

EXHIBIT A
LICENSE AGREEMENT

**JAMBA JUICE®
LICENSE AGREEMENT
By and Between
JAMBA JUICE® COMPANY
and**

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EXHIBIT A: TERRITORY

**JAMBA JUICE COMPANY
LICENSE AGREEMENT**

THIS AGREEMENT is made this _____ day of _____, 20__ (the "Effective Date") by and between **Jamba Juice Company**, a California corporation, located at 1700 17th Street, San Francisco, CA 94103 (the "Company"), and _____ (the "Licensee"), with reference to the following facts:

A. Company owns certain proprietary and other property rights and interests in and to the "JAMBA JUICE®" name and service mark, and such other trademarks, service marks, logo types and commercial symbols as Company may from time to time authorize or direct its licensees to use in connection with the operation of "JAMBA JUICE®" Stores (the "Marks").

B. Company has developed and continues to develop a System for the operation of Stores and merchandising of Authorized Jamba Juice® Products, which System features distinctive signs, food recipes, uniforms, and various trade secrets and other confidential information, and in some cases also includes architectural designs, trade dress, uniforms, equipment specifications, layout plans, inventory, record-keeping and marketing techniques.

C. Licensee desires to obtain and license and franchise to operate a single Store, and possibly one or more Distribution Points, under the Marks and in strict accordance with the System, and the standards and specifications established by Company; and Company is willing to grant Licensee such license and franchise under the terms and conditions of this Agreement.

D. The Store operated pursuant to this Agreement shall be a:
(check one) Traditional Store/ Non-Traditional Store

NOW, THEREFORE, the parties agree as follows:

**ARTICLE 1
DEFINITIONS**

In this Agreement the following capitalized terms shall have the meanings set forth below, unless the context otherwise requires:

1.1 Certain Definitions and Applicable Information.

"Initial Fee" means \$ _____.

"General Manager" means _____, the individual appointed pursuant to and in accordance with Section 7.2 as "General Manager".

"Location" means: (check one) _____ a location to be determined in accordance with Section 5.1.1.

“Managing Owner” means _____, the individual appointed pursuant to and in accordance with Section 7.2 as “Managing Owner”.

“Marketing Contribution Rate” means _____%.

1.2 Other Definitions. In this Agreement the following capitalized terms shall have the meanings set forth below, unless the context otherwise requires:

“AAA” shall have the meaning set forth in Section 18.1 of this Agreement.

“Accounting Period” means each of the 12 accounting periods in Licensee’s fiscal year ending on December 31 each year.

“Affiliate” when used herein in connection with Company or Licensee, includes each Business Entity which directly, or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with Company or Licensee, as applicable. Without limiting the foregoing, the term “Affiliate” when used herein in connection with Licensee includes any Business Entity more than 50% of whose stock; membership interests; Partnership Rights; or other equity ownership interests (collectively “Equity”) or voting control, is held by person(s) or Business Entities who, jointly or severally, hold more than 50% of the Equity or voting control of Licensee. For purposes of this definition, control of a person or Business Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Business Entity whether by contract or otherwise. Notwithstanding the foregoing definition, if Company or its Affiliate has any ownership interest in Licensee, the term “Affiliate” shall not include or refer to the Company or that Affiliate (the “Company Affiliate”), and no obligation or restriction upon an “Affiliate” of Licensee, shall bind Company, or said Company Affiliate or their respective officers, directors, or managers.

“Applicable Law” means and includes applicable common law and all applicable statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority, governing the operation of the Store, including all labor, disability, food and drug laws and regulations, as in effect on the Effective Date hereof, and as may be amended from time to time.

“Assignment” shall have the meaning set forth in Section 13.2 of this Agreement.

“Authorized Jamba Juice® Products” means the specific juices, smoothies, snack and other food items and ancillary related products, which may include books, juicers, cups, coolers, hats, t-shirts and novelty items, as specified by Company from time to time in Company’s Manuals, or as otherwise directed by Company in writing, for sale at the Licensee’s Store, prepared and served in strict accordance with Company’s recipes, standards and specifications, including specifications as to ingredients, brand names, preparation and presentation.

“Business Entity” means any limited liability company or partnership, general partnership or limited partnership (each of which shall be referred to as a “Partnership”), and any trust, association, corporation or other entity which is not an individual.

“Construction Approval” shall have the meaning set forth in Section 5.4.1 of this Agreement.

“Continuing Royalty” shall have the meaning set forth in Section 4.2 of this Agreement.

“Co-op Advertising Region” shall have the meaning set forth in Section 8.2 of this Agreement.

“Director of Operations” means an individual appointed by Licensee and approved by Company (and until subsequently rejected by Company) who shall be the “chief operations officer” vested with the authority and responsibility for the day-to-day operations of all Stores within the Development Market provided in such Multi-unit License Agreement.

“District Manager” means an individual appointed by Licensee and approved by Company (and until subsequently rejected by Company) prior to the opening of the 4th Store developed pursuant to a Multi-unit License Agreement to supervise Stores on a district or regional basis.

“Dispute” shall have the meaning set forth in Section 18.3 of this Agreement.

“Distribution Point” is any location other than a Jamba Juice® Store, where Authorized Jamba Juice® Products using Company’s Marks or System are sold, such as carts, kiosks, grab’n go cases, vending machines, mobile vending vehicles and any other product distribution device or system which may be developed in the future by Company.

“Effective Date” means the date indicated in the first paragraph of this Agreement.

“Force Majeure” means acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe); strikes, lockouts or other industrial disturbances; war, riot, or other civil disturbances; epidemics; or other forces which Licensee could not by the exercise of due diligence have avoided.

“Good Standing” means Licensee shall have maintained a level of operational excellence as measured by Company’s Customer Satisfaction Index (85% or higher), Operations Standards Evaluations, Financial Performance Standards and Menu/Supplier Compliance Standards (as defined in the Manuals), measured and enforced in a manner consistent with that applied by Company to Stores operated by other “Jamba Juice®” licensees and to Stores which Company itself operates.

“Governmental Authority” means and include all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

“Grocery Store” means a retail store which offers to the general public a broad line of grocery products, meat, dairy, produce and other fresh and pre-packaged food products, household goods and related items, but excluding convenience stores.

“Gross Sales” means the total of all revenues derived from the Store at the Location during each Accounting Period during the Term whether evidenced by cash, services, property, or other means of exchange, and whether or not Company offers such services or products in its other locations, including; (a) revenues from sales of any nature or kind whatsoever, derived by Licensee or by any other person or entity (including without limitation persons controlling, controlled by, or under common control with

Licensee) from the Store at the Location; (b) sales of Authorized Jamba Juice® Products in contravention of this Agreement at locations other than the Store at the Location; (c) the proceeds of any business interruption insurance, after the satisfaction of any applicable deductible; (d) sales from vending devices including pay telephones; (e) mail or telephone orders received or filled in or from the Store at the Location; and (f) orders taken in or from the Store at the Location although filled elsewhere. All transactions shall be recorded at full list retail selling price and without discount except that employee meals and other special discount marketing promotions approved by Company shall be included in Gross Revenues to the extent of actual cash receipts. There shall be no reduction for the costs or expenses of operating the Store or for federal, state, or local income taxes or business and occupation taxes related to the Store. Notwithstanding the foregoing, "Gross Sales" shall exclude the value of free smoothie cards given by Licensee to customers in the ordinary course of business, refunds paid to customers, the amount of any state or local sales or use tax actually paid by Licensee and sales of fixtures or other capital items sold by Licensee after use thereof in the operation of the Store.

"Heirs" shall have the meaning set forth in Section 14.3.2 of this Agreement.

"Initial Training Program" shall have the meaning set forth in Section 6.2 of this Agreement.

"Information" shall have the meaning set forth in Section 10.1 of this Agreement.

"Internet" means collectively the myriad of computer and telecommunications facilities, including equipment and software, which comprise the interconnected worldwide network of networks that employ the TCP/IP [Transmission Control Protocol/Internet Protocol], or any predecessor or successor protocols to such protocol, to communicate information of all kinds by fiber optics, wire, radio, or other methods of transmission.

"Intranet" means an intranet or an extranet.

"Jamba Juice® Brand Product" is any product now existing or developed in the future that bears any of Company's Marks and is sold by some or all Jamba Juice® licensees or Company or other entities such as supermarkets, Grocery Stores, convenience stores.

"Lead" means an individual acceptable to Company who is an assistant manager or hourly supervisor having managerial responsibilities for the Store at the Location.

"Lease" shall mean those agreements, however denominated, that allow Licensee to lease, manage and/or operate concessions and stores at property owned by third parties, including leases, subleases, concession agreements, licenses, and similar arrangements between Licensee and third parties.

"Licensee Page" means one or more interior pages of the Website dedicated in whole or in part to the Store developed and operated hereunder.

"Management Employees" means the Licensee (if an individual), the Managing Owner, General Manager, Lead, and, if applicable, the Director of Operations and District Manager, each of whom shall have successfully completed the Initial Training Program to Company's satisfaction.

“Manuals” means Company’s Front Line Team Member Training Guide; Jamba Juice® Operations Manuals, Training Manuals and New Store Operating Manual and Support Manual, as the same may be amended and revised from time to time, including all bulletins, supplements and ancillary manuals.

“Marketing Contribution” shall have the meaning set forth in Section 4.3 of this Agreement.

“Marks” shall have the meaning set forth in Recital A above.

“Multi-unit License Agreement” means an agreement between Licensee and Company under which Licensee has agreed to open multiple Stores.

“Non-Proprietary Products” shall have the meaning set forth in Section 9.3 of this Agreement.

“Non-Traditional Store” is a “JAMBA JUICE®” Store located within another primary business or in conjunction with other businesses or at institutional settings such as schools, colleges and universities, military and other governmental facilities, hospitals, airports, toll roads, office or in-plant food facilities, Shopping Malls, supermarkets, health clubs, Grocery Stores or convenience stores, some of which may be other fast-food type operations such as food courts and any other venue operated by a master concessionaire or contract food service provider. A Non-Traditional Jamba Juice® Store will likely be installed within other primary businesses or within a multi-branded facility where other branded or non-branded stores share common space.

“Ongoing Training” shall have the meaning set forth in Section 6.3.1 of this Agreement.

“Owner” means any shareholder, member, general or limited partner, trustee, or other equity owner of a Business Entity; except that if Company or any Affiliate of Company has any ownership interest in Licensee, the term “Owner” shall not include or refer to the Company or that Affiliate, and no obligation or restriction upon the “Licensee”, or its Owners shall bind Company, or said Affiliate or their respective officers, directors, or managers.

“Partner” means any partner of a Partnership.

“Partnership Rights” means voting power, property, profits or losses, or partnership interests of a Partner.

“Permits” means and include all applicable franchises, licenses, permits, registrations, certificates and other operating authority required by Applicable Law.

“POS System” shall have the meaning set forth in Section 7.3 of this Agreement.

“Premises” means the premises owned, leased or subleased by Licensee at which the Licensee’s Store shall be located including in the case of a Non-Traditional Store both the space occupied by the Store and, unless otherwise expressly provided, the portions not used for the Store (including any ancillary common area, campus, buildings and other structures associated with the Premises).

“Proprietary Products” shall have the meaning set forth in Section 9.2 of this Agreement.

“Renewal Right” shall have the meaning set forth in Section 3.2 of this Agreement.

“Renewal License Agreement” shall have the meaning set forth in Section 3.2 of this Agreement.

“Renewal Notice” shall have the meaning set forth in Section 3.3 of this Agreement.

“Shopping Mall” means any retail center (enclosed or open), including “outlet malls,” with an aggregate rentable square footage in excess of 350,000 square feet.

“Store” means a store or other outlet, whether at a Traditional Store or a Non-Traditional Store, operated under Company’s Marks and in accordance with the System pursuant to a validly existing License Agreement and specializing in the sale of Authorized Jamba Juice® Products for on-premises and off-premises consumption, and from which Authorized Jamba Juice® Products may be delivered for off-premises consumption.

“Supplier” shall have the meaning set forth in Section 9.3 of this Agreement.

“System” shall mean the Company’s business operating methods for a Jamba Juice® Store, including interior and exterior store design; other items of trade dress; specifications for equipment, fixtures, and uniforms; defined product offerings and preparation methods; standard operating and administrative procedures; management and technical training programs; and marketing and public relations programs; all as the same may exist today or as they may change from time to time, as specified in the Manuals or as otherwise reasonably directed by Company from time to time with respect to comparable operations, consistently applied.

“Term” shall have the meaning set forth in Section 3.1 of this Agreement including any extensions thereof.

“Territory” shall have the meaning set forth in Section 2.3.1 of this Agreement.

“Trade Secrets” means proprietary and confidential information, including recipes, ingredients, specifications, costing procedures, policies, concepts, systems, know-how, plans, strategies, and methods and techniques of operating the Store and producing Authorized Jamba Juice® Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Licensee can show was already lawfully in Licensee’s possession before receipt from Company.

“Traditional Store” is a business premises that exists primarily as a “Jamba Juice®” Store, excluding any Non-Traditional Store, however, such Traditional Store may also have other types of approved co-branded businesses located in it, but in such case the Jamba Juice® Store is the primary business.

“URL” means uniform resource locator.

“Website” means one or more Internet websites that may, among other things, facilitate catering, take-out and delivery orders, provide information about the System and the products and services which are offered on such Website and at Stores operated under the Marks.

ARTICLE 2 GRANT

2.1 Grant.

2.1.1 Company hereby awards Licensee the right and license, during the Term, to use and display the Marks, and to use the System, to operate one Store (of the type identified in Recital D) at, and only at, the Location upon the terms and subject to the provisions of this Agreement and all ancillary documents hereto.

2.1.2 This Agreement does not authorize the use or operation of any permanent or temporary Distribution Point, and Licensee may do so only with Company’s prior written consent and pursuant to a separate addendum prescribed by Company; provided, however, that (a) in the case of a Non-Traditional Store operated at a convenience store, supermarket or Grocery Store, Licensee may continue its customary operations and sales of other products at the store consistent with past practice, and may offer other food products typical of fast food operations on the Premises, provided that Licensee shall not sell any smoothies (i.e. mixed fruit juices) or other fruit juice products which are prepared fresh; and (b) in the case of any other Non-Traditional Store, Licensee may continue its customary sales of fresh-squeezed orange or other fruit juices in connection with its cafeteria or other food service facilities provided they are not “smoothies”.

2.2 No Sublicensing Rights. Notwithstanding anything to the contrary herein, Licensee shall not sublicense, sublease, subcontract or enter any management agreement providing for, the right to operate the Store or to use the System granted pursuant to this Agreement.

2.3 Territorial Rights.

2.3.1 During the Term Company shall not open or operate any Traditional Store, nor license others to do so, within the geographic area described in Exhibit A (the “Territory”) and attached hereto.

2.3.2 Except to the limited extent expressly provided in Section 2.3.1, the license granted to the Licensee under this Agreement is nonexclusive and the Company expressly reserves the exclusive, unrestricted right, in its discretion, directly and indirectly, itself and through its employees, Affiliates, representatives, licensees, franchisees, assigns, agents and others:

(a) to own or operate, and to license others (which may include its Affiliates) to own or operate (i) “JAMBA JUICE®” Traditional Stores at any location outside the Territory, (ii) “JAMBA JUICE®” Non-Traditional Stores and Distribution Points at any location, and of any type or category whatsoever, regardless of proximity to the Store developed pursuant hereto; and (iii) stores operating under names other than “JAMBA JUICE®”, at any location, and of any type or category whatsoever, regardless of proximity to the Store developed pursuant hereto;

(b) to produce, license, distribute and market Jamba Juice® Brand Products, including pre-packaged food, snacks and beverage products; books; juicers; clothing; souvenirs and novelty items; through any outlet (regardless of its proximity to the Store opened pursuant hereto) whether or not operating under the "JAMBA JUICE®" name, including Grocery Stores, supermarkets and convenience stores and through any distribution channel, at wholesale or retail, including by means of the Internet, any Internet web site, mail order catalogs, direct mail advertising and other distribution methods; and

(c) to advertise and promote the System through any means, including the Internet.

2.3.3 Licensee hereby waives any right it has, may have, or might in the future have, to oppose Company's exercise of its reserved rights in Section 2.3.2 and any claim for compensation from Company in respect of any and all detriment or loss suffered by Licensee as a result of Company's exercise of such rights.

ARTICLE 3 TERM AND RENEWAL

3.1 Initial Term. The term of this Agreement ("Term") shall begin on the Effective Date and shall continue for a period of 10 years unless sooner terminated pursuant to Article 14.

3.2 Renewal Right. Subject to the conditions contained in Section 3.4, at the expiration of the Term hereof, Licensee shall have the right (the "Renewal Right") to enter into a new license agreement in the form then generally being offered to prospective "JAMBA JUICE®" franchisees operating in the state in which the Store is located (the "Renewal License Agreement") for a 10 year period, which Renewal License Agreement shall not grant Licensee any further Renewal Right such agreement or enter into a subsequent Renewal License Agreement. The term of the Renewal License Agreement shall commence upon the date of expiration of the Term hereof; provided, however, that notwithstanding the terms of Company's then-current form of License Agreement: (a) Licensee shall pay a sum equal to 50% of the then-current initial fee upon execution of the Renewal License Agreement; (b) the Continuing Royalty and Marketing Program Contribution payable thereunder shall be at the rates provided in Sections 4.2 and 4.3 below; and (c) the Renewal License Agreement shall be modified to conform to the Renewal Rights granted above.

3.3 Form and Manner of Renewal. Licensee shall exercise its Renewal Right, if at all, strictly in the following manner:

3.3.1 Between 6 months and 12 months before the expiration of the Term, Licensee shall notify Company in writing ("Renewal Notice") that it intends to exercise its Renewal Right and no sooner than 10 business days nor more than 20 business days after Licensee receives Company's Offering Circular, if applicable, and execution copies of the Renewal License Agreement, Licensee shall execute the copies of said Renewal License Agreement and return them to Company.

3.3.2 If Licensee shall have exercised its Renewal Right in accordance with Section 3.3.1 and satisfied all of the conditions contained in Section 3.4, Company shall execute the Renewal License Agreement executed by Licensee and at the expiration of the Term deliver one fully executed copy thereof to Licensee.

3.3.3 If Licensee fails to perform any of the acts, or deliver any of the notices required pursuant to the provisions of Sections 3.3 or 3.4, in a timely fashion, such failure shall be deemed an election by Licensee not to exercise its Renewal Right and shall automatically cause Licensee's said Renewal Right to lapse and expire.

3.4 Conditions Precedent to Renewal. Licensee's Renewal Right is conditioned upon Licensee's fulfillment of each and all of the following conditions precedent:

3.4.1 At the time Licensee delivers its Renewal Notice to Company and at all times thereafter until the commencement of the Renewal Term, Licensee shall have fully performed all of its material obligations under this Agreement, the Manuals and all other agreements then in effect between Licensee and Company (or its Affiliates).

3.4.2 At Company's request, Licensee shall, prior to the date of commencement of the Renewal Term, undertake and complete at its expense the renovation or modernization of the Premises and the Store operated pursuant hereto to comply with the Company's then current specifications and standards for new Stores.

3.4.3 Without limiting the generality of Section 3.4.1, Licensee shall not have committed 3 or more material breaches of this Agreement during any 12 month period during the Term of this Agreement for which Company shall have delivered notices of default, whether or not such defaults were cured.

3.4.4 Licensee shall have in all material respects maintained its status as a "JAMBA JUICE®" licensee in "Good Standing" throughout the Term.

3.4.5 Licensee shall execute and deliver to Company a general release, on a form prescribed by Company of any and all known and unknown claims against Company and its Affiliates and their officers, directors, agents, Owners and employees.

3.5 Notice Required by Law. If Applicable Law requires that Company give notice to Licensee prior to the expiration of the Term, this Agreement shall remain in effect on a week to week basis until Company has given the notice required by such Applicable Law. If Company is not offering new franchises, is in the process of revising, amending or renewing its form of license agreement or offering circular, or is not lawfully able to offer Licensee its then-current form of license agreement, at the time Licensee delivers its Renewal Notice, Company may, in its discretion, (i) offer to renew this Agreement upon the same terms set forth herein for a renewal term determined in accordance with Section 3.2 hereof, or (ii) offer to extend the Term hereof on a week to week basis following the expiration of the Term hereof for as long as it deems necessary or appropriate so that it may lawfully offer its then-current form of license agreement.

ARTICLE 4 PAYMENTS

4.1 Initial Fee. Prior to the opening of the Store to the public, Licensee shall pay to Company the Initial Fee; provided, however if this Agreement has been executed pursuant to a Multi-unit License Agreement, then Licensee shall, if applicable, receive a credit against the Initial Fee in accordance with such Multi-unit License Agreement. The Initial Fee shall be non-refundable, in whole or in part, under any circumstances.

4.2 Continuing Royalty. Licensee shall pay to Company during the Term, a royalty equal to 5% of its Gross Sales during each Accounting Period ("Continuing Royalty").

4.3 Marketing Program Contribution. Licensee shall pay to Company during the Term, simultaneously with its Continuing Royalty payments, a Marketing Program Contribution equal to Marketing Contribution Rate multiplied by the Gross Sales of the Store at the Location during each Accounting Period ("Marketing Contribution"). Company shall contribute the Marketing Contribution to the Marketing Program to be administered in the manner provided in Section 8.3.

4.4 Manner of Payment. Company shall provide Licensee with statements of amounts owed for products and/or services purchased by Licensee from Company within 14 calendar days after the end of each Accounting Period. Licensee shall calculate the Royalty and Marketing Contribution due to Company each Accounting Period and cause Company to receive payment of all Continuing Royalties, Marketing Contributions, and all other amounts owed to Company, together with a statement of Licensee's Gross Sales for the Accounting Period (certified as complete and accurate by a duly authorized representative of Licensee), no later than 30 calendar days after the end of the applicable Accounting Period.

4.5 Other Payments. In addition to all other payments provided herein, Licensee shall pay to Company, its Affiliates and designees, as applicable, promptly when due:

4.5.1 All amounts advanced by Company or which Company has paid, or for which Company has become obligated to pay on behalf of Licensee for any reason whatsoever.

4.5.2 The amount of all sales taxes, use taxes, personal property taxes and similar taxes, which shall be imposed upon Licensee and required to be collected or paid by Company (a) on account of Licensee's Gross Sales, or (b) on account of Continuing Royalties, Marketing Contributions or Initial Fees collected by Company from Licensee (but excluding ordinary income taxes). Company, at its discretion, may collect the taxes in the same manner as Continuing Royalties are collected herein and promptly pay the tax collections to the appropriate governmental authority; provided, however, that unless Company so elects, it shall be Licensee's responsibility to pay any sales, use or other taxes now or hereinafter imposed by any Governmental Authorities on Continuing Royalties, Initial Fees, or Marketing Contributions.

4.6 Application of Funds. If Licensee shall be delinquent in the payment of any obligation to Company or any of its Affiliates hereunder, or under any other agreement with Company, Company shall have the absolute right to apply any payments received from Licensee to any obligation owed,

whether under this Agreement or otherwise, notwithstanding any contrary designation by Licensee as to application.

4.7 Interest and Charges for Late Payments. If Licensee shall fail to pay to Company, as applicable, the entire amount of the Continuing Royalty, Marketing Contributions and all other sums owed to Company promptly when due, Licensee shall pay to Company in addition to all other amounts which are due but unpaid, interest on the unpaid amounts, from the due date thereof, at the rate of 1-1/2% per month, or the highest rate allowable under Applicable Law, whichever is less. If any check, draft, electronic or otherwise, is unpaid because of insufficient funds or otherwise, then Licensee shall pay Company's expenses arising from such non-payment, including bank fees in the amount of at least \$30.00, hourly staff charges arising from such default, and any other related expenses incurred by Company.

4.8 Guaranty. Upon the execution of this Agreement, upon each transfer or Assignment, and at any other time upon Company's request, all holders of 5% or more of the Equity of Licensee shall execute a written guaranty in a form prescribed by Company, personally, irrevocably and unconditionally guaranteeing, jointly and severally, with all other holders of 5% or more of the Equity of Licensee, the full payment and performance of Licensee's obligations to Company and to Company's Affiliates.

ARTICLE 5 CONSTRUCTION AND COMMENCEMENT OF BUSINESS

5.1 Location.

5.1.1 Licensee's Store shall be located at the Location. If no Location has been inserted in the blank space provided in Section 1.1 at the time of execution of this Agreement, Licensee shall promptly following the execution hereof purchase or lease Premises which meet Company's then-current standards and specifications. Licensee shall not enter into any such Lease or purchase agreement unless Licensee shall have first (i) notified Company in writing of the proposed Location and provided Company with all information which Company may request concerning such proposed Location, including, Company's then-current "site approval package", and (ii) shall have received Company's written acceptance of such Location, upon the receipt of which acceptance such Location shall be deemed to be the "Location" as defined above.

5.1.2 Licensee may not relocate the Store, including any other location within the Premises, without Company's prior written consent.

5.2 Company Site Selection Assistance. Company may voluntarily (without obligation) assist Licensee in obtaining an accepted location. Neither Company's said assistance, if any, nor its acceptance of Licensee's proposed site, shall be construed to insure or guarantee the profitable or successful operation of the Location by Licensee, and Company hereby expressly disclaims any responsibility therefor. Licensee acknowledges its sole responsibility for finding the Location.

5.3 Lease. Licensee shall deliver to Company a true and correct copy of the fully executed Lease for the Location, if applicable, promptly upon Company's request. Licensee shall duly and timely

perform all of the terms, conditions, covenants and obligations imposed upon it under the Lease. In the case of a Traditional Store, the Lease shall grant Company an option, without cost or expense to Company, to assume the Lease upon termination or expiration of the License Agreement for any reason and shall provide that it may be assigned or sublet to Company or a "JAMBA JUICE®" licensee approved by Company during the initial term or any renewal term of the Lease. In all cases, the Lease shall provide that upon expiration or termination thereof for any reason, Licensee shall, upon Company's demand, remove all of the Marks from the Premises and modify the decor of the Premises so that it no longer resembles, in whole or in part, a "JAMBA JUICE®" Store, and if Licensee fails to do so, Company will be given written notice and the right to enter the Premises to make such alterations.

5.4 Construction.

5.4.1 Within 15 days after the Effective Date and before the renovation or construction of the Store or Location, Company shall provide Licensee with copies of Company's specifications for the design and layout of the Store and required fixtures, equipment, furnishings, decor, and signs. Licensee shall at its sole cost and expense promptly cause the Premises and Store and to be constructed, equipped and improved in accordance with such standards and specifications, unless Company shall, in writing, agree to modifications thereof. Licensee shall employ architects and general contractors of its own selection, and at its sole cost and expense, to prepare such architectural, engineering and construction drawings and site plans, and to obtain all Permits required to construct, remodel, renovate, and/or equip the Store and Premises. Not more than 60 days following the Effective Date, all such plans, and modifications and revisions thereto, shall be submitted to Company for its prior review and approval ("Construction Approval") before Licensee's commencement of construction. If Company disapproves such design criteria, Company shall promptly notify the Licensee in writing of such disapproval and of the required corrections.

5.4.2 Licensor shall provide at its sole cost one (1) inspection of the "JAMBA JUICE®" Store at the Location during construction and one (1) final inspection of the "JAMBA JUICE®" Store at the Location upon completion of construction to ensure that the "JAMBA JUICE®" Store at the Location has been built in accordance with the drawings and specifications approved by Company. At all times prior to Licensee commencing the operation of the Store, Company shall have the right to inspect and examine the Premises and any fixtures, signs, furnishings and equipment to insure compliance with Company's standards and specifications. Licensee may not open the "JAMBA JUICE®" Store at the Location for business until it has been inspected by Company and has been provided by Company with written authorization to open.

5.4.3 Licensee may from time to time request additional information regarding the design and construction of the "JAMBA JUICE®" Store, which, if in the possession of Company, shall be provided at no expense to Licensee. Upon request, Company shall provide additional site visits, project management, design work and equipment purchasing services to Licensee at Licensee's sole cost.

5.4.4 Subject only to Force Majeure (provided that Licensee continuously complies with Section 5.4.5), Licensee shall complete construction or renovation, as the case may be, of the Premises, the Store and all improvements therein in accordance with the Construction Approval, including installation of all fixtures, signs, equipment and furnishings as soon as possible, and

commence operation of the Store at the Location, as soon as possible, but in any event within 180 days following the Effective Date.

5.4.5 In the event of the occurrence of an event constituting Force Majeure, Licensee shall notify Company in writing within 5 days following commencement of the alleged Force Majeure of the specific nature and extent of the Force Majeure, and how it has impacted Licensee's performance hereunder. Licensee shall continue to provide Company with updates and all information as may be requested by Company, including Licensee's progress and diligence in responding to and overcoming the Force Majeure.

5.4.6 The time periods for the commencement and completion of construction and the installation of fixtures, signs, machinery and equipment as referred to in this Section 5.4 are of the essence of this Agreement. If Licensee fails to perform its obligations contained in this Section, the Company may deem the Licensee's failure to so perform its obligations to constitute a material breach of this Agreement.

5.5 Maintaining and Remodeling of Store.

5.5.1 Licensee shall maintain the condition and appearance of its Store in a "like new" level of cosmetic appearance consistent with the image of "JAMBA JUICE®" Stores as attractive, clean, and efficiently operated, offering high quality food products and beverages, efficient and courteous service, and pleasant ambiance. If at any time in the Company's reasonable judgment, the state of repair, appearance or cleanliness of the Licensee's Premises (including the Store and the non-Store portion of Licensee's Premises, and parking areas) or its fixtures, equipment, furnishings, signs or utensils fail to meet the Company's standards therefor, consistently applied to Company-owned Stores and those operated by similarly situated licensee-owned Stores whose license agreements contain similar requirements to those set forth in this Section 5.5.1, Licensee shall immediately upon receipt of notice from Company specifying the action to be taken by Licensee (but in any event within 90 days of such notice), correct such deficiency, repair and refurbish the Store or Premises, and make such modifications and additions to its layout, decor and general theme, as may be required, including replacement of worn out or obsolete fixtures, equipment, furniture, signs and utensils, and repair of the interior and exterior of the Store, the Premises and appurtenant parking areas (if any). Such maintenance shall not be deemed to constitute remodeling, as set forth below.

5.5.2 As a condition to Licensee's exercising its Renewal Right hereunder, Company may require Licensee at Licensee's sole cost and expense to refurbish, remodel and improve the Store to conform the Licensee's building design, trade dress, color schemes, and presentation of Marks to the Company's then current public image. Such a remodeling may include extensive structural changes to the Store fixtures and improvements as well as such other changes as the Company may direct, and Licensee shall undertake such a program promptly upon notice from the Company (unless the Licensee elects not to enter into a Renewal Agreement), and shall complete any such remodeling as expeditiously as possible, but in any event prior to the commencement of the Renewal Term.

5.5.3 If the Store is damaged or destroyed by fire or any other casualty, Licensee, within 30 days thereof, shall initiate such repairs or reconstruction, and thereafter in good faith and with due diligence continue (until completion) such repairs or reconstruction, in order to restore the premises

of the Store to its original condition prior to such casualty. If, in the Company's reasonable judgment, the damage or destruction is of such a nature or to such extent that it is feasible for Licensee to repair or reconstruct the Premises and the Store in conformance with the then standard "JAMBA JUICE®" decor specifications, the Company may require that Licensee repair or reconstruct the Premises and Store in conformance with the then standard System decor specifications.

ARTICLE 6 TRAINING

6.1 Start-Up Training.

6.1.1 If this Agreement has been executed pursuant to a Multi-unit License Agreement, and is one of the first 3 license agreements executed thereunder, Company shall provide, at no extra charge, the Initial Training Program to Licensee's General Manager, and no other individuals; Licensee hereby acknowledges that its Managing Owner and Director of Operations have received adequate training pursuant to the training provided by Company in accordance with such Multi-unit License Agreement.

6.1.2 If this Agreement has not been executed pursuant to a Multi-Unit License Agreement, and if the Store at the Location is one of the first 3 Stores owned by Licensee, Company shall provide, at no extra charge, the Initial Training Program concurrently to the Managing Owner (if the Store at the Location is the first Store only), the initial General Manager and initial Lead for the Store at the Location. The Initial Training Program shall not be provided if this Agreement is executed as a Renewal License Agreement.

6.1.3 Other individuals may attend the Initial Training Program, with Company's prior consent and Licensee's payment of Company's then-current fee for the Initial Training Program.

6.2 Initial Training Program.

6.2.1 The "Initial Training Program" shall consist of training in the Company's System and methods of operation at the Company's support center in San Francisco, California or a location selected by Company. The Initial Training Program shall consist of approximately 4 to 5 weeks, as determined by Company, of instruction prior to the opening of the Store and must be completed before Licensee's Store opens to the public. This includes training on the "Back Office System", which consists of certain computer hardware and/or software designed to assist Licensee in analyzing and managing its costs of goods and labor, and which is available from third party suppliers. Licensee shall pay all travel, living, compensation, and other expenses, if any, incurred by Licensee and/or Licensee's employees in connection with attendance the Initial Training Program. If the Store at the Location is a Non-Traditional Store, Company may arrange with one of its existing licensees to provide the Initial Training Program at that licensee's Store, in which case Licensee shall reimburse Company for any charge Company agrees to pay that licensee and/or for any expenses incurred by Company in sending its trainer(s) to a location other than Company's support center in San Francisco, California. Licensee may not open its Store until the Initial Training Program has been successfully completed by the Management Employees to Company's satisfaction and each of whom shall have been certified by

Company. Company shall pay no compensation for any services performed by trainee(s) in connection with the Initial Training Program.

6.2.2 Company shall determine the contents and manner of conducting the Initial Training Program, however, the training course will be structured to provide practical training in the implementation and operation of a Store and may include such topics as on-site food preparation, portion control, prepping procedures, juice drink and smoothie production, packaging procedures, Jamba Juice® standards, "train the trainer", marketing and customer service techniques, company culture, reports, equipment maintenance, safety and security.

6.2.3 Licensee acknowledges that because of Company's superior skill and knowledge with respect to the training and skill required to manage the Store, its judgment as to whether or not the Licensee or his manager has satisfactorily completed such training shall be determined by Company.

6.3 Ongoing Training.

6.3.1 All newly hired and replacement Management Employees of Licensee's Store shall successfully complete, to Company's satisfaction, the Initial Training Program ("Ongoing Training"). Management Employees of Licensee shall have a skill level, training and experience commensurate with the demands of the position, and in keeping with Company's high standards for quality products, courteous service, and cleanliness of operations. If the Store at the Location is a Non-Traditional Store, Company may arrange with one of its existing licensees to provide the training described in Section 6.1 of this Agreement or Ongoing Training at that licensee's Store, in which case Licensee shall reimburse Company for any charge Company agrees to pay that licensee and/or for any expenses incurred by Company in sending its trainer(s) to a location other than Company's support center in San Francisco, California. Licensee shall pay all travel, living, compensation, and other expenses, if any, incurred by Licensee and/or Licensee's employees in connection with attending Ongoing Training. Company shall pay no compensation for any services performed by trainee(s) in connection with Ongoing Training.

6.3.2 Unless otherwise agreed in writing by Company, Licensee may not open any Distribution Point authorized by Company pursuant hereto until Licensee's Management Employees for the Distribution Point shall have attended and satisfactorily completed the Company's Initial Training Program; Licensee must pay Company's then current, reasonable training fee therefor in advance.

6.3.3 Company may, from time to time, at its discretion, make available to or in certain cases (e.g. prior to a new product roll-out) require, Licensee or its Management Employees, or any of them, to attend additional training courses or programs during the term of this Agreement held on a national or regional basis at locations selected by Company to instruct Licensee with regard to new procedures or programs which Company deems, in its reasonable judgment, to be of major importance to the operation of the Store by its licensees. Such supplementary training may relate, by way of illustration, to product production techniques, new recipes, marketing, accounting and general operating procedures, and the establishment, development and improvement of computer systems. Company may establish charges applicable to all licensees similarly situated for such additional training courses. Company will determine which training courses are optional and which are mandatory and Licensee must pay Company's then-current fees for such additional training courses. The time and place of such

training courses shall be at Company's discretion. Licensee shall pay all transportation costs, food, lodging and similar costs incurred in connection with attendance at such courses. Company shall pay no compensation for any services performed by trainee(s) in connection with such training programs.

6.3.4 Except to the extent Company has agreed to provide the Initial Training Program at no additional charge pursuant to Section 6.1, Licensee shall pay Company's then current, reasonable charges (as set forth in the Manuals) for all Ongoing Training and any other training performed by Company, whether requested by Licensee or required hereunder. Notwithstanding any training provided by Company, Company has no responsibility for the quality of any Authorized Jamba Juice® Products provided by Licensee to its customers.

6.4 Opening Assistance. Company shall furnish to Licensee one (1) person experienced in the System to assist Licensee for up to 7 operating days in conjunction with, and prior to, the opening of the Licensee's Store and up to 7 operating days after opening. Licensee shall pay Company upon demand, Company's then-current fee for such assistance and reimburse Company for all of its out-of-pocket expenses including wages (including a reasonable estimate of the cost of associated benefits), transportation, lodging, and food, of any agent or employee of Company who works at any of Licensee's Store and performs services that would otherwise be performed by an employee of Licensee.

6.5 Other Assistance.

6.5.1 Licensee shall have the right, at no additional charge, to inquire of Company's headquarters staff, its field representatives and training staff with respect to problems relating to the operation of the Store, by telephone or correspondence, and Company shall use its best efforts to diligently respond to such inquiries, in order to assist Licensee in the operation of the Store. At no time shall reasonable assistance be interpreted to require Company to pay any money to Licensee.

6.5.2 Company may, from time to time, at its discretion, cause its field representatives to visit Licensee's Store to advise, consult with train or evaluate Licensee, the Store, its operation and performance, and compliance by Licensee with the Manuals and Operations Standards Evaluation (O.S.E.). If provided at the Licensee's request, the Company may require the Licensee to pay such training charges as may be then in effect, and to reimburse Company for all transportation costs, food, lodging and similar costs incurred by Company and its personnel in connection with such training.

6.5.3 In the event of any sale transfer, or assignment, the transferee/assignee must be trained by Company as a condition of Company's consent to such transfer. All tuition costs for such training shall be deemed paid upon receipt by Company of the administrative/transfer fee due in accordance with Section 13.2.9 herein. No Store shall be opened or re-opened until Company certifies that the transferee is approved to operate the respective Store.

6.6 Employee Training. A fully trained and certified Management Employee must train each of Licensee's regular employees prior to opening of the "JAMBA JUICE®" Store to Company's satisfaction.

**ARTICLE 7
MANUALS AND STANDARDS OF OPERATOR
QUALITY, CLEANLINESS AND SERVICE**

7.1 Good Standing. Licensee shall maintain its status as a "JAMBA JUICE®" licensee in Good Standing.

7.2 Management of Licensee and Store.

7.2.1 Licensee shall be, or if Licensee is a Business Entity, Licensee shall appoint and retain throughout the Term one Owner who shall be at all times throughout the Term, vested with the authority and responsibility for the overall management of Licensee (the "Managing Owner"). The Managing Owner shall at all times throughout the Term be an individual approved by Company (and subject to subsequent disapproval by Company) and, if Licensee is a Business Entity, shall at all times during the Term own not less than 51% of the Equity and voting rights of Licensee. Notwithstanding the foregoing, if (i) this Agreement was executed pursuant to a Multi-unit License Agreement, the Managing Owner shall at all times during the Term own not less than 5% of the Equity and voting rights of Licensee, and (ii) if this Agreement is Licensee's 4th or subsequent Store (other than a Store developed under a Multi-unit License Agreement), the Managing Owner shall at all times during the Term own not less than 25% of the Equity and voting rights of Licensee. Licensee shall furnish to Company such evidence as Company may request from time to time for the purpose of assuring Company of Licensee's compliance with this section.

7.2.2 Licensee shall appoint, and retain throughout the Term, an individual "General Manager" who is approved by Company (and subject to subsequent disapproval by Company); provided, however, Licensee shall not be required to obtain Company's approval of the General Manager if this Agreement was executed pursuant to a Multi-unit Development Agreement. The General Manager shall be vested with the authority and responsibility to direct any action necessary to ensure that the day-to-day operation of the Store at the Location is in compliance with this Agreement and all other agreements with Company relating to such Store. The General Manager shall devote his or her full time and best efforts to the direct and personal supervision of the Store at the Location. If the position of General Manager becomes vacant for any reason, Licensee shall replace the General Manager within 60 days of the date of the vacancy with an individual accepted by Company.

7.2.3 The Managing Owner, or if this Agreement is executed pursuant to a Multi-unit License Agreement, a Director of Operations, shall at all times thereafter during the Term of this Agreement devote his or her full time and best efforts to the supervision of all Stores which the Managing Owner operates, or if this Agreement was executed pursuant to a Multi-unit License Agreement, all Stores within the Development Market provided in such Multi-unit License Agreement. If, during the Term, the Director of Operations, is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section (including Company's subsequent disapproval of such person), Licensee shall promptly notify Company and designate a replacement within 60 days after the Director of Operations, ceases to serve, such replacement being subject to Company's approval. If this Agreement has been executed pursuant to a Multi-unit License Agreement, the provisions of this section shall be in addition to any staffing requirements contained therein and

nothing in this section shall be deemed to amend or waive any term of such Multi-unit License Agreement.

7.2.4 Licensee shall ensure that the operation of the "JAMBA JUICE®" Store is at all times under the direct control of a Management Employee fully trained in accordance with Sections 6.1, 6.2 or 6.3, as applicable. Each Management Employee shall be solely dedicated to operation of the "JAMBA JUICE®" Store to which the person is assigned.

7.3 POS System. Licensee shall purchase, use and maintain the point of sale cash collection system (the "POS System") as specified in the Manuals or otherwise by Company in writing. Licensee must maintain membership in any designated third party network, which is capable of receiving e-mail, for the purpose of transmitting information from Company to any non-store location designated to receive Licensee information. The POS System shall be electronically linked to Company or its designated Affiliate, and Licensee shall allow Company and/or its designated Affiliate, to poll the POS System on a daily or other basis at such times and in such manner as established by the Company or its designated Affiliate, with or without notice, and to retrieve such transaction information including sales, sales mix, usage, and other operations data as Company and/or its designated Affiliate deems appropriate. Within a reasonable time upon Company's request, Licensee shall apply for and maintain debit cards, credit cards or other non-cash systems existing or developed in the future to enable customers to purchase Authorized Jamba Juice® Products via such procedure, as specified by Company.

7.4 Manuals. Licensee shall operate the Store in strict compliance with the standard procedures, policies, rules and regulations established by Company and incorporated in Company's Manual(s).

7.4.1 The subject matter of the Manuals may include matters such as: forms, information relating to product and menu specifications, purchase orders, general operations, labor management, personnel, Gross Sales reports, training and accounting; sanitation; design specifications and uniforms; display of signs and notices; catering specifications; telephone, fax and e-mail order taking; authorized and required equipment and fixtures, including specifications therefor; Mark usage; insurance requirements; lease requirements; decor; standards for management and personnel, hours of operation; yellow page and local advertising formats; standards of maintenance and appearance of the Store; and required posting of notices to customers as to how to contact the Company to submit complaints. The Company may also establish emergency procedures pursuant to which it may require Licensee to temporarily close the Store to the public, in which event Company shall not be liable to Licensee for any losses or costs, including consequential damages or loss profits occasioned thereby.

7.4.2 Company may modify the Manuals at any time and from time to time. All such modifications shall be equally applicable to all similarly situated Company-owned Stores and to franchisees or licensees who are required by their franchise or license agreements to comply therewith, and no such modification shall alter Licensee's fundamental status and rights under this Agreement. Modifications in the Manuals shall become effective upon delivery of written notice thereof to Licensee unless a longer period is specified in such written notice. The Manuals, as modified from time to time, shall be an integral part of this Agreement and reference made in this Agreement, or in any amendments, exhibits or schedules hereto, to the Manuals shall be deemed to mean the Manuals kept current by amendments from time to time.

7.4.3 Upon the execution of this Agreement, Company shall furnish to Licensee one copy of the Manuals, unless Licensee purchased the Store from an existing franchisee or licensee, or has entered into this Agreement as a Renewal License Agreement. The Manuals and all amendments to the Manuals (and copies thereof) are copyrighted and remain Company's property. They are loaned to Licensee for the term of the Agreement, and must be returned to Company immediately upon the Agreement's termination or expiration. The Manuals are highly confidential documents which contain certain Trade Secrets of Company. Licensee shall not make, or cause or allow to be made, any copies or reproductions of all or any portion of the Manuals without Company's express prior written consent.

7.5 Hours. Subject to Applicable Law to the contrary, Company and Licensee agree that Licensee's Store shall be open to the public and continuously operate from 7:00 a.m. until 8:00 p.m., seven days a week. Licensee shall diligently and efficiently exercise its best efforts to achieve the maximum Gross Sales possible from its Location, and shall remain open for longer hours if additional opening hours are reasonably required to maximize operations and sales.

7.6 Product Line and Service. Licensee shall advertise, sell and serve all and only Authorized Jamba Juice® Products at or from the Store. All Authorized Jamba Juice® Products shall be distributed under the specific name designated by Company. Licensee shall not remove any Authorized Jamba Juice® Product from the Licensee's menu without Company's express approval. Except for participation in Company's wholesale programs, if any, or as otherwise specifically authorized by Company, Licensee shall not sell any "JAMBA JUICE®" Products outside of the "JAMBA JUICE®" Store or to any customer for the purpose of resale by the customer, and all sales by Licensee shall be for retail consumption only.

7.7 Containers, Fixtures and Other Goods. All food and drink items served at the Store shall be served in containers bearing accurate reproductions of Company's Marks. All containers, napkins, bags, cups, matches, menus and other packaging and like articles used in connection with Licensee's Store shall conform to Company's specifications, shall be imprinted with Company's Marks and shall be purchased by Licensee from a distributor or manufacturer approved in writing by Company, as provided in Article 9, which approval will not be unreasonably withheld. No item of merchandise, furnishings, interior and exterior decor items, supplies, fixtures, equipment or utensils shall be used in or upon any Store unless the same shall have been first submitted to and approved in writing by Company.

7.8 Menus.

7.8.1 Authorized Jamba Juice® Products shall be marketed by approved menu formats to be utilized in Licensee's Store. The approved and authorized menu and menu format(s) may include, in Company's discretion, requirements concerning organization, graphics, product descriptions, illustrations, and any other matters related to the menu, whether or not similar to those listed. In Company's discretion, the menu and/or menu format(s) may vary depending upon region, market size, and other factors. Company may change the menu and/or menu format(s) from time to time or region to region or authorize tests from region to region or authorize non-uniform regions or Stores within regions.

7.8.2 Licensee shall, upon receipt of notice from Company, add, delete, or update any Authorized Jamba Juice Products to its menu according to the instructions contained in the notice. Licensee shall have a minimum of 30 days and not more than 60 days after receipt of written notice in which to fully implement any such change. Licensee shall cease selling any previously approved product within 30 days after receipt of notice that the product is no longer approved.

7.8.3 All food products sold by Licensee shall be of the highest quality, and the ingredients, composition, specifications, and preparation of such food products shall comply with the instructions and recipes and other requirements communicated by Company or contained in Company's Manuals from time to time.

7.9 Compliance with Applicable Law. Licensee shall operate its Store (and its other business at the Premises, in the case of a Non-Traditional Store) in compliance with all Applicable Laws. Licensee shall not allow any part of its Premises to be used for any immoral or illegal purpose.

7.10 Notification of Legal Proceedings. Licensee shall notify Company in writing within 10 days after Licensee receives actual notice of the commencement of any action, suit, or other proceeding, or the issuance of any order, writ, injunction, award, or other decree of any court, agency, or other Governmental Authority that pertains to the "JAMBA JUICE®" Store or that may adversely affect Licensee's operation of the "JAMBA JUICE®" Store or ability to meet its obligations hereunder.

7.11 Signs. Licensee shall maintain approved signs and/or awnings at, on, or near the front of the Premises, identifying the Location as a "JAMBA JUICE®" Store, which shall conform in all respects to Company's specifications and requirements and the layout and design plan approved for the Location, subject only to restrictions imposed by Applicable Law. On receipt of notice by Company of a requirement to alter any existing sign on its premises, Licensee will at its cost make the required changes within 60 days, subject to the approval of the Lessor if required by Licensee's Lease.

7.12 Uniforms and Employee Appearance. Licensee shall cause all employees, while working in Stores, to: (i) wear uniforms of such color, design, and other specifications as Company may designate from time to time, and (ii) present a neat and clean appearance. If Company removes the type of uniform utilized by Licensee from the list of approved uniforms, Licensee shall have 180 days from receipt of written notice of such removal to discontinue use of its existing inventory of uniforms and implement the approved type of uniform. Unless Company otherwise consents in writing, Licensee's employees working in the "JAMBA JUICE®" Store shall be dedicated solely to the "JAMBA JUICE®" Store and shall not work at any other business owned or operated by Licensee. In no case shall any employee of Licensee wear his or her JAMBA JUICE® uniform while working for Licensee at any location other than the "JAMBA JUICE®" Store.

7.13 Vending or Other Machines. No vending or game machines, pay telephones or any other mechanical device may be installed or maintained on the Premises without Company's prior written approval.

7.14 Co-Branding. For the purpose of this article, a co-brand shall be defined as an independent product line, business or operating system owned by another entity (not Company) that is

incorporated within or adjacent to, and as an operational part of the Licensee's Premises. An example would be an independent coffee or bagel operation installed within Licensee's Premises.

7.14.1 If the Store is a Non-Traditional Store, Licensee may install co-branding marketing systems to be operated at Licensee's Premises (but not the Store) provided that Licensee shall not sell any other fresh or frozen fruit juice products in connection therewith; provided, however, that (a) in the case of a Grocery Store, supermarket or convenience store, Licensee (or such Grocery Store, supermarket or convenience store owner) may continue its store operations and customary sales of other products consistent with past practices and may offer other food products typical of a Grocery Store on the Premises, provided that Licensee shall not sell any smoothies (i.e. mixed fruit juices) or other fruit juice products which are prepared fresh-on-site; and (b) in the case of any other Non-Traditional Store, Licensee may continue its customary sales of fresh-squeezed orange or other fruit juices in connection with its cafeteria or other food service facilities provided they are not smoothies.

7.14.2 In the case of Traditional Stores, Company shall not be required to approve any co-branding marketing system, except in its sole discretion, and only if Company has recognized that co-branding system as an approved co-brand for operation within "JAMBA JUICE®" Stores.

7.15 Intranet. Company may, at its option, establish and maintain an Intranet through which licensees of Company may communicate with each other, and through which Company and Licensee may communicate with each other and through which Company may disseminate the Manuals, updates thereto and other confidential information. Company shall have discretion and control over all aspects of the Intranet, including the content and functionality thereof. Company will have no obligation to maintain the Intranet indefinitely, and may dismantle it at any time without liability to Licensee.

7.15.1 If Company establishes an Intranet, Licensee shall have the privilege to use the Intranet, subject to Licensee's strict compliance with the standards and specifications, protocols and restrictions that Company may establish from time to time. Such standards and specifications, protocols and restrictions may relate to, among other things, (a) the use of abusive, slanderous or otherwise offensive language in electronic communications, (b) communications between or among franchisees that endorse or encourage breach of any franchisee's franchise agreement, (c) confidential treatment of materials that Company transmits via the Intranet, (d) password protocols and other security precautions, (e) grounds and procedures for Company's suspending or revoking a franchisee's access to the Intranet, and (f) a privacy policy governing Company's access to and use of electronic communications that franchisees post to the Intranet. Licensee acknowledges that, as administrator of the Intranet, Company can technically access and view any communication that any person posts on the Intranet. Licensee further acknowledges that the Intranet facility and all communications that are posted to it will become Company's property, free of any claims of privacy or privilege that Licensee or any other person may assert.

7.15.2 Upon receipt of notice from Company that Company has established the Intranet, Licensee shall establish and continually maintain (during all times that the Intranet shall be established and until the termination of this Agreement) an electronic connection (the specifications of which shall be specified in the Manuals) with the Intranet that allows Company to send messages to and receive messages from Licensee, subject to the standards and specifications.

7.15.3 At Company's request, Licensee shall contribute a reasonable amount, not to exceed \$1,000 per year, toward the cost of the Intranet's maintenance. Such contribution shall be established by Company by not later than January 31 of each applicable year and shall be payable 30 days thereafter.

7.15.4 If Licensee shall breach this Agreement or any other agreement with Company or its Affiliates, Company may, in addition to, and without limiting any other rights and remedies available to Company, disable or terminate Licensee's access to the Intranet without Company having any liability to Licensee, and in which case Company shall only be required to provide Licensee a paper copy of the Manuals and any updates thereto, if none have been previously provided to Licensee, unless not otherwise entitled to the Manuals.

ARTICLE 8 MARKETING PROGRAM, LOCAL STORE MARKETING, AND REGIONAL CO-OPS

8.1 General Requirements. Licensee shall spend not less than 1.5% of its Gross Sales each calendar quarter on local advertising and promotion of the Store. Licensee shall conduct all local advertising and promotion in accordance with such policies and provisions with respect to format, content, media, geographic coverage and other criteria as are from time to time contained in the Manuals, or as otherwise directed by Company, and shall not use or publish any advertising material which does not conform to said policies and provisions or as to which Licensee shall not have received Company's prior written approval; provided, however, that if Company shall not object to any proposed advertisement submitted by Licensee for approval within 10 after Company's receipt thereof, such advertisement shall be deemed approved subject to Company's right to subsequently withdraw its approval.

8.2 Co-op Advertising. The Company may from time to time establish regions for cooperative advertising ("Co-op Advertising Regions"), to coordinate advertising, marketing efforts and programs and maximizing the efficient use of local and/or regional advertising media.

8.2.1 If and when Company creates a Co-op Advertising Region for the region in which Licensee's Store is located, Licensee and, if Company owns a Store in such Co-op Advertising Region, Company, shall become subscribers and members thereof and shall execute and participate in accordance with the Subscription Agreement and the Certificate of Incorporation and Bylaws of such Co-op Advertising Region on the forms prescribed by Company. The size and content of such regions, when and if established by the Company, shall be binding upon Licensee, and all other "JAMBA JUICE®" similarly situated licensees and Company, if it operates Store(s) in the region. At all meetings of such Co-op Advertising Region each participating Licensee, as well as Company, if applicable, shall be entitled to one vote for each Store located within such Co-op Advertising Region.

8.2.2 Licensee and other members of the Co-op Advertising Region, whose agreements require their participation, will contribute to the Co-op Advertising Region such amount as may be

determined by vote of the Co-op Advertising Region (not to exceed 1.5% of the Gross Sales of each member's Store(s) located in the region).

8.2.3 Subject to Section 8.1, each Co-op Advertising Region will decide as to the usage of funds available to it for media time, production of media materials, whether for radio, television, newspapers or store level materials such as flyers, or posters, or for any other type of advertising or marketing use, and then such Co-op Advertising Region shall in writing request approval from Company to use said funds in said manner. Company shall not withhold approval unreasonably, but no placement of advertising or commitment of advertising funds on behalf of an Co-op Advertising Region will be made without Company's prior written approval. Company reserves the right to establish general standards concerning the operation of the Co-op Advertising Region, advertising agencies retained by Co-op Advertising Region, and advertising programs conducted by Co-op Advertising Region.

8.3 Marketing Program.

8.3.1 An amount equal to all Marketing Program Contributions including contributions on account of Company-owned Stores, will be expended for national, regional, or local marketing advertising, public relations and promotional campaigns, typically on "in-store" programs and media such as direct mail advertising, print advertising and Internet web site development, operation and maintenance (excluding sums expended on Internet costs attributable to promotion of the sale of franchises and investor relations). Such expenditures may include, without limitation (a) to conduct marketing studies, and to produce and purchase radio and television commercials, point of sale materials, outdoor advertising art; local store marketing programs and materials; product research, development, and market testing; and direct mail pamphlets and literature, and (b) a payment to Company or its Affiliates, for internal expenses (including an allocation of employee salaries) incurred in connection with the operation of its marketing/advertising department(s), if any, and the administration of the Marketing Program; provided, however, that not more than 15% of all such Marketing Program Contributions, including contributions by Company on account of Company-owned Stores, shall be allocated to said internal expenses incurred by Company or its Affiliates. The Marketing Contributions may, among other things, be used to pay for such activities conducted for the benefit of co-branding, or other arrangements where "JAMBA JUICE®" products and/or services are offered in conjunction with other marks or through alternative channels of distribution. Company may employ individuals, consultants or advertising or other agencies, including consultants or agencies owned by, operated by or Affiliated with Company to provide services for the Marketing Program. The Marketing Contributions may be used to defray salaries of Company employees related to the operation of the Marketing Program, to pay for attorney's fees and other costs related to the defense of claims against the Marketing Program or against Company relating to the Marketing Program, and to pay costs with respect to collecting amounts due to the Marketing Program. Actual direct expenditures by Company or its Affiliates for the production of advertising, or for attorney's fees and collection costs, shall not be subject to or included in said 15% limitation. Company shall determine the cost, media, content, format, style, timing, allocation and all other matters relating to such advertising, public relations and promotional campaigns. Licensee acknowledges that not all licensee are or shall be required to contribute, or contribute the same percentage of Gross Sales, to the Marketing Program. Although the Company will attempt to allocate advertising expenditures fairly and in good faith, nothing herein shall be construed to require Company to allocate or expend Marketing Program Contributions or allocations

so as to benefit any particular franchisee, licensee or group of franchisees or licensees on a pro rata or proportional basis or otherwise. Company may make copies of advertising materials available to Licensee with or without additional reasonable charge, as determined by Company. Any additional advertising shall be at the sole cost and expense of Licensee. The Marketing Program shall, as available, provide to Licensee marketing, advertising and promotional formats and sample materials at the Marketing Program's direct cost of producing such items, plus shipping and handling. Company may collect rebates and credits from suppliers based on purchases or sales by Licensee and, at Company's discretion, may refund such amounts to Licensee, contribute such amounts to the Marketing Program or retain such amounts for Company's own use in Company's discretion, notwithstanding any designation by the supplier or otherwise. Any such contribution of such rebates or credits to the Marketing Program shall not reduce Licensee's obligation to pay the Marketing Contributions.

8.3.2 Company shall administratively segregate on its books and records all Marketing Contributions received from Licensee and all other franchisees and licensees of Company. Nothing herein shall be deemed to create a trust fund, and Company may commingle Marketing Contributions with its general operating funds and expend such sums in the manner herein provided. For each Store that Company or any of its Affiliates operates, Company or such Affiliate will contribute to the Marketing Program the amount that would be required to be contributed to the Marketing program if it were a licensed Store.

8.3.3 If less than the total of all contributions and allocations to the Marketing Program are expended during any fiscal year, such excess may be accumulated for use during subsequent years. Company may spend in any fiscal year an amount greater or less than the aggregate contributions to the Marketing Program in that year and may cause the Marketing Program to borrow funds to cover deficits or invest surplus funds. If Company advances money to the Marketing Program, it will be entitled to be reimbursed for such advances. Any interest earned on monies held in the Marketing Fund may be retained by Company for its own use in its discretion.

8.3.4 Upon written request prior to the end of any calendar year, Company shall furnish to Licensee within 90 days after the end of such calendar year, a report for that year, prepared and certified correct by an officer of the Company containing the calculations of the amount which Company actually expended during such calendar year and the amount remaining which shall be carried over for use during the following year(s).

8.4 Telephone Numbers and Directory Advertising. In addition to the Marketing Contributions, and Licensee's required expenditures for Co-op Advertising, Licensee shall, at its sole expense, subscribe for and maintain throughout the Term, one or more listed telephone numbers which shall be listed in the white pages and under such headings in the yellow pages of such telephone directory or directories as Company may reasonably designate or approve which service Licensee's Territory and adjacent or nearby areas. Company reserves the right to establish general standards concerning directory and other types of advertising.

8.5 Promotional Campaigns. From time to time during the term hereof, Company shall have the right to establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. Licensee agrees to participate in such promotional campaigns upon such terms and conditions as the Company may

establish. Licensee acknowledges and agrees that such participation may require Licensee to purchase reasonable point of sale advertising material, posters, flyers, product displays and other promotional material. Within a reasonable time upon Company's request, Licensee shall apply for, implement, and maintain "smart cards" or other similar customer loyalty system existing or developed in the future to enable, among other things, Company and Licensee to track customer purchases and reward such customers for their purchases.

8.6 Internet.

8.6.1 Licensee shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, website, web page, domain name, bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays, in whole or part, the Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Company's express prior written consent, and then only in such manner and in accordance with such procedures, policies, standards and specifications as Company may establish from time to time.

8.6.2 Licensee acknowledges and agrees that Company is the owner of, and will retain all right, title and interest in and to (i) the domain name "jambajuice.com"; (ii) the URL: "www.jambajuice.com"; all existing and future domain names, URLs, future addresses and subaddresses using the Marks in any manner; (iii) means all computer programs and computer code (e.g., HTML, XML DHTML, Java) used for or on the Company's web site(s), excluding any software owned by third parties; (iv) all text, images, sounds, files, video, designs, animations, layout, color schemes, trade dress, concepts, methods, techniques, processes and data used in connection with, displayed on, or collected from or through Company's web site(s); and (v) all intellectual property rights in or to any of the foregoing.

8.6.3 (a) Company has established the Website. Company may, at its sole option, from time to time, without prior notice to Licensee: (i) change, revise, or eliminate the design, content and functionality of the Website; (ii) make operational changes to the Website; (iii) change or modify the URL and/or domain name of the Website; (iv) substitute, modify, or rearrange the Website, at Company's sole option, including in any manner that Company considers necessary or desirable to, among other things, (a) comply with Applicable Law, (b) respond to changes in market conditions or technology, and (c) respond to any other circumstances; (v) limit or restrict end-user access (in whole or in part) to the Website; and (vi) disable or terminate the Website, or suspend listings of Licensee locations or Licensee's access to the Website in the event of a default by Licensee, without Company having any liability to Licensee. without Company having any liability to Licensee.

(b) The Website may include one or more interior pages that identify Stores operated under the Marks, including the Store developed and operated hereunder, by among other things, geographic region, address, telephone number(s), and menu items. The Website may also include one or more interior pages dedicated to franchise sales by Company and/or relations with Company's investors.

(c) Company may, from time to time, establish the Licensee Page. Company may permit Licensee to customize or post certain information to the Licensee Page, subject to Licensee's execution of Company's then-current participation agreement, and Licensee's compliance

with the procedures, policies, standards and specifications that Company may establish from time to time. Such participation agreement may require the Licensee to pay a reasonable fee for the privilege of having a Licensee Page, and may include, without limitation, specifications and limitations for the data or information to be posted to the Licensee Page, customization specifications, the basic template for design of the Licensee Page, parameters and deadlines specified by Company, disclaimers, and such other standards and specifications and rights and obligations of the parties as Company may establish from time to time. Any modifications (including customizations, alterations, submissions or updates) to the artwork, graphics, design, functionality, software, code or the like made by Licensee for any purpose will be deemed to be a "work made for hire" under the copyright laws, and therefore, Company shall own the intellectual property rights in and to such modifications. To the extent any modification does not qualify as a work made for hire as outlined above, Licensee hereby assigns those modifications to Company for no additional consideration and with no further action required and shall execute such further assignments(s) as Company may request.

(d) Without limiting Company's general unrestricted right to permit, deny and regulate Licensee's participation on the Website in Company's discretion, if Licensee shall breach this Agreement, or any other agreement with Company or its Affiliates, Company may disable or terminate the Licensee Page and remove all references to the Store developed and operated hereunder on the Website until said breach is cured.

(e) Licensee shall not, and shall not permit any others to, sell (which includes order-taking), advertise, or merchandise, any Authorized Jamba Juice® Products by any computer medium or electronic medium (including, any Internet home page, e-mail address, website, web page (including the Licensee Page), domain name, bulletin board, newsgroup or other Internet-related medium or activity) without Company's express prior written consent, and then only in such manner and in accordance with such procedures, policies, standards and specifications as Company may establish from time to time. Without limiting Company's rights under Section 2.3.2, all of said rights are reserved to Company.

ARTICLE 9 DISTRIBUTION AND PURCHASE OF EQUIPMENT, SUPPLIES, AND OTHER PRODUCTS

9.1 Jamba Juice® Brand Products. At all times throughout the Term, Licensee shall purchase and maintain in inventory such types and quantities of Jamba Juice® Brand Products as are needed to meet reasonably anticipated consumer demand. Licensee shall purchase Jamba Juice® Brand Products solely and exclusively from Company or its designees at prices established by Company which do not exceed Company's actual direct and reasonable indirect costs therefor (plus the cost of shipping and distribution to Licensee).

9.2 Proprietary Products. Company may, from time to time throughout the Term hereof in its discretion, require that Licensee purchase, use, offer and/or promote, and maintain in stock at the Store in such quantities as are needed to meet reasonably anticipated consumer demand, certain proprietary powder mixes and other ingredients and raw materials, which are manufactured in accordance with Company's proprietary recipes, specifications and/or formulas ("Proprietary Products"). Licensee shall purchase Proprietary Products only from Company (if it sells the same, at prices established by

Company which do not exceed Company's actual direct and reasonable indirect costs therefor, plus the cost of shipping and distribution to Licensee) or its designees. Company shall not be obligated to reveal such recipes, specifications and/or formulas of such Proprietary Products to Licensee, non-designated suppliers, or any other third parties.

9.3 Non-Proprietary Products. Company may designate other food products, condiments, beverages, fixtures, furnishings, equipment, uniforms, supplies, services, menus, packaging, forms, software, modems and peripheral equipment and other products and equipment other than Proprietary Products which Licensee may or must use and/or offer and sell at the Store ("Non-Proprietary Products"). Licensee may, but shall not be obligated to, purchase such Non-Proprietary Products from Company, if Company supplies same. Licensee may use, offer or sell only such Non-Proprietary Products that Company has expressly authorized, and that are purchased or obtained from Company or a producer, manufacturer, supplier or service provider ("Supplier") designated or approved by Company pursuant to Section 9.3.2 below.

9.3.1 Each such Supplier designated or approved by Company must comply with Company's usual and customary requirements regarding insurance, indemnification, and non-disclosure, and shall have demonstrated to the reasonable satisfaction of Company: (a) its ability to supply a Non-Proprietary Product meeting the specifications of Company, which may include, without limitation, specifications as to brand name, contents, quality, freshness and compliance with governmental standards and regulations; and (b) its reliability with respect to delivery and the consistent quality of its products and services.

9.3.2 If Licensee should desire to procure authorized Non-Proprietary Products from a Supplier other than Company or one previously approved or designated by Company, Licensee shall deliver written notice to Company of its desire to seek approval of such Supplier, which notice shall (a) identify the name and address of such Supplier, (b) contain such information as may be requested by Company or required to be provided pursuant to the Manuals (which may include reasonable financial, operational and economic information regarding its business), and (c) identify the authorized Non-Proprietary Products desired to be purchased from such Supplier. Company shall, upon request of Licensee, furnish to Licensee specifications for such Non-Proprietary Products if such are not contained in the Manuals. The Company may thereupon request that the proposed Supplier furnish Company at no cost to Company product samples, specifications and such other information as Company may require. Company or its representatives shall also be permitted to inspect the facilities of the proposed Supplier and establish economic terms, delivery, service and other requirements consistent with other distribution relationships for other Jamba Juice® Stores.

9.3.3 Company will use its good faith efforts to notify Licensee of its decision within 60 days after Company's receipt of Licensee's request for approval and other requested information and items in full compliance with this Section 9.3; should Company not deliver to Licensee, within 60 days after it has received such notice and all information and other items requested by Company in order to evaluate the proposed Supplier, a written statement of disapproval with respect to such Supplier, such Supplier shall be deemed approved as a Supplier of the authorized Non-Proprietary Products described in such notice until such time as Company may subsequently withdraw such approval. Nothing in this article shall require Company to approve any supplier, and without limiting Company's right to approve or disapprove a Supplier in its discretion, Licensee acknowledges that it is generally disadvantageous to

the system from a cost and service basis to have more than one Supplier in any given market area and that among the other factors Company may consider in deciding whether to approve a proposed Supplier, it may consider the effect that such approval may have on the ability of Company and its licensees to obtain the lowest distribution costs and on the quality and uniformity of products offered system-wide. Company may revoke its approval upon the Supplier's failure to continue to meet any of Company's criteria, or if Company determines that continued approval of such Supplier is otherwise not in the best interest of the Company or its licensees. Licensee agrees that at such times that Company establishes a regional purchasing program for any of the raw materials used in the preparation of Authorized Jamba Juice® Products, or other Non-Proprietary Products used in the operation of the Store, which may benefit Licensee by reduced price, lower labor costs, production of improved products, increased reliability in supply, improved distribution, raw material cost control (establishment of consistent pricing for reasonable periods to avoid market fluctuations), improved operations by Licensee or other tangible benefits to Licensee, Licensee will participate in such purchasing program in accordance with the terms of such program.

9.3.4 As a further condition of its approval, Company may require a Supplier to agree in writing: (i) to provide from time to time upon Company's request free samples of any Non-Proprietary Product it intends to supply to Licensee, (ii) to faithfully comply with Company's specifications for applicable Non-Proprietary Products sold by it, (iii) to sell any Non-Proprietary Product bearing the Company's Marks only to franchisees and licensees of Company and only pursuant to a Trademark License Agreement in form prescribed by Company, (iv) to provide to Company duplicate purchase invoices for Company's records and inspection purposes and (v) to otherwise comply with Company's reasonable requests.

9.3.5 Licensee or the proposed distributor shall pay to Company in advance all of Company's reasonably anticipated costs in reviewing the application of the Supplier to service the Licensee and all current and future reasonable costs and expenses, including travel and living costs, related to inspecting, re-inspecting and auditing the Suppliers' facilities, equipment, and food products, and all product testing costs paid by Company to third parties.

9.4 Purchases from Company. All goods, products, and supplies purchased from Company shall be purchased in accordance with the purchase order format issued from time to time by Company, the current form of which shall be set forth in the Manual. Company may change the prices, delivery terms and other terms relating to its sale of goods, products and supplies to Licensee on prior written notice, provided, that such prices

shall be the same as the prices charged to similarly situated licensees and which do not exceed Company's actual direct and reasonable indirect costs therefor (plus the cost of shipping and distribution to Licensee). Company in its discretion, may discontinue the sale of any good, product or supply at any time if in Company's judgment its continued sale becomes unfeasible, unprofitable, or otherwise undesirable. Company shall not be liable to Licensee for unavailability of, or delay in shipment or receipt of, merchandise because of temporary product shortages, order backlogs, production difficulties, delays, unavailability of transportation, fire, strikes, work stoppages, or other causes beyond the reasonable control of Company. Company may act as a Supplier of goods, services, products, and/or supplies purchased by Licensee, may designate itself as the sole Supplier of such goods or services. Licensee agrees to pay promptly the prices as set forth in Company's wholesale catalog, on all goods,

services, products, and supplies purchased from Company. On the expiration or termination of this Agreement, or in the event of any material breach of this Agreement by Licensee, Company shall not be obliged to fill or ship any orders then pending, or in the case of termination or non-renewal, made any time thereafter by Licensee.

9.5 Test Marketing. Company may, from time to time, authorize Licensee to test market products and/or services in connection with the operation of the Store. Licensee shall cooperate with Company in connection with the conduct of such test marketing programs and shall comply with the Company's rules and regulations established from time to time in connection herewith.

ARTICLE 10 REPORTS, BOOKS AND RECORDS, INSPECTIONS

10.1 General Reporting. Licensee shall submit weekly statistical control forms and such other financial, operational and statistical information as Company may require to: (i) assist Licensee in the operation of its Store in accordance with the System; (ii) allow Company to monitor the Licensee's Gross Sales, purchases, costs and expenses; (iii) enable Company to develop chain wide statistics which may improve bulk purchasing; (iv) assist Company in the development of new authorized products or the removal of existing unsuccessful Authorized Jamba Juice® Products; (v) enable Company to refine existing Authorized Jamba Juice® Products; (vi) generally improve chain-wide understanding of the System (collectively, the "Information"). Without limiting the generality of the foregoing:

10.1.1 Unless otherwise agreed by Company in writing, Licensee shall also submit condensed reports of Gross Sales to Company on a daily basis in accordance with the guidelines established by Company. Licensee will electronically link its Store to Company and will allow Company to poll on a daily basis at a time selected by the Company the Licensee's Store computerized POS system to retrieve sales, sales mix, usage, and operations data.

10.1.2 On or before the 10th day following each Accounting Period during the Term, or at such other interval as Company may establish, Licensee shall submit a Gross Sales report signed by Licensee, on a form prescribed by Company, reporting all Gross Sales for the preceding Accounting Period, together with such additional financial information as Company may from time to time request.

10.1.3 On or before the 45th day following each calendar quarter during the Term hereof, Licensee shall submit to Company financial statements for the preceding quarter, including a balance sheet and profit and loss statement, prepared in the form and manner prescribed by the Company and in accordance with generally accepted accounting principles, which shall be certified by the chief financial officer of Licensee (or Licensee, if an individual) to be true, correct and complete.

10.1.4 Within 60 days following the end of each calendar year, Licensee shall submit to Company an unaudited annual financial statement prepared in accordance with generally accepted accounting principles, and in such form and manner prescribed by Company, which shall be certified by Licensee to be accurate and complete. Licensee shall submit to Company a copy of the original signed 1120 or 1120S tax form each and every year or any other forms which take the place of the 1120 or 1120S forms. Licensee shall also provide Company with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate state or local authority. Company

reserves the right to require such further information concerning Licensee's Store as Company may from time to time reasonably request.

10.2 Inspections. Company's authorized representatives shall have the right to enter upon the entire premises of Licensee's Store during business hours, without disrupting Licensee's business operations, to examine same, conferring with Licensee's employees, inspecting and checking operations, food, beverages, furnishings, interior and exterior decor, supplies, fixtures, and equipment, and determining whether the business is being conducted in accordance with this Agreement, the System and the Manuals. If any such inspection indicates any deficiency or unsatisfactory condition with respect to any matter required under this Agreement or the Manuals, including quality, cleanliness, service, health and authorized product line, Company will notify Licensee in writing of Licensee's non-compliance with the Manuals, the System, or this Agreement and Licensee shall promptly correct or repair such deficiency or unsatisfactory condition.

10.3 Audits. Licensee shall prepare, and keep for not less than 3 years following the end of each of its fiscal years, adequate books and records showing daily receipts in, at, and from the "JAMBA JUICE®" Store, applicable sales tax returns (if any), all pertinent original serially numbered sales slips and cash register records, and such other sales records as may be reasonably required by Company from time to time to verify Gross Sales reported by Licensee to Company, in a form suitable for an audit of its records by an authorized auditor or agent of Company. Such information shall be broken down by categories of goods, foods and beverages sold, where possible. Company, its agents or representatives may, at any reasonable time during normal working hours, audit Licensee's books and records in accordance with generally accepted accounting principals. If any audit or other investigation reveals an under-reporting or under-recording error of 5% percent or more, then in addition to any other sums due, the expenses of the audit/inspection shall be borne and paid by Licensee upon billing by Company, plus interest at the highest compound rate authorized by law, but not to exceed the rate of 18% percent per annum.

10.4 Customer Lists. At Company's request, Licensee shall use reasonable efforts to secure the names and addresses of its customers at the "JAMBA JUICE®" Store and shall allow such information to be used by Company.

ARTICLE 11 TRADEMARKS

11.1 Use of Marks. The Store herein licensed and franchised shall be named "JAMBA JUICE®" without any suffix or prefix attached thereto and Licensee shall use and display such of the Company's Marks and such signs, advertising and slogans as Company may from time to time prescribe or approve. Upon expiration or sooner termination of this Agreement, Company may, if Licensee does not do so, execute in Licensee's name and on Licensee's behalf, any and all documents necessary in Company's judgment to end and cause the discontinuance of Licensee's use of the Marks and Company is hereby irrevocably appointed and designated as Licensee's attorney-in-fact so to do. Licensee shall not imprint or authorize any person to imprint any Mark on any product without the express written approval of Company. Licensee shall not use the Marks in connection with any offering of securities or any request for credit without the prior express written approval of Company. Company may withhold

or condition any approval related to the Marks, including those described in this Section, in its discretion.

11.2 Non-Use of Trade Name. If Licensee is a Business Entity, it shall not use Company's Marks, or Company's trade name, or any words or symbols which are confusingly phonetically or visually similar to the Marks, as all or part of Licensee's name.

11.3 Use of Other Trademarks. Licensee shall not display the trademark, service mark, trade name, insignia or logotype of any other person or Business Entity in connection with the operation of the Store without the express prior written consent of Company, which may be withheld in its discretion; provided however, in the case of a Non-Traditional Store, the Premises may (but not the Store) may display the trademarks, service marks and other commercial symbols of Licensee or third parties, in accordance with the terms herein contained.

11.4 Non-ownership of Marks. Nothing herein shall give Licensee, and Licensee shall not assert, any right, title or interest in or to any of the Marks or the goodwill annexed thereto, except a mere privilege and license during the term hereof, to display and use the same according to the terms and conditions herein contained.

11.5 Defense of Marks. If Licensee receives notice, or is informed, of any claim, suit or demand against Licensee on account of any alleged infringement, unfair competition, or similar matter on account of its use of the Marks in accordance with the terms of this Agreement, Licensee shall promptly notify Company of any such claim, suit or demand. Thereupon, Company shall take such action as it may deem necessary and appropriate to protect and defend Licensee against any such claim by any third party; Company shall not be obligated to take any such action, however. Licensee shall not settle or compromise any such claim by a third party without the prior written consent of Company. Company shall have the sole right to defend, compromise or settle any such claim, in its discretion, at Company's sole cost and expense, using attorneys of its own choosing, and Licensee shall cooperate fully with Company in connection with the defense of any such claim. Licensee may participate at its own expense in such defense or settlement, but Company's decisions with regard thereto shall be final.

11.6 Prosecution of Infringers. If Licensee shall receive notice or is informed or learns that any third party, which it believes to be unauthorized to use the Marks, is using the Marks or any variant thereof, Licensee shall promptly notify Company of the facts relating to such alleged infringing use. Thereupon, Company shall, in its discretion, determine whether or not it wishes to take any action against such third person on account of such alleged infringement of the Marks. Licensee shall have no right to make any demand against any such alleged infringer or to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of such infringement.

11.7 Modification of Marks. From time to time, in the Manuals or in directives or bulletins supplemental thereto, Company may add to, delete or modify any or all of the Marks. Licensee shall use, or cease using, as may be applicable, the Marks, including but not limited to, any such modified or additional trade names, trademarks, service marks, logotypes and commercial symbols, in strict accordance with the procedures, policies, rules and regulations contained in the Manuals or in written directives issued by Company to Licensee, as though they were specifically set forth in this Agreement.

Except as Company may otherwise direct, Licensee shall implement any such change within 60 days after notice thereof by Company, at Licensee's expense.

11.8 Acts in Derogation of the Marks. Licensee acknowledges and recognizes Company's exclusive ownership of the Marks and the validity of the Marks, and agrees that its use of the Marks inures to the benefit of Company. Licensee shall not contest or assist anyone in contesting at any time during or after the Term, in any manner, the validity of any Mark or its registration, and shall maintain the integrity of the Marks and prevent their dilution. Licensee shall not do or permit any act or thing to be done in derogation of any of the rights of Company in connection with the same, either during the Term of this Agreement or thereafter, and will use the Marks only for the uses and in the manner licensed hereunder and as herein provided. Without limiting the foregoing, Licensee shall not interfere in any manner with, or attempt to prohibit, the use of Company's Marks by Company or by any other licensee of Company.

11.9 Assumed Name Registration. If Licensee is required to do so by Applicable Law, Licensee shall promptly upon the execution of this Agreement file with applicable Governmental Authorities, a notice of its intent to conduct its business under the name "JAMBA JUICE®". Promptly upon the expiration or termination of this Agreement for any reason whatsoever, Licensee shall promptly execute and file such documents as may be necessary to revoke or terminate such assumed name registration, and if Licensee shall fail to promptly execute and file such documents as may be necessary to effectively revoke and terminate such assumed name registration, Licensee hereby irrevocably appoints Company as its attorney-in-fact to do so for and on behalf of Licensee.

ARTICLE 12 COVENANTS REGARDING OTHER BUSINESS INTERESTS

12.1 Non-Competition. Licensee acknowledges that the Jamba Juice® System has been developed by Company at great effort, time, and expense, and that Licensee has regular and continuing access to valuable and confidential information, training, and trade secrets regarding the Jamba Juice® System. Licensee recognizes its obligations to keep confidential such information as set forth herein. Licensee therefore agrees as follows:

12.1.1 During the Term except with Company's prior written consent, or as expressly permitted hereunder, neither Licensee nor any Affiliate of Licensee, shall, in any capacity whatsoever, either directly or indirectly, engage in the production or sale at retail or wholesale of any smoothie or fresh or frozen fruit juice-type product or any other featured item authorized by Company, now or in the future approved by Company for use in Licensee's Store, or have any employment or interest in any firm engaged in the production or sale of such products; and

12.1.2 To the extent permitted by Applicable Law, during the two (2) year period after (a) the expiration, termination or non-renewal hereof, for any reason, and (b) any Assignment, the neither Licensee nor any Assignor shall, either directly or indirectly, in any capacity whatsoever, either directly or indirectly, engage in the production or sale at retail of any type of smoothie or fresh or frozen fruit juice-type product or any other featured item authorized by Company at the time of expiration, termination, nonrenewal, or Assignment, or have any employment or interest in any business engaged in

the production or sale at retail of any such products, at a site within the Territory or within 5 miles of any other Store then existing, unless Company gives its prior written consent (and except for another Store). For purposes hereof, the term "Assignor" shall include each Owner and Affiliate, and each officer, director (and any individual serving in similar capacity) of each Owner and Affiliate who is involved in an Assignment. In applying for such consent, Licensee will have the burden of establishing that any such activity by it will not involve the use of benefits provided under this Agreement or constitute unfair competition with Company or other licensees of the Company.

12.2 Trade Secrets. Company possesses and continues to develop, and during the course of the relationship established hereunder, Licensee shall have access to certain of the Company's Trade Secrets. Company will disclose certain of its Trade Secrets to Licensee in the Manuals, bulletins, supplements, confidential correspondence, or other confidential communications, and through the Company's training program and other guidance and management assistance, and in performing Company's other obligations and exercising Company's rights under this Agreement.

12.2.1 Licensee shall acquire no interest in the Trade Secrets other than the right to use them in developing and operating the Store during the Term of this Agreement. Licensee shall: (i) not use the Trade Secrets in any business or other endeavor other than in connection with the operation of the Store during the Term; (ii) maintain absolute confidentiality of the Trade Secrets during and after the Term of this Agreement; (iii) make no unauthorized copy of any materials containing in whole or in part the Trade Secrets; and (iv) operate and implement all reasonable procedures prescribed from time to time by Company to prevent unauthorized use and disclosure of the Trade Secrets, including without limitation, restrictions on disclosure to employees and use of non-disclosure and non-competition provisions as Company prescribes in employment agreements with employees who may have access to the Trade Secrets. Promptly upon Company's request, Licensee shall deliver executed copies of such agreements to Company. If Licensee has any reason to believe that any employee has violated the provisions of the confidentiality and noncompetition agreement, Licensee shall promptly notify Company and shall cooperate with Company to protect Company against infringement or other unlawful use including, but not limited to, the prosecution of any lawsuits if, in the reasonable judgment of Company, such action is necessary or advisable.

12.2.2 In view of the importance of the Marks and the Trade Secrets and the incalculable and irreparable harm that would result to the parties in the event of a breach of the covenants and agreements set forth herein in connection with these matters, the parties agree that each party may seek specific performance and/or injunctive relief to enforce the covenants and agreements in this Agreement, in addition to any other relief to which such party may be entitled at law or in equity. Each party submits to the exclusive jurisdiction of the courts of the State of California and the U.S. federal courts sitting in San Francisco, California for purposes thereof. The parties agree that venue for any such proceeding shall be the state and federal courts located in San Francisco, California.

12.3 Confidentiality and Press Releases. Licensee shall not disclose the substance of this Agreement to any third party except as necessary to inform lessors from which it is seeking Leases or Lessors which are parties to Leases in order to obtain renewals of, or avoid terminations of, such Leases or as necessary to obtain any governmental permits, licenses or other approvals, or to the extent required by the lawful order of any court of competent jurisdiction or federal, state, or local agency having jurisdiction over Licensee, provided that Licensee shall give Company prior notice of such disclosure.

Unless disclosure is required by Applicable Law, no public communication, press release or announcement regarding this Agreement, the transactions contemplated hereby or the operation of the Company Store hereunder shall be made by Company or Licensee without the written approval of the other in advance of such press release or announcement. The parties agree to cooperate on any such press releases and other public communications and to coordinate any such public announcements.

12.4 Interference With Employment Relations. Without Company's prior written consent, during the Term of this Agreement (and for 24 months following its termination or expiration), Licensee shall not employ or seek to employ, or otherwise directly or indirectly induce to leave his or her employment, any person who is at the time or was at any time during the prior 6 months employed by Company or any of its Affiliates, or by any person or Business Entity operating a business under a license or franchise from Company in an executive, managerial or operational position. Request for Company's consent shall be sent in writing to Company.

12.5 Effect of Applicable Law. In the event any portion of the covenants in this Article 12 violates laws affecting Licensee, or is held invalid or unenforceable in a final judgment to which Company and Licensee are parties, then the maximum legally allowable restriction permitted by law shall control and bind Licensee. Company may at any time unilaterally reduce the scope of any part of the above covenants, and Licensee shall comply with any such reduced covenant upon receipt of written notice.

12.6 Licensee's Affiliates. For purposes of this Article only, "Licensee" and "Assignor" shall mean and include the individual Licensee and Licensee's spouse and minor children if Licensee is an individual, and its Owners and Affiliates, and their respective officers and directors (or other individuals serving in similar capacity) if Licensee is a Business Entity. In no event shall the term "Licensee" or "Assignor" refer to Company or any of its direct or indirect Owners or subsidiaries, or the officers or directors (or other individuals serving in similar capacity) of any of them, even if Company owns an equity or other pecuniary interest in Licensee.

ARTICLE 13 NATURE OF INTEREST, ASSIGNMENT

13.1 Assignment by Company. Company shall have the right to transfer or assign any of its rights or delegate any of its obligations under this Agreement to any person or legal entity who assumes its terms and agrees to comply with Company's obligations contained herein. Company shall have no liability for the performance of any obligations contained in this Agreement after the effective date of such transfer or assignment.

13.2 Assignment by Licensee. The rights and duties created by this Agreement are personal to Licensee. Accordingly, except as otherwise may be permitted herein, neither Licensee nor any person with an interest in Licensee (other than Company, if applicable) shall, without Company's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest in this Agreement or in the assets of the Store other than the sale of Authorized Jamba Juice® Products in the ordinary course (an "Assignment"). Any such purported Assignment occurring by operation of law or otherwise without Company's prior written consent shall

constitute a default of this Agreement by Licensee, and shall be null and void. Except in the instance of Licensee advertising to sell its Store and assign this Agreement in accordance with the terms hereof, Licensee shall not, without Company's prior written consent, offer for sale or transfer at public or private auction or advertise publicly for sale or transfer, the furnishings, interior and exterior decor items, supplies, fixtures, equipment, Licensee's lease, sublease or the real or personal property used in connection with Licensee's Store.

If Licensee is a Business Entity, any sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of 50% or more of the outstanding and issued stock or other ownership interest of Licensee by one or more transfers, or any other event(s) or transaction(s) which, directly or indirectly, effectively changes management control of Licensee shall constitute an "Assignment" hereunder. Company will not unreasonably withhold its consent to any transfer or assignment which is subject to the restrictions of this Article, provided however, Company may impose any reasonable condition to the granting of its consent, and requiring Licensee to satisfy any or all of the following conditions shall be deemed reasonable:

13.2.1 Licensee's written request for Company's consent to Assignment must be accompanied by a detailed description of the price and all material terms and conditions of the proposed Assignment and the identity of the proposed assignee. Licensee shall promptly provide Company with such additional information as Company may, from time to time, thereafter request. Company shall have the right and option, exercisable within 15 days after receipt of such written notification, to send written notice to Licensee or such person that Company or its third-party designee, intends to purchase the interest which is proposed to be transferred, on the same terms and conditions offered by the third party, provided that the Company may substitute equivalent cash (as determined by Company) for any non-cash form of payment proposed in such offer. If Company accepts such offer, the training and transfer/administrative fees due by Licensee in accordance with Section 13.2.9 shall be waived by Company. Any material change in the terms of an offer prior to closing shall cause it to be deemed a new offer, subject to the same right of first refusal by Company, or its third-party designee, as in the case of the initial offer. Company's failure to exercise such option shall not constitute a waiver of any other provision of this Agreement, including any of the requirements of this Article with respect to the proposed transfer;

13.2.2 The Licensee shall not be in default under the terms of this Agreement (or any other related agreement), the Manuals or any other obligations owed Company, and all of its then-due monetary obligations to Company shall have been paid in full;

13.2.3 The Licensee and its Owners (other than Company, and its Affiliates, if otherwise applicable), if the Licensee is a Business Entity, shall execute a general release under seal, in a form prescribed by Company, of any and all claims against Company, its Affiliates, Owners, directors, officers, agents and employees;

13.2.4 The transferee/assignee shall have demonstrated to Company's satisfaction that it meets all of Company's then-current requirements for new operators or for holders of an interest in a franchise or license, including, without limitation, possession of good moral character and reputation, satisfactory credit ratings, acceptable business qualifications, and the ability to fully comply with the terms of this Agreement;

13.2.5 The transferee/assignee shall have either (a) assumed this Agreement by a written assumption agreement approved by Company, or has agreed to do so at closing, and at closing executes an assumption agreement approved by Company; provided however, that such assumption shall not relieve Licensee (as transferor/assignor) of any such obligations; or (b) at Company's option, the transferee/assignee shall execute a replacement license agreement on the then-standard license agreement form used by Company. If this Agreement has been executed pursuant to a Multi-Unit License Agreement, the Licensee must concurrently transfer/assign to the same assignee that agreement and all license agreements executed pursuant thereto; provided, however, if the Development Market under the Multi-Unit License Agreement comprises more than one DMA (as defined from time to time by A. C. Nielsen Company), then following the 10th anniversary of the effective date of such Multi-Unit License Agreement, Licensee may concurrently transfer/assign to the same assignee this Agreement and all other license agreements for Stores which are located in the same DMA if said Multi-unit License agreement is terminated simultaneously by mutual consent of Company and Licensee.

13.2.6 The assignee shall agree to refurbish the "JAMBA JUICE®" Store as needed (in Company's discretion) to match the building design, trade dress, color scheme and presentation then used by JAMBA JUICE® in 50% or more of its "JAMBA JUICE®" Stores (such refurbishment may include, without limitation, structural changes, remodeling, redecoration and modifications to existing improvements);

13.2.7 There shall not be any suit, action, or proceeding pending, or to the knowledge of Licensee any suit, action, or proceeding threatened, against Licensee with respect to the "JAMBA JUICE®" Store.

13.2.8 The transferee/assignee, its manager or other employees responsible for the operation of the Store shall have satisfactorily completed Company's Initial Training Program;

13.2.9 Upon submission Licensee's request for Company's consent to any proposed transfer or assignment, Licensee shall pay to Company an administrative/transfer fee of \$10,000 plus Company's out of pocket costs associated with the transfer, including, without limitation, costs of attorneys' fees associated with the transfer; and

13.2.10 The Licensee and each Assignor shall execute a non-competition covenant in favor of Licensor and the assignee/transferee as described in Section 12.1.2.

13.3 No Waiver. Company's consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party arising out of this Agreement or otherwise, including (a) any payment or other duty owed by Licensee to Company under this Agreement before such Assignment; or (b) Licensee's duty of indemnification and defense as set forth in Section 17.2 hereof, whether before or after such Assignment, or (c) the obligation to obtain Company's consent to any subsequent transfer. Further, Company's consent to transfer shall not constitute a waiver or release of any guaranty executed pursuant to this Agreement or any Multi-unit License Agreement.

ARTICLE 14
DEFAULT AND TERMINATION

14.1 General. Company shall have the right to terminate this Agreement only for "cause". "Cause" is hereby defined as a material breach of this Agreement. Company shall exercise its right to terminate this Agreement upon notice to Licensee upon the following circumstances and manners.

14.2 Automatic Termination Without Notice. Subject to Applicable Laws of the jurisdiction in which Licensee's Store is located to the contrary, Licensee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Licensee if: (i) Licensee shall be adjudicated bankrupt or judicially determined to be insolvent (subject to any contrary provisions of any applicable state or federal laws), shall admit to its inability to meet its financial obligations as they become due, or shall make a disposition for the benefit of its creditors; (ii) Licensee shall allow a judgment against him in the amount of more than \$5,000 to remain unsatisfied for a period of more than 30 days (unless a supersedeas or other appeal bond has been filed); (iii) if the Store, the Premises or the Licensee's assets are seized, taken over or foreclosed by a government official in the exercise of its duties, or seized, taken over, or foreclosed by a creditor or lienholder provided that a final judgment against the Licensee remains unsatisfied for 30) days (unless a supersedes or other appeal bond has been filed); (iv) if a levy of execution of attachment has been made upon the license granted by this Agreement or upon any property used in the Store, and it is not discharged within 5 days of such levy or attachment; (v) if Licensee permits any mechanics lien to attach to the Store or to any equipment; (vi) allows or permits any judgment to be entered against Company or its Affiliates, arising out of or relating to the operation of Licensee's Store; (vii) a condemnation or transfer in lieu of condemnation; (viii) the withdrawal of permission from the applicable Lessor that results in Licensee's inability to continue operation of the "JAMBA JUICE®" Store; (ix) casualty damage to the "JAMBA JUICE®" Store that cannot reasonably be repaired or replaced within 30 days; or (x) closing of the "JAMBA JUICE®" Store required by law if such closing was not the result of a violation by Company.

14.3 Option to Terminate Without Notice. Licensee shall be deemed to be in default and Company may, at its option, terminate this Agreement and all rights granted hereunder, without affording Licensee any opportunity to cure the default, effective immediately upon receipt of notice by Company upon the occurrence of any of the following events:

14.3.1 Abandonment. If Licensee shall abandon the Store. For purposes of this Agreement, "abandon" shall refer to (i) Licensee's failure, at any time during the term of this Agreement, to keep the Premises or Store open and operating for business for a period of 5 consecutive days, except as provided in the Manuals, (ii) Licensee's failure to keep the Premises or Store open and operating for any period after which it is not unreasonable under the facts and circumstances for Company to conclude that Licensee does not intend to continue to operate the Store, unless such failure to operate is due to fire, flood, earthquake or other similar causes beyond Licensee's control, (iii) failure to actively and continuously maintain and answer the telephone listed by Licensee for the Store solely with the "JAMBA JUICE®" name;

14.3.2 Assignment, Death or Incapacity. If Licensee shall purport to sell, assign, transfer or encumber in whole or in part the Store, or any substantial portion of its assets, without the prior written consent of Company; provided, however, that on written request and on condition that the Store

continues to be operated in conformity with this Agreement, (i) upon the death or legal incapacity of a Licensee who is an individual, Company shall allow up to 6 months after such death or legal incapacity for the heirs, personal representatives, or conservators (the "Heirs") of Licensee either to enter into a new license agreement upon Company's then current form (except that no initial fee or transfer fee shall be charged), if Company is subjectively satisfied that the Heirs meet Company's standards and qualifications, or if not so satisfied to allow the Heirs to sell the Store to a person approved by Company, or (ii) upon the death or legal incapacity of a member or stockholder owning 50% or more of the capital stock, membership interests or voting power of a corporate or limited liability company Licensee, or a general or limited partner owning 50% or more of any of the Partnership Rights of a Licensee which is a Partnership, Company shall allow a period of up to 6 months after such death or legal incapacity for the Heirs to seek and obtain Company's consent to the transfer or Assignment of such stock, membership interests or Partnership Rights to the Heirs or to another person acceptable by Company. If, within said 6 month period, said Heirs fail either to enter into a new license agreement or to sell the Store to a person approved by Company pursuant to Section 13.2, or fail either to receive Company's consent to the transfer or Assignment of such stock, membership interest or Partnership Rights to the Heirs or to another person acceptable by Company, as provided in Section 13.2, this Agreement shall thereupon automatically terminate;

14.3.3 Repeated Defaults. If Licensee shall default in any material obligation as to which Licensee has previously received 3 or more written notices of default from Company setting forth the material breach complained of within the preceding 12 months, such repeated course of conduct shall itself be grounds for termination of this Agreement without further notice or opportunity to cure;

14.3.4 Misrepresentation. If Licensee makes any material misrepresentations relating to the acquisition of the Store.

14.3.5 Violation of Law. If Licensee fails, for a period of 10 days after having received notification of noncompliance from Company or any governmental or quasi-governmental agency or authority, to comply with any federal, state or local law or regulation applicable to the operation of the Store;

14.3.6 Health or Safety Violations. Licensee's conduct of the Store licensed pursuant to this Agreement is so contrary to this Agreement, the System and the Manuals as to constitute an imminent danger to the public health (for example, selling spoiled food knowing that the food products are spoiled or allowing a dangerous condition arising from a lack of security for customers to continue despite Licensee's knowledge of such condition), or selling regularly unauthorized products to the public after notice of default and continuing to sell such products whether or not Licensee has cured the default after one or more notices;

14.3.7 Under Reporting. If an audit or investigation conducted by Company hereof discloses that Licensee has knowingly maintained false books or records, or submitted false reports to Company, or knowingly understated its Gross Sales or withheld the reporting of same as herein provided;

14.3.8 Criminal Offenses. If Licensee or any of its officers, directors, or key employees is convicted of or pleads guilty or nolo contendere to a felony or any other crime or offense that is

reasonably likely, in the sole opinion of Company, to adversely affect the Company's reputation, System, Marks or the goodwill associated therewith, or Company's interest therein;

14.3.9 Assignment Without Consent. If Licensee purports to make any Assignment without Company's prior written consent or in violation of the terms of Section 13.2 of this Agreement;

14.3.10 Intellectual Property Misuse. If Licensee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or Company's rights therein, or which reflects materially and unfavorably upon the operation and reputation of the Store or System. Licensee's unauthorized use, disclosure, or duplication of the "Trade Secrets", excluding independent acts of employees or others if Licensee exercised its best efforts to prevent such disclosures or use;

14.3.11 Failure to Commence Operations. Licensee's failure to carry out all necessary construction and fixturation of the Store at the Location and commence operations within 180 days following the Effective Date.

14.4 Termination With Notice and Opportunity To Cure. Except for any default by Licensee under Sections 14.2 or 14.3, or as otherwise expressly provided in this Agreement, Licensee shall have 10 days (5 days in the case of any default in the timely payment of sums due to Company or its Affiliates), after Company's written notice of default within which to remedy any default under this Agreement, and to provide evidence of such remedy to Company. If any such default is not cured within that time period, or such longer time period as Applicable Law may require or as Company may specify in the notice of default, this Agreement and all rights granted by it shall thereupon automatically terminate without further notice or opportunity to cure.

14.5 Reimbursement of Company Costs. In the event of a default by Licensee, all of Company's costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of Company's administrative employees shall be paid to Company by Licensee within 5 days after cure.

14.6 Cross-Default. Except for a default or termination of any multi-unit license agreement or other multi-unit agreement solely due to Licensee's failure to meet the development schedule thereunder, any material default by Licensee under the terms and conditions of this Agreement, any Lease, or any other agreement between Company, or its Affiliate, and Licensee, or any default by Licensee of its obligations to any Advertising Cooperative of which it is a member, shall be deemed to be a material default of each and every said agreement. Furthermore, in the event of termination, for any cause, of this Agreement or any other agreement between the parties hereto, Company may, at its option, terminate any or all said agreements.

14.7 Notice Required By Law. Notwithstanding anything to the contrary contained in this Article 16, in the event any valid, Applicable Law of a competent Governmental Authority having jurisdiction over this Agreement and the parties hereto shall limit Company's rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations. Company shall not, however, be precluded from contesting the validity,

enforceability or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

14.8 Termination by Licensee. Licensee may terminate this Agreement due to a material default by Company of its obligations hereunder, which default is not cured by Company within 60 days after Company's receipt of prompt written notice by Licensee to Company detailing the alleged default with specificity; provided, that if the default is such that it cannot be reasonably cured within such 60 day period, Company shall not be deemed in default for so long as it commences to cure such default within 60 days and diligently continues to prosecute such cure to completion.

ARTICLE 15 RIGHTS AND OBLIGATIONS UPON TERMINATION

15.1 General. Upon the expiration or termination of Licensee's rights granted under this Agreement:

15.1.1 Licensee shall immediately cease to use all Trade Secrets, the Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia. Licensee shall immediately return the Manuals and all written materials incorporating Trade Secrets and any copies thereof to Company. Licensee shall at its own cost, make cosmetic changes to Licensee's Store so that it no longer contains or resembles Company's proprietary designs, including: Licensee shall remove all "JAMBA JUICE®" identifying materials and distinctive "JAMBA JUICE®" cosmetic features and finishes, interior wall coverings and colors, exterior finishes and colors, signage and "JAMBA JUICE®" counter equipment (which shall be deemed proprietary to Company) from the Location as Company may reasonably direct.

15.1.2 If Company so elects, at its sole option, upon any termination or expiration of this Agreement, Licensee will sell to Company such equipment and furnishings as Company may designate that are associated with the "JAMBA JUICE®" Store at its net book value, using a 5-year straight line amortization period. Company shall have no other payment obligations to Licensee, and Licensee specifically waives any and all claims to be paid for other equipment, furnishings, fixtures, products, supplies or the goodwill associated with the terminated "JAMBA JUICE®" Store (which goodwill Licensee acknowledges is owned exclusively by Company). Company may offset against any obligations it may have pursuant to this Section any amounts owed by Licensee to Company.

15.1.3 Company may retain all fees paid pursuant to this Agreement, and Licensee shall immediately pay any and all amounts owing to Company or its Affiliates.

15.1.4 Any and all obligations of Company to Licensee under this Agreement shall immediately cease and terminate.

15.1.5 Any and all rights of Licensee under this Agreement shall immediately cease and terminate, and Licensee shall immediately cease representing itself as then or formerly a licensee or Affiliate of Company.

15.1.6 Company shall have the option, exercisable by written notice within 30 days after the termination of this Agreement, to take an assignment of all telephone numbers (and associated listings) for Licensee's Store, and Licensee shall notify the telephone company and all listing agencies of the termination or expiration of Licensee's right to use any telephone number and any classified or other telephone directory listings associated with the "JAMBA JUICE®" Store, and authorize and instruct their transfer to Company. Licensee shall deliver all goods and materials containing the Marks to Company and Company shall have the sole and exclusive use of any items containing the Marks. Licensee is not entitled to any compensation from Company if Company exercises this option.

15.2 Survival of Obligations. Termination or expiration shall be without prejudice to any other rights or remedies that JAMBA JUICE® or Licensee, as the case may be, shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Licensee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which constitute post-termination covenants and agreements including the obligation of Company and Licensee to arbitrate any and all disputes shall survive the termination or expiration of this Agreement.

15.3 No Ownership of Marks. Licensee acknowledges and agrees that rights in and to Company's Marks and the use thereof shall be and remain the property of Company.

15.4 Government Filings. In the event Licensee has registered any of Company's Marks or the name "JAMBA JUICE®" as part of Licensee's assumed, fictitious or corporate name, Licensee shall promptly amend such registration to delete Company's Marks and any confusingly similar marks or names therefrom.

ARTICLE 16 INSURANCE

16.1 Insurance. Licensee shall obtain and maintain (at all times during the Term) insurance coverage in the types and amounts of coverage and deductibles specified in the Manuals which shall in each instance designate Company and designated Affiliates of Company as additional named insureds, with an insurance company approved by Company, which approval shall not be unreasonably withheld.

16.2 Use of Proceeds. In the event of damage to the Store covered by insurance, the proceeds of any such insurance shall be used to restore the Store to its original condition as soon as possible, unless such restoration is prohibited by the Location lease or Company has otherwise consented to in writing. Upon the obtaining of such insurance, Licensee shall promptly provide to Company proof of such insurance coverage and/or at such other times upon the request of Company.

16.3 Proof of Insurance. Licensee shall, prior to opening its Store, (and from time to time, within 10 days after a request therefor from Company, and annually thereafter evidence of the renewal or extension of each insurance policy) file with Company, certificates of such insurance and shall promptly pay all premiums on the policies as they become due. In addition, the policies shall contain a provision requiring 30 days prior written notice to Company of any proposed cancellation, modification, or termination of insurance. If Licensee fails to obtain and maintain the required insurance, Company may, at its option, in addition to any other rights it may have, procure such insurance for Licensee

without notice and Licensee shall pay, upon demand, the premiums and Company's costs in taking such action.

ARTICLE 17 RELATIONSHIP OF PARTIES, DISCLOSURE

17.1 Relationship of Licensee to Company. It is expressly agreed that the parties intend by this Agreement to establish between Company and Licensee the relationship of franchisor and franchisee. It is further agreed that Licensee has no authority to create or assume in Company's name or on behalf of Company, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Company for any purpose whatsoever. Neither Company nor Licensee is the employer, employee, agent, partner or co-venturer of or with the other, each being independent. Licensee agrees that it will not hold himself out as the agent, employee, partner or co-venturer of Company. All employees hired by or working for Licensee shall be the employees of Licensee and shall not, for any purpose, be deemed employees of Company or subject to Company control. Each of the parties shall file its own tax, regulatory and payroll reports with respect to its respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever by virtue thereof. Neither shall have the power to bind or obligate the other except specifically as set forth in this Agreement. Company and Licensee agree that the relationship created by this Agreement is not a fiduciary relationship. Licensee shall not, under any circumstances, act or hold itself out as an agent or representative of Company.

17.2 Indemnity.

17.2.1 Licensee shall protect, defend and indemnify Company, and all of its past, present and future direct and indirect Owners, Affiliates, officers, directors, employees, attorneys and designees, and each of them, and hold them harmless from and against any and all costs and expenses, including attorneys' fees, court costs, losses, liabilities, damages, claims and demands of every kind or nature on account of any actual or alleged loss, injury or damage to any person or Business Entity or to any property arising out of or in connection with Licensee's operation of the Premises, or the Store pursuant hereto, except to the extent caused by Company's intentional misfeasance, gross negligence or material breach of its obligations under this Agreement.

17.2.2 Company shall protect, defend and indemnify Licensee, its direct and indirect Owners, Affiliates, officers, directors, employees and attorneys and each of them, from any liability or damage any of them may incur, including reasonable attorneys fees, as a result of third party claims, demands, costs, or judgments of any kind or nature, arising out of Company's intentional misfeasance, gross negligence or material breach of its obligations under this Agreement, except to the extent caused by Licensee's intentional misfeasance, gross negligence or material breach of its obligations under this Agreement.

17.2.3 Each party entitled to indemnification hereunder shall give the indemnifying party prompt written notice of any claim for which the indemnified party demands indemnity (provided that such obligation shall not constitute a condition to the indemnifying party's indemnification obligation unless the indemnifying party has been materially harmed by such delay). Company shall retain the full right and power to direct, manage, control and settle the litigation of any

claim. Each indemnified party shall submit all indemnifiable claims to its insurers in a timely manner. Any payments made by an indemnified party shall be net of benefits received by any indemnified party on account of insurance in respect of such claims.

**ARTICLE 18
DISPUTE RESOLUTION:
ARBITRATION AND LEGAL PROCEEDINGS**

18.1 General. Except as provided in Sections 18.2 and 18.3 and except as precluded by Applicable Law, any controversy or claim between Company and Licensee arising out of or relating to this Agreement or any alleged breach hereof, including any issues pertaining to the arbitrability of such controversy or claim and any claim that this Agreement or any part hereof is invalid, illegal, or otherwise voidable or void, shall be submitted to binding arbitration conducted before and in accordance with the Commercial Rules of the American Arbitration Association ("AAA"), by one arbitrator selected by Company and Licensee. Judgment upon any award rendered may be entered in any Court having jurisdiction thereof. Except to the extent prohibited by Applicable Law, (a) the proceedings shall be held in San Francisco, California; (b) all arbitration proceedings and claims shall be filed and prosecuted separately and individually in the name of Licensee and Company, and not in any representative capacity, and shall not be consolidated with claims asserted by or against any other licensee, and (c) arbitrator shall have no power or authority to grant punitive or exemplary damages as part of its award. In no event may the material provisions of this Agreement including, but not limited to the method of operation, authorized product line sold or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals be modified or changed by the arbitrator at any arbitration hearing. The substantive law applied in such arbitration shall be as provided in Section 19.7 below. The arbitration and the parties' agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. The arbitral decision shall be binding and conclusive on the parties. A judgment confirming the award may be given by any California court having jurisdiction, or that court may vacate, modify, or correct the award in accordance with the prevailing provisions of the California statute governing arbitration. All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained herein shall be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*), notwithstanding any provision of this Agreement specifying the state law under which this Agreement shall be governed and construed.

18.2 Exceptions to Arbitration. The arbitration provision in Section 18.1 shall not apply to any action for injunctive or other provisional relief including but not limited to enforcement of liens, security agreements, or attachment, as Company deems to be necessary or appropriate to compel Licensee to comply with Licensee's obligations to the Company and/or to protect the Marks of the Company. Any claim or dispute involving or contesting the validity of any of the Marks shall not be subject to arbitration.

18.3 Mediation. Notwithstanding anything to the contrary in Article 18.1, before either party may initiate any arbitration proceeding pursuant to Article 18.1, the parties pledge to attempt first to resolve the controversy or claim arising out of or relating to this Agreement ("Dispute") pursuant to mediation conducted in accordance with the Commercial Mediation Rules of the AAA unless the parties agree on alternative rules and a mediator within 15 days after either party first gives notice of mediation.

The fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, expert or counsel for any party with respect to the Dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under California and other Applicable Laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation.

18.4 Survival. The terms of this article shall survive termination, expiration or cancellation of this Agreement.

ARTICLE 19 MISCELLANEOUS PROVISIONS

19.1 Notices Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered at the time delivered by hand, one business day after transmission by facsimile, telegraph or other electronic system (with confirmation copy sent by regular U.S. mail), or 3 business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed as follows:

If to Company: Jamba Juice® Company
 1700 17th Street
 San Francisco, CA 94103
 Attn: Vice President, Franchise Operations
 Facsimile No.: (415) 865-1293

With copy (which shall not constitute notice) to:

Kenneth R. Costello, Esq.
Jenkins & Gilchrist, LLP
12100 Wilshire Blvd., Fifteenth Floor
Los Angeles, CA 90025-7120
Facsimile No.: (310) 820-8859

If to Licensee: _____

Facsimile No: _____

Any party may change his or its address by giving 10 days prior written notice of such change to all other parties.

19.2 Company's Right To Cure Defaults. In addition to all other remedies herein granted if Licensee shall default in the performance of any of its obligations or breach any term or condition of this Agreement or any related agreement, Company may, at its election, immediately or at

any time thereafter, without waiving any claim for breach hereunder and without notice to Licensee, cure such default for the account and on behalf of Licensee, and the cost to Company thereof shall be due and payable on demand and shall be deemed to be additional compensation due to Company hereunder and shall be added to the amount of compensation next accruing hereunder, at the election of Company.

19.3 Waiver and Delay. No waiver by Company of any breach or series of breaches or defaults in performance by Licensee, and no failure, refusal or neglect of Company to exercise any right, power or option given to it hereunder or under any other franchise or license agreement between Company and Licensee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Store) or to insist upon strict compliance with or performance of Licensee's obligations under this Agreement, any other franchise or license agreement between Company and Licensee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Store) or the Manuals, shall constitute a waiver of the provisions of this Agreement or the Manuals with respect to any subsequent breach thereof or a waiver by Company of its right at any time thereafter to require exact and strict compliance with the provisions thereof. Company will consider written requests by Licensee for Company's consent to a waiver of any obligation imposed by this Agreement. Licensee agrees, however, that Company is not required to act uniformly with respect to waivers, requests and consents as each request will be considered on a case by case basis, and nothing shall be construed to require Company to grant any such request. Any waiver granted by Company shall be without prejudice to any other rights Company may have, will be subject to continuing review by Company, and may be revoked, in Company's discretion, at any time and for any reason, effective upon 10 days prior written notice to Licensee. Company makes no warranties or guarantees upon which Licensee may rely, and assumes no liability or obligation to Licensee by providing any waiver, approval, consent, assistance, or suggestion to Licensee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request.

19.4 Survival of Covenants. The covenants contained in this Agreement which, by their terms, require performance by the parties after the expiration or termination of this Agreement, shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

19.5 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Company and Licensee and its or their respective heirs, executors, administrators, successors and assigns, subject to the restrictions on Assignment contained herein.

19.6 Joint and Several Liability. If Licensee consists of more than one person or entity, or a combination thereof, the obligations and liabilities of each such person or entity to Company are joint and several.

19.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, except for the provisions in Article 12 which shall be governed by the laws of the state in which the Store is located.

19.8 Entire Agreement. This Agreement contains all of the terms and conditions agreed upon by the parties hereto with reference to the subject matter hereof. No other agreements oral or otherwise shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understandings and representations are merged herein and superseded hereby. Licensee represents that there are no contemporaneous agreements or understandings relating to the subject matter hereof between the parties that are not contained herein. No officer or employee or agent of Company has any authority to make any representation or promise not contained in this Agreement or in any Offering Circular for prospective franchisees required by Applicable Law, and Licensee agrees that it has executed this Agreement without reliance upon any such representation or promise. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto.

19.9 Titles For Convenience. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

19.10 Gender And Construction. The terms of all Exhibits hereto are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full herein. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or Section hereof may require. As used in this Agreement, the words "include," "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided herein to the contrary, any consent, approval, acceptance or authorization of Company which Licensee may be required to obtain hereunder may be given or withheld by Company in its sole discretion, and on any occasion where Company is required or permitted hereunder to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Company's standards or satisfaction, or is otherwise acceptable, Company may do so in its sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the drafter hereof, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto. Company and Licensee intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

19.11 Severability. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement or the Manuals and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement or the Manuals thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. If any part, article, section, sentence or clause of this Agreement or the Manuals shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

19.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

19.13 Fees and Expenses. If any party to this Agreement shall bring any arbitration, action or proceeding for any relief against the other, declaratory or otherwise, arising out of this Agreement, the losing party shall pay to the prevailing party a reasonable sum for attorney fees and costs incurred in bringing or defending such arbitration, action or proceeding and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such arbitration, action or proceeding and shall be paid whether or not such action or proceeding is prosecuted to final judgment. Any judgment or order entered in such action or proceeding shall contain a specific provision providing for the recovery of attorney fees and costs, separate from the judgment, incurred in enforcing such judgment. The prevailing party shall be determined by the trier of fact based upon an assessment of which party's major arguments or positions taken in the proceedings could fairly be said to have prevailed over the other party's major arguments or positions on major disputed issues. For the purposes of this Section, attorney fees shall include, without limitation, fees incurred in the following: (1) post-judgment motions; (2) contempt proceedings; (3) garnishment, levy, and debtor and third party examinations; (4) discovery; and (5) bankruptcy litigation. This Section is intended to be expressly severable from the other provisions of this Agreement, is intended to survive any judgment and is not to be deemed merged into the judgment.

19.14 Waiver of Jury. IN ALL CASES, LICENSEE AND COMPANY EACH WAIVES ANY RIGHT TO A TRIAL BY JURY.

19.15 Estoppel. Upon Company's request, Licensee shall, within 5 days prior to an Assignment or at any other time promptly following Company's request, furnish Company with an estoppel agreement indicating any and all causes of action, if any, that Licensee may have against Company or if none exist, so stating, and a list of all Owners having an interest in this Agreement (and any other agreement between Licensee (or its Affiliates) and Company) or in Licensee, the percentage interest of each Owner, and a list of all officers and directors, in such form as Company may require.

ARTICLE 20 SUBMISSION OF AGREEMENT

20.1 General. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Company and Licensee. This agreement shall not be binding on Company unless and until it shall have been accepted and signed on its behalf by a duly authorized officer of Company.

ARTICLE 21 ACKNOWLEDGMENT

21.1 General. Licensee, and its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that they have obtained the advice of counsel in connection with

entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby.

21.2 Due Execution. The submission of this Agreement to Licensee does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Company and Licensee.

IN WITNESS WHEREOF, the parties hereof have executed this Agreement as of the Effective Date.

“Company”

JAMBA JUICE® COMPANY

By: _____

Its: _____

“Licensee”

By: _____

Its: _____

EXHIBIT A
Territory for Store