



To: Issam Ozeir

From: Schuyler “Rocky” Reidel, Reidel Law Firm

Date: April 24, 2025

Re: Default Notice – Failure to Meet Brand Standards, Unsafe Operations

I am the attorney representing Qargo Coffee Inc., the owner of the Franchise System which operates the Qargo Coffee brand. It has come to our attention that your franchise unit operating in Tampa, Florida has been violating various system standards and directives. These violations have been ongoing for sometime. Recently a customer relayed details and pictures of the use of non-branded and unapproved plastic cups and unapproved french fry bags as food packaging. The use of unapproved products for food packaging represents a serious health/sanitation violation and is a violation of the terms of your Franchise Agreement.

This letter is to inform you of your continued failure to comply with Qargo Coffee standards and requirements and that your 7 day default notice and cure period has begun.

This notice and cure period is pursuant to clause 15.2.1 in your Franchise Agreement. Your use of unapproved food packaging products is in violation of several provisions in the Franchise Agreement including: 15.2.1.15, 15.2.1.18, 15.2.2.3. Please review your Franchise Agreement and these provisions.

Additionally, there have been ongoing concerns regarding other areas of noncompliance that have not been sufficiently addressed. These include:

- **Delayed Equipment Installations:** Despite repeated communications from the franchisor, including emails from Mark Bass, there has been an unacceptable delay in the installation of the required oven and other machines. As of February 2025, no progress has been made to meet the franchise specifications, further impacting your compliance with franchise operational standards.
- **Failure to Address Prior Notifications:** As evidenced by the delayed responses to the franchisor’s emails, the lack of timely communication and follow-through has been a continuous concern. The franchisor has made multiple attempts to resolve these issues, but your failure to act promptly has resulted in the current default situation.

To cure the defaults mentioned above and avoid the immediate termination of your Franchise Agreement, we urge you to take immediate corrective actions. Specifically, you must:

- Cease using unapproved products and packaging without delay,

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- Install the required equipment and machinery at your location per the franchise specifications, and
- Establish more effective communication with the franchisor to ensure timely responses moving forward.

To cure the above mentioned default and avoid immediate termination of your Franchise Agreement, you should take immediate steps to cease any improper use of unapproved products and materials. These actions must be taken immediately. Failure to cease your actions will result in the immediate termination of your Franchise Agreement and in the commencement of legal proceedings against Issam Ozeir and the personal guarantors.

It is Qargo Coffee's wish to resolve this matter amicably. Please feel free to contact me by email at schuyler@reidellawfirm.com or by phone at: (832)510-3292 to discuss this matter.

Schuyler Reidel

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