan, Asiago & Romano cheeses, topped with	Add

Entrees

Jumbo Fried Shrimp \$1495

shrimp with choice of two sides.

Add

Smoked Brisket & Porkaliates	^
BBQ Pork Plate \$12 ⁹⁵ Slow smoked pulled pork with pickles, jalapenos pickled onions, honey hush cornbread and choice of two sides.	Add
Brisket Plate \$13 ⁹⁵ Slow smoked, hand sliced with jalapenos pickled onions, honey hush cornbread with choice of two sides.	Add
Combination Plate \$14 95 Brisket and pork served with honey hush cornbread, jalapenos pickled onions and choice of two sides.	Add
Rib Tips, Ends & Links	^
erved with choice of a side.	
Rib Tips \$10 ⁹⁵ A pound of tips in BBQ sauce served with jalapenos pickled onions and honey hush cornbread.	Add
Burnt Ends \$10⁹⁵ Tender of beef brisket chopped and caramelized in BBQ sauce with honey hush cornbread.	Add
Hot Links \$9 ⁹⁵ Spicy hot link sausage with choice of BBQ sauce and honey hush cornbread.	Add
Ribs	^
St, Louis Style BBQ Pork RIbs \$15 ⁹⁵ + Served with honey hush cornbread, jalapenos, pickled onions and choice of two sides.	Add
Desserts	^
Deep Dish Cookie \$5 ⁹⁵ A chocolate chip cookie made in a deep dish pan served with vanilla ice cream.	Add
Cannoli \$5 ⁹⁵ Two crisp pastry shells filled with sweet ricotta cheese and chocolate chips in pistachios & dusted with	Add

Italian doughnuts, dough deep fried an	Sement#dale-67时间d: 01930/48 Pingei42 Mf 15 Pagei154 nd covered with powdered sugar with chocolate hazelnut nutella	Add
topping.	Your Cart	
Bread Pudding with Pecan Whis Baguette soaked in buttermilk with can baked with a creamy pecan whiskey sa	ndied pecans, golden raisins, vanilla, cinnamon, nutmeg and	Add
	Beverages	
Fountain Drinks \$275		Add
Fresh Brewed Iced Tea \$275		Add
Red Bull \$3 ⁵⁰		Add
Water \$1 ⁷⁵		Add
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1/30/2018



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EXHIBIT 7

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January 19, 2018

UPS OVERNIGHT DELIVERY

Chances on 6th LLC c/o Mr. William Jachimek 7570 E. 6th Ave. Scottsdale, AZ 85251 Mr. William Jachimek 7002 E. Paradise Drive Scottsdale, AZ 85254

Re: Notice of Termination of Franchise Agreement

Dear Mr. Jachimek:

Pursuant to Section 13 of the April 22, 2014 Rosati's Pizza Franchise Agreement between Rosati's Franchising Inc. ("Rosati's") and Chances on 6th, LLC ("Chances"), this letter provides formal notice that Rosati's hereby terminates the Franchise Agreement as of the date of delivery of this Notice of Termination.

In our December 15, 2017 letter, delivered to you on December 18, 2017, we described Chances' violations of the Franchise Agreement, including its decision to operate a competing business under the "Sweet Home Chicago" name at the franchised location, in complete disregard of Rosati's rights. Chances chose not to cure any of the violations listed in our letter – it did not even respond.

Those contract violations, and the failure to cure them, represent Events of Default under the Security Agreements described in Section 7(N) of the Franchise Agreement and its Exhibit B. Rosati's therefore demands that Chances provide it with access to the restaurant premises at 7570 E. 6th Avenue, Scottsdale, AZ, or any other locations owned, rented or controlled by you or Chances, to remove all Collateral, including but not limited to all equipment, fixtures, furnishings and improvements used in the operation of the franchised business.

Further, pursuant to Section 14 of the Franchise Agreement, upon termination you must immediately:

- a) cease all use of my client's marks and confidential and proprietary information, including the Rosati's recipes;
- b) Return to Rosati's at your expense the Franchise Operations Manual and all other

materials containing my client's confidential and proprietary information and its marks;

c) Pay all royalties and other amounts due to Rosati's Franchising, Inc. through the termination date. Of course, you are also liable to Rosati's Franchising, Inc. for damages for breach of the Franchise Agreement;

d) Return to Rosati's at your expense all signs and sign faces;

e) Contact the telephone company to advise them that you no longer have the right to use the business telephone number associated with my client's mark and any related directory advertising and authorize the transfer of the number as my client directs.

f) Similarly, if you have any internet listings under the Rosati's name and mark, you must transfer them to my client; and

g) Comply with the covenants not to compete set forth in Paragraph 14.C of the Franchise Agreement.

My client is disappointed that you have failed to meet your personal obligations as the Guarantor of the Franchise Agreement, including your assurance that Chances will "perform each and every undertaking, agreement and covenant set forth in the Agreement." (Guaranty, Ex. D to the Franchise Agreement.) Under the terms of the Guaranty, you are personally and unconditionally liable for each of Chances' violations of the Franchise Agreement.

Rosati's reserves all rights to seek relief for the consequences of Chances' contractual violations and your own, including injunctive relief, recovery of the Collateral, damages, attorneys' fees and costs, among other remedies.

Very truly yours,

Doris Adkins Carter

cc: Rosati's Franchising, Inc.

Davis Makins Catter

DO NOT WRITE ABOVE THIS LINE; RESERVED FOR ACC USE ONLY.

STATEMENT FOR SERVICE OF PROCESS

	the corporation or LLC as currently shown in A.C.C. records:
_ Chicago Pizza K	itchen LLC
A.C.C. FILE NUMBER: L18782 Find the A.C.C. file number on the upper corner of filed	d documents OR on our website at: http://www.azcc.gov/Divisions/Corporations
knowledge, and belief, the above-named e	he penalty of perjury that, upon information, entity has either failed to appoint a statutory agent or statutory agent address on record with the Arizona
X Signature	Corey W. Davis, #8362 2/2/18 Printed Name Davis
Service of process fee: \$25.00 All fees are nonrefundable.	Mail: Arizona Corporation Commission - Records Section 1300 W. Washington St., Phoenix, Arizona 85007

602-542-3414

Fax: Please be advised that A.C.C. forms reflect only the **minimum** provisions required by statute. You should seek private legal counsel for those matters that may pertain to the individual needs of your business.

All documents filed with the Arizona Corporation Commission are **public record** and are open for public inspection.

If you have questions after reading the Instructions, please call 602-542-3026 or (within Arizona only) 800-345-5819.

CORPORATIONS DIVISION RECORDS SECTION 1300 West Washington Phoenix, Arizona 85007-2929

User Id: LALONZO Invoice No.: 5596857

ATTN:

Check Batch:

Invoice Date: 02/02/2018 Date Received: 02/02/2018

Customer No.:

(CASH CUSTOMER)

Quantity Description	Amount
1 SERVICE OF PROCESS L-1878227-7 CHICAGO PIZZA KITCHEN L.L.C.	\$25.00
Total Documents: \$	25.00
CHECK 1395 PAYMENT	\$25.00
Balance Due: \$	0.00

Corporate Maintenance

File Number: L-1878227-7 Corp. Name: CHICAGO PIZZA KIT		•		4:31 PN
Domestic Address 7570 E 6TH AVE	_	Second Address		
SCOTTSDALE, AZ 85251	_			
Agent: WILLIAM G JACHIMEK Status: APPOINTED 10/07/2013 Mailing Address: 7570 E 6TH AVE	_	Corporation Type: Life Period: Incorporation Date:	MARICOPA DOMESTIC L. PERPETUAL 10/07/2013	L.C.
SCOTTSDALE, AZ 85251 Agent Last Updated: 02/17/201	.5	Approval Date: Last A/R Received: Date A/R Entered: Next Report Due:		
Business Type:				

LAST RECORD IN MICROFILM FILE FOR THIS CORPORATION. (A205)

Matthew Basha