FRANCHISE DISCLOSURE DOCUMENT

ALLEGRA NETWORK LLC
a Michigan Limited Liability Company
47585 Galleon Drive
Plymouth, Michigan 48170-2466
(800) 726-9050
www.alliancefranchisebrands.com

As a franchise member, you will market a full range of marketing and business communication services to businesses and the general public.

The total initial investment necessary to acquire an independent business and transition such business to an Allegra Center under our MatchMaker® program ranges from $126,822 to $373,911. This includes $59,000 to $64,580 that must be paid to the franchisor or its affiliates.

We also offer a franchise to qualified candidates that own an independent business to retain ownership of the business and transition the existing business to an Allegra Center through our Advantage program. The total investment necessary to transition your existing business to an Allegra Center through our Advantage program ranges from $30,872 to $237,846. This includes $17,500 to $23,080 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Legal and Franchise Compliance Department at 47585 Galleon Drive, Plymouth, Michigan 48170-2466, (800) 726-9050.

The terms of your contract will govern your franchise relationship. Don't rely on this Franchise Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Franchise Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Franchise Disclosure Document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this Franchise Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

ISSUANCE DATE: March 28, 2019, as amended July 2, 2019

STATE COVER PAGE

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

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

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

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

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION OR LITIGATION ONLY IN MICHIGAN. OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN MICHIGAN THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT STATES THAT MICHIGAN LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. IF YOU ARE A BUSINESS ENTITY, YOUR OWNERS WILL HAVE TO GUARANTY YOUR OBLIGATIONS AND BE BOUND BY THE PROVISIONS OF OUR FRANCHISE AGREEMENT. THE SPOUSES OF THE OWNERS WILL ALSO BE REQUIRED TO CONSENT TO THE GUARANTY, WHICH PLACES THE SPOUSES' MARITAL ASSETS AT RISK.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more franchise brokers or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

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

STATE EFFECTIVE DATES

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

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

California effective date:	April 10, 2019, as amended _____, 2019
Hawaii effective date:	_____
Illinois effective date:	March 29, 2019, as amended July 3, 2019
Indiana effective date:	March 29, 2019, as amended July 2, 2019
Maryland effective date:	_____, 20__
Michigan effective date:	March 28, 2019, as amended July 2, 2019
Minnesota effective date:	_____, 20__
New York effective date:	May 21, 2019, as amended _____, 2019
North Dakota effective date:	April 9, 2019, as amended _____, 2019
Rhode Island effective date:	April 2, 2019, as amended _____, 2019
South Dakota effective date:	March 29, 2019, as amended July 2, 2019
Virginia effective date:	April 12, 2019, as amended _____, 2019
Washington effective date:	_____, 20__
Wisconsin effective date:	March 28, 2019, as amended July 2, 2019

In all other states that do not require registration, the effective date of this Disclosure Document is the issuance date of March 28, 2019, as amended July 2, 2019.

THE FOLLOWING APPLY TO
TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

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

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

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

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

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

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

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

Michigan Attorney General's Office
Consumer Protection Division
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
Telephone Number: 517-373-7117

Note: Despite subparagraph (f) above, we intend, and we and you agree to fully enforce the arbitration provisions of the Franchise Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions. You acknowledge that we will seek to enforce this section as written.

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EXHIBITS

Exhibit A -	State Administrators/Agents for Service of Process	Exhibit K -	Secured Promissory Note
Exhibit B -	Franchise Agreement	Exhibit L	Office365 Enrollment Form
Exhibit C -	Application for Franchise	Exhibit M -	Franchisees
Exhibit D -	Guaranty and Assumption of Obligations	Exhibit N -	Franchisees Ceasing to Operate
Exhibit E -	Confidentiality and Non-Solicitation Agreement	Exhibit O -	Financial Statements
Exhibit F -	Representations and Acknowledgement Statement	Exhibit P -	Table of Contents to Operations Materials
Exhibit G -	Advantage Addendum to Franchise Agreement	Exhibit Q -	Sample General Release
Exhibit H -	MatchMaker Addendum to Franchise Agreement	Exhibit R -	State Addenda and Agreement Riders
Exhibit I -	Transition Addendum to Franchise Agreement	Exhibit S -	Receipts
Exhibit J -	Dual-Brand Addendum to Franchise Agreements		

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS FRANCHISE DISCLOSURE DOCUMENT, AND MIGHT REQUIRE A RIDER TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES AND RIDERS, IF ANY, APPEAR IN EXHIBIT R.

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this franchise disclosure document (this "Disclosure Document"), "Allegra Network," "we" and "us" mean Allegra Network LLC, the franchisor. "You" means the person who buys the franchise from Allegra Network LLC. If you are a corporation, partnership or limited liability company, your owners will have to guarantee your obligations and be bound by the provisions of the franchise agreement and other agreements as described in this Disclosure Document. The spouse of an owner will also be required to acknowledge the guaranty.

American Speedy Printing Centers, Inc. ("ASPC"), our predecessor, incorporated in Michigan on July 20, 1976 as Speedy Printing Centers®, Inc. It changed its name on February 17, 1982 to American Speedy Printing Centers, Inc. In December 1995, ASPC acquired by assignment 33 Zippy Print franchise agreements in Canada. On February 3, 1998, ASPC acquired by assignment 22 Quik Print and 2 Instant Copy franchise agreements located in the United States.

Our parent, Allegra Holdings LLC, a Michigan limited liability company organized in September 2000 ("Allegra Holdings"), located at 47585 Galleon Drive, Plymouth, Michigan 48170-2466, acquired the assets of ASPC on October 12, 2000. Allegra Holdings then assigned all of the operating assets, including franchise agreements, to Allegra Network LLC, a Michigan limited liability company organized on October 6, 2000. Allegra Holdings retained ownership of the Marks (defined below) and has licensed us to use and sublicense the use of the Marks. Allegra Holdings also engages in other business activities related to trademarks and other assets it owns, such as licensing the marks associated with the Kwik Kopy Printing franchise system to KK Printing Canada ULC ("KKP Canada"). Unless otherwise indicated in this Disclosure Document, "we" and "us" include Allegra Network LLC and ASPC.

Alliance Franchise Brands LLC, a Michigan limited liability company organized on December 21, 2012 ("AFB"), located at 47585 Galleon Drive, Plymouth, Michigan 48170-2466, is the parent company of Allegra Holdings.

On January 31, 2002, Allegra Holdings acquired all of the assets of the *Insty-Prints* franchise system from Insty-Prints, Inc. and IPI, Inc. Allegra Holdings concurrently assigned all of the operating assets, including the franchise agreements, to us. Allegra Holdings retained ownership of the *Insty-Prints* intellectual property, including the marks and the copyright registrations, and has licensed us the right to use and sublicense the use of such intellectual property.

On January 31, 2005, Allegra Holdings acquired all of the assets of the *Signs Now*® franchise system from Signs Now Corporation. Allegra Holdings concurrently assigned all of the operating assets, including the franchise agreements, to us. Allegra Holdings retained ownership of the *Signs Now* intellectual property, including the marks and the copyright registrations. On December 31, 2016, Allegra Holdings assigned all of the intellectual property rights associated with the *Signs Now* brand to our affiliate, Sign & Graphics Holdings LLC ("SGH"). Also on December 31, 2016, we assigned to our affiliate, Sign & Graphics Operations LLC ("SGO"), and SGO assumed, all of the franchise agreements for the *Signs Now* franchises operating in the United States, Canada and the United Kingdom. Therefore, we are no longer the franchisor of the *Signs Now* brand.

On November 30, 2018, Allegra Holdings acquired all of the assets of the *RSVP* franchise system from U.S. Postcard Systems, Inc. and RSVP Development Corp. Allegra Holdings concurrently assigned all of the operating assets, including the franchise agreements and license agreements, to us. Allegra Holdings retained ownership of the *RSVP* intellectual property, including the marks and the copyright

registrations, and has licensed us the right to use and sublicense the use of such intellectual property. As of December 31, 2018, there were 67 franchised units in the RSVP franchise system. Beginning in April 2019, we will offer franchises for direct mail advertising under the *RSVP* name and marks through a separate disclosure document.

In the United States, our franchisees operate under the *Allegra*®, *American Speedy*®, *Insty-Prints*® and *RSVP*® names and trademarks. In Canada, our franchisees operate under the *Allegra* and *Speedy Printing*® names and trademarks. Our principal business address is 47585 Galleon Drive, Plymouth, Michigan 48170-2466 and our telephone number is (800) 726-9050.

Franchisees that operate under the *Allegra*® names and trademarks operate using various taglines, including Allegra Print & Imaging or Allegra Marketing Print Mail. If you are purchasing a franchise for a MatchMaker Center, an Advantage Center, an existing Center or transitioning your existing *American Speedy Printing* Center or *Insty-Prints* Center to an *Allegra* Center, you will be required to use the tagline Allegra Marketing Print Mail.

We have 6 affiliates that may offer franchises or provide you with goods and services: (a) AN Corporate Center LLC ("ANCC"), a Michigan limited liability company formed on May 17, 2011; (b) SGO, a Michigan limited liability company formed on December 29, 2011; (c) Alliance Brands Staffing LLC ("ABS"), a Michigan limited liability company formed on September 9, 2013; (d) SGO Corporate Center LLC ("SGOCC"), a Michigan limited liability company formed on September 9, 2013, which also does business under the name Alliance Global Graphics; (e) Allegra Corporation of Canada ("Allegra Corporation of Canada"), a Nova Scotia unlimited liability company incorporated on November 10, 2000; and (f) KK Printing Canada ULC ("KKP Canada"), a British Columbia, Canada unlimited liability corporation incorporated on August 16, 2016. Except for SGO, which has offices located at 11685 Crossroads Circle, Suites A-F, Middle River, Maryland 21220, our affiliates are located at our principal business address and have the same telephone number as us. Our agents for service of process are disclosed in Exhibit A.

Under this Disclosure Document, we offer franchises for *Allegra*, *American Speedy Printing*, and *Insty-Prints* Centers under our franchise agreement attached to this Disclosure Document as Exhibit B (the "Franchise Agreement"). We currently only grant franchises for *American Speedy Printing* and *Insty-Prints* Centers to franchisees who qualify for a renewal franchise and to purchasers of existing Centers.

We grant the following franchises for *Allegra* Centers:

(1) franchises for the acquisition of independent marketing and business communication services businesses through our MatchMaker program. We may introduce you to owners of independent marketing and business communication services businesses who are interested in selling their businesses through our MatchMaker program. If you are purchasing a franchise to operate an *Allegra* Center through our MatchMaker program, you may acquire an independent business from a third party and transition that business to an *Allegra* Center meeting our standards and specifications (a "MatchMaker Center"). Any franchisee who purchases a MatchMaker Center must sign the addendum to the Franchise Agreement attached to this Disclosure Document as Exhibit H (the "MatchMaker Addendum"). MatchMaker Centers complete most of the services they offer in house, including conventional offset printing, and typically require a higher initial investment because such an acquisition typically involves the purchase of existing equipment (see Item 7), as well as the rights to an established customer base, experienced staff, immediate cash flow and a track record.

(2) franchises to owners of independent marketing and business communication services businesses who want to retain ownership of their businesses and, through our Advantage program, transition their businesses to an *Allegra* Center meeting our standards and specifications (an "Advantage Center"). A franchisee purchasing a franchise for an Advantage Center must sign the addendum to our Franchise Agreement for Advantage Centers attached to this Disclosure Document as Exhibit G (the "Advantage Addendum").

(3) franchises to purchasers of existing *Allegra* Centers.

(4) franchises to owners of existing *American Speedy Printing* or *Insty-Prints* Centers who want to transition their Centers to an *Allegra* Center. A franchisee transitioning their Center must sign the Transition Addendum to Franchise Agreement attached to this Disclosure Document as Exhibit I (the "Transition Addendum").

(5) franchises for renewal *Allegra* Centers.

Allegra, *American Speedy Printing* and *Insty-Prints* Centers provide marketing and business communication services, including consulting and project management, printing, mailing, graphic design, copywriting, direct mail, e-mail and web marketing and more to its customers. We may allow *Allegra*, *American Speedy Printing* and *Insty-Prints* Centers to vary in the type of products and services they offer, but all products and services must be approved by us. An *Allegra*, *American Speedy Printing* or *Insty-Prints* Center may outsource certain services approved by us to local partners, our internal Marketing Resource Center (described in Item 6) or our affiliates. Unless specifically identified, all references to "Centers" in this Disclosure Document shall refer to *Allegra*, *American Speedy Printing*, and *Insty-Prints* centers.

Under our Franchise Agreement, you must operate a Center at a designated location. You must use our distinctive business formats, systems, methods, procedures, designs, layouts, standards and specifications, all of which we may modify periodically ("System"). You also must use our trademarks, service marks, trade names, logos, trade dresses and other commercial symbols we designate periodically for your Center (collectively, the "Marks"). Your Franchise Agreement will specifically state whether you will operate a Center for the *Allegra*, *American Speedy* or the *Insty-Prints* concept (the "Designated Brand Concept").

We also have an acquisition program under which we provide services to existing franchisees regarding the potential acquisition of independent marketing and business communication services businesses. Since 1995, we have assisted our franchisees to complete more than 350 acquisitions.

We and our affiliates have not owned any centers, except for the 2 prototype digital print centers developed by our affiliates in 2004, and the 2 *Allegra* Centers currently owned and operated by subsidiaries of our affiliate, ANCC. We began offering *American Speedy* franchises and *Allegra Print & Imaging®* franchises in 2000, and *Insty-Prints* franchises in 2002. We offered franchises for the *Signs Now* concept from February 2005 to December 2016. Until November 2009, we offered franchises for *Allegra* Centers under the *Allegra Print & Imaging* name and mark. As of January 2010, we required all *Allegra Print & Imaging* Centers to operate under the *Allegra* name. On January 1, 2013, we assumed the franchise agreements for Speedy Printing franchises, Zippy Print franchises, Allegra franchises and Signs Now franchises operating in Canada from Allegra of North America Inc., a former affiliate, and became the franchisor for Canadian franchises. We ceased offering franchises for the *Signs Now* concept in Canada in December 2016. Allegra of North America Inc. dissolved on December 31, 2012. From June 2015 to June 2016, we offered franchises for businesses that offer digital and direct marketing services under the name CORE Communications®. As of December 31, 2018, we had one licensee authorized to

use the CORE Communications trademarks. As of November 30, 2018, we assumed all of the franchise agreements and license agreements for *RSVP* franchises.

On February 29, 2012, SGH acquired all of the assets of the *Signs By Tomorrow*® franchise system from Signs By Tomorrow-USA, Inc. SGH concurrently assigned all of the operating assets, including the franchise agreements, to SGO. SGO has offered franchises for *Signs By Tomorrow* sign and graphics communication services businesses since May 2012. SGO also began offering franchises for *Image360*® professional graphic solutions businesses in February 2013, and began offering franchises for *Signs Now*® sign and graphics communication services businesses in January 2017. As of December 31, 2018, there were 88 franchised units in the *Signs By Tomorrow* franchise system, 127 franchised units in the *Image360* franchise system and 85 franchised units in the *Signs Now* franchise system located in the United States. As of December 31, 2018, SGO had 2 franchised *Image360* centers and 2 franchised *Signs Now* centers operating in Canada.

On October 31, 2016, our affiliate, KKP Canada, acquired all of the issued and outstanding shares of B.G. Harding Management ULC, the parent corporation of Kwik-Kopy Printing Canada ULC, the franchisor of the Kwik Kopy Printing franchise system in Canada. On November 1, 2016, KKP Canada was amalgamated with B.G. Harding Management ULC and Kwik-Kopy Printing Canada ULC. KKP Canada began offering franchises for new Kwik Kopy Printing franchises in Canada in April 2017, and will be the franchisor of all Kwik Kopy Printing franchises in Canada going forward. KKP Canada will not offer franchises in the United States. As of December 31, 2018, there were 41 franchised units in the *Kwik Kopy Printing*® franchise system in Canada.

Allegra Corporation of Canada has not operated businesses of the type being franchised, or offered franchises in any business. Allegra Corporation of Canada offers support services and products to franchisees in both Canada and the United States.

Except as described above, neither we, our parents, nor our affiliates and predecessors have conducted the type of business that a franchisee will operate or offered franchises in any other line of business; however, we or they may do so in the future.

You will compete with local, regional and national companies offering printing, copying, signs, marketing communication and graphics services. The market for these services is developed and competitive in most areas of the United States.

We are not aware of any laws or regulations specific to the operation of marketing and business communication services businesses other than Occupational Safety and Health Administration and environmental protection laws. You must comply with all local, state and federal laws and regulations that apply to any business. We urge you to make inquiries about these laws and regulations.

ITEM 2

BUSINESS EXPERIENCE

CHIEF EXECUTIVE OFFICER: MICHAEL MARCANTONIO

Michael Marcantonio has served as our Chief Executive Officer since July 2011, and served as President from July 2011 to June 2012. He has also served as the Director and Chief Executive Officer of KKP Canada, located in Plymouth, Michigan, since August 2016. He has also served as Chief Executive Officer of ABS since September 2013 and AFB since December 2012. He has also served as Chief Executive Officer of SGO, located in Middle River, Maryland, since November 6, 2012 and Manager

since December 2011. He has also served as the Manager of Allegra Holdings since July 2011. Prior to that, he was the Chief Strategy Officer of Allegra Network from January 2009 to June 2011. He is the founder and has served as President of MKM Ventures LLC, an investment company located in Ann Arbor, Michigan, since February 2002.

PRESIDENT: KEVIN CUSHING

Kevin Cushing has served as our President since March 2015. He has also served as the Co-President of KKP Canada, located in Plymouth, Michigan, since August 2016. From May 1995 to February 2015, he served as President of Progressive Partners Inc., located in Minneapolis, Minnesota, which operated two printing centers.

CHIEF TECHNOLOGY OFFICER: JOSEPH D'AGUANNO

Joseph D'Aguanno joined Allegra Network in August 2013 as our Chief Technology Officer. Mr. D'Aguanno has also served as the Chief Technology Officer of SGO since August 2013. He has also served as Chief Technology Officer of KKP Canada, located in Plymouth, Michigan, since August 2016.

EXECUTIVE VICE PRESIDENT OF FINANCE AND ADMINISTRATION: LAURA PIERCE-MARUTZ

Laura Pierce-Marutz joined Allegra Network in August 1996 as Accounting Manager and was named Controller in May 1997. She was named Vice President and Controller of Allegra Network in October 2004, became the Vice President of Finance and Administration in January 2012, and became the Executive Vice President of Finance and Administration in January 2015. She has held the position of Executive Vice President of Finance and Administration with SGO, located in Middle River, Maryland, since January 2015, and previously served as Vice President of Finance and Administration with SGO from February 2012 to January 2015. She has served as Secretary and Executive Vice President of Finance and Administration of KKP Canada, located in Plymouth, Michigan, since August 2016. She has served as Executive Vice President of Finance and Administration of AFB since January 2015, and previously held the position of Vice President of Finance and Administration from December 2012 to January 2015. She has served as Executive Vice President of Finance and Administration of ABS since January 2015, and was the Vice President of Finance and Administration of ABS from September 2013 to January 2015.

VICE PRESIDENT OF LEGAL AND FRANCHISE COMPLIANCE: MEREDITH FLYNN

Meredith Flynn joined Allegra Network in April 1998 as Financial Services Manager and was named Vice President of Legal and Franchise Compliance in May 2016, and has held the same position with SGO, located in Middle River, Maryland, since May 2016. Before that she served as our Vice President of Financial Services and Franchise Compliance from May 2010 to April 2016, and held the same position with SGO from February 2012 to April 2016. She has served as Vice President of Legal and Franchise Compliance of KKP Canada, located in Plymouth, Michigan, since August 2016.

VICE PRESIDENT OF MARKETING: JESSICA ENG

Jessica Eng joined Allegra Network in July 2003 and has served as Vice President of Marketing since June 2010. She has served as Vice President of Marketing of KKP Canada, located in Plymouth, Michigan, since August 2016.

VICE PRESIDENT OF SALES AND TRAINING: DORIS BENNETT

Doris Bennett joined Allegra Network in June 2011 and has served as Vice President of Sales Training since October 2013, and as Executive Vice President of the RSVP division since November 2018. From June 2011 to October 2013, she served as Director of Sales and Training. She has also served as the Vice President of Sales and Training of KKP Canada, located in Plymouth, Michigan, since August 2016. Since January 2009, she has also been self-employed through her company D. Bennett Consulting in Farmington Hills, Michigan.

VICE PRESIDENT OF FRANCHISE MEMBER SUPPORT: MICHAEL DYE

Michael Dye joined Allegra Network in September 2001 and has served as our Vice President of Franchise Member Support since January 2017. Prior to that, Mr. Dye served as a Senior Regional Director of ours from May 2016 to January 2017. From September 2001 to May 2016, he served as a Regional Director for Allegra Network. He has also served as Vice President of Franchise Member Support of KKP Canada, located in Plymouth, Michigan, since January 2017.

VICE PRESIDENT OF FRANCHISE DEVELOPMENT: ANNE NEMER

Anne Nemer joined Allegra Network in September 2015 and has served as our Vice President of Franchise Development since January 2018. From May 2016 to December 2017, she served as our Director of Franchise Development, from September 2015 to April 2016, she served as our Marketing Brand and Development Manager, and from August 2014 to August 2015 she was a consultant for Allegra Network. She has served as Director of Franchise Development of KKP Canada, located in Plymouth, Michigan, since August 2016. From January 2014 to August 2015, she was self-employed through her company Nemer Consulting Services in West Bloomfield, Michigan.

ITEM 3

LITIGATION

Allegra Network LLC v. United Sign Ventures, LLC, Gary Warnecke and Kirk Seager, AAA No. 01-16-0003-5074. On August 18, 2016, we filed a demand for arbitration with the American Arbitration Association against a former franchisee, United Sign Ventures, LLC, and its guarantors for failure to pay amounts due under the franchise agreement and promissory note, and failure to comply with their post-termination obligations under the franchise agreement and guarantee. We sought monetary damages. On September 30, 2016, respondents filed an answer and counterclaim against us requesting an accounting of all financial receipts and information we received that was related to the appropriation or amount of fees paid or owed by respondents, and alleging breach of contract and fraudulent and false claims. On November 14, 2016, respondents filed an amended counterclaim alleging breach of contract, silent fraud, negligent fraud and fraudulent misrepresentations, breach of fiduciary duty, economic duress, and breach of the Michigan Franchise Investment Law. On April 5, 2018, the parties entered into a settlement agreement in which defendants agreed to pay us $100,000 and comply with their post-termination obligations under their franchise agreement in exchange for a mutual general release. Also on April 5, 2018, the arbitrator entered the Consent Arbitration Award and closed its file.

Kevin K. Cushing v. AlphaGraphics, Inc., No. 120900947 (Third Judicial District Court, Salt Lake County, State of Utah). In February 2012, Kevin K. Cushing filed a lawsuit alleging wrongful termination of employment against his former employer, AlphaGraphics, Inc. ("AGI"). On March 12, 2012, AGI asserted counterclaims against Mr. Cushing, who had been AGI's President and CEO and a member of its board of directors, for certain actions Mr. Cushing had allegedly taken during the course of

his employment and which AGI alleged were for his own interests and not in the interests of AGI. Specifically, AGI sought declaratory judgment that (1) Mr. Cushing had been terminated for cause under his employment agreement, (2) certain actions taken by the board of directors were void for being taken without a quorum present, (3) Mr. Cushing's retention bonus and severance agreement was unenforceable, (4) changes to certain promissory notes that Mr. Cushing entered into with AGI to benefit himself personally and the entity through which he operated two of his own franchises were unenforceable, and (5) Mr. Cushing was in default of other promissory notes with AGI that were enforceable. AGI further claimed that Mr. Cushing breached his fiduciary duties to AGI, converted or misappropriated funds belonging to AGI, and should have to offset any judgment awarded to him against monies owed to AGI. AGI voluntarily withdrew the misappropriation claim. On July 2, 2014, the court entered a final judgment and held that Mr. Cushing had been wrongfully terminated and awarded him $568,137.08 in damages. The court also ordered AGI to provide Mr. Cushing an accounting of the full amount of severance to which he was entitled under his employment agreement. The court held in AGI's favor that the retention bonus and severance agreement, and certain revisions Mr. Cushing made to personal loan agreements with AGI, had not been approved by a disinterested director and were unenforceable. The court dismissed the breach of fiduciary duty claim because AGI had not been damaged by those breaches. AGI was further awarded attorneys' fees, and Mr. Cushing was awarded his costs of suit. Both parties appealed and ultimately entered into a settlement agreement on November 17, 2014. Under the settlement agreement, in exchange for mutual releases, the parties agreed on a process by which Mr. Cushing's franchised centers would be sold and agreed to settle Mr. Cushing's outstanding loan balances to AGI. The parties have dismissed their respective appeals of the lawsuit.

Other than the above matters, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

INITIAL FRANCHISE FEE

You must pay us an initial franchise fee of $45,000 if you are purchasing a franchise for a MatchMaker Center, $10,000 if you are purchasing a franchise for an Advantage Center, and $25,000 if you purchase an existing Center to operate an *Allegra* Center (an "Existing Center"). If you are our existing franchisee or a franchisee of one of our affiliates, and you are in compliance with your franchise agreement with us or such affiliate and meet the then-current qualifications for new franchisees, we will charge you a reduced initial franchise fee in the amount of $10,000 if you buy a franchise for a Center. The initial franchise fee is due in a lump sum when you sign the Franchise Agreement and is not refundable under any circumstance.

KICKSTART INITIAL MARKETING FEE

If you are purchasing a franchise for an Existing Center or a MatchMaker Center, you must pay us a one-time fee equal to $14,000 for our KickStart initial marketing package that we have developed to promote the Center when you sign your Franchise Agreement. You may elect to pay the full $14,000 in a lump sum when you sign the Franchise Agreement or in 2 installments as follows: $7,000 is due and

payable when you sign the Franchise Agreement, and the balance of $7,000 is due and payable to us within 90 days of when you sign the Franchise Agreement. If you elect to defer a part of the payment, you will sign our form secured promissory note (attached to this Disclosure Document as Exhibit K). If you are an existing franchisee of us or one of our affiliates and are purchasing a franchise for a Center, or you are purchasing a franchise for an Advantage Center, the fee for your KickStart initial marketing package will be $7,500 and is payable in full when you sign the Franchise Agreement. If you are transitioning your existing Center to an Allegra Center, you will not be required to purchase the KickStart initial marketing package. We will determine the contents of the KickStart initial marketing package based on the sales volume and marketing needs of the Center. The initial marketing fee is fully earned by us when you sign the Franchise Agreement, and is not refundable under any circumstances. The KickStart initial marketing package may include initial marketing collateral, initial communications to clients, public relations, as well as direct mail, pay per click advertising, and local website set-up. The KickStart initial marketing package may also include signage and other identity items, including items associated with a transition to a different Designated Brand Concept.

MANAGEMENT INFORMATION SYSTEM

If you are purchasing a franchise for an Existing Center, MatchMaker Center or Advantage Center that does not use one of our designated management information systems, you must purchase it from us and we will help your Center transition to such management information system. The fee to acquire the management information system will be $3,495 to $5,580. This fee is payable at the time of purchase and is not refundable under any circumstance.

REFERRAL FEE

If you were referred to us by an existing franchisee and purchase a franchise from us, we will pay such franchisee a referral fee of $10,000. This does not apply if an existing franchisee sells you its Existing Center.

IFA VETFRAN PROGRAM AND FIRST RESPONDER DISCOUNT

We are a member of the International Franchise Association ("IFA") and participate in the IFA's VetFran Program, which provides a 25% discount on the initial franchise fee for veterans of the U.S. Armed Forces who meet the requirements of the VetFran Program.

First responders also will receive a 25% discount on the initial franchise fee. First responders are persons with specialized training, who are among the first to arrive and provide assistance at the scene of an emergency, such as an accident, natural disaster, or other catastrophic event, and include paramedics, emergency medical technicians, police officers, sheriffs and firefighters.

ITEM 6

OTHER FEES

Type of Fee [1]	Amount	Due Date	Remarks
Royalties[2]	Sliding scale of 6% to 1.5% of the Gross Sales[3, 4]	Payable by 20th day of each month via electronic funds transfer	

Type of Fee [1]	Amount	Due Date	Remarks
Marketing Fund contribution [2]	*Allegra* and *American Speedy Printing* Centers: 1% of Gross Sales,[3] not to exceed $10,227 for the 2019 calendar year (as adjusted by us to reflect any changes in the Consumer Price Index) per Center, per annum[5] *Insty-Prints* Centers: 2% of Gross Sales, not to exceed $21,497 for the 2019 calendar year (as adjusted by us to reflect any change in the Consumer Price Index) per Center, per annum[5]	Payable by 20th day of each month, via electronic funds transfer	If you own an *Allegra* or *American Speedy Printing* Center, we may raise the fee to a maximum of 3% of Gross Sales. (See Item 11) The Marketing Fund caps will be adjusted for the 2020 calendar year on or before March 15, 2020.
Accounting Services	$250 to $500 per month	When billed	You are required to engage the third party we designate for accounting services during your first year of operation, and beyond the first year if we so require. This amount will be invoiced by the accounting service provider on a monthly basis and will vary based on the services selected. The estimate provided is for either bookkeeping services or financial statement review and preparation. You may choose to obtain additional services for an additional fee.
Acquisition Service Fee	If you retain us to provide acquisition consulting services to you regarding the potential acquisition of an independent marketing and business communication services business, $1,500 to $3,000.[6] (However, if these services are retained in connection with the acquisition of the original independent marketing and business communication services business for your first Center, we will waive this fee.)	Payable at the time the acquisition closes	The amount of these fees is subject to change at our discretion.
Additional Assistance Expense	Travel and lodging expenses incurred, plus our then applicable per diem charges (currently $250 per day per person)	As incurred	If you request additional or special guidance, assistance, certification programs or training, we may charge you our then applicable fees.
Audit	Cost of audit, including the charges of any attorneys and independent accountants, travel expenses, room and board, and per diem personnel charges plus our fees and interest (currently $1,000 per day per person)	15 days after audit report received	This fee is payable only if we find that you have underreported any amount to us by 5% or more, or if the audit is caused by your failure to provide required information or documents.
Brand Audit Fee	Cost of audit including lodging, travel expenses and per diem personnel charges (currently $1,000)	15 days after brand audit is completed	This fee is payable only if the audit is caused by your failure to comply with the brand standards applicable to your Designated Brand Concept, as described in the Operations Materials.

Type of Fee [1]	Amount	Due Date	Remarks
Convention registration fees	The then-current registration fee (currently, $350)	Prior to attendance at the convention, payable by credit card	You must pay this fee for each person who attends the annual convention. Any individual attending the convention who has not signed the Franchise Agreement or a form of Guaranty and Assumption of Obligations (See Exhibit D) must execute our then-current form of Confidentiality and Non-Solicitation Agreement (See Exhibit E for current form).
Costs, accounting and attorneys' fees	Will vary based on circumstances	As incurred	These fees are payable if we prevail in a proceeding initiated by you or us.
Customer Relationship Management Software	$15 to $30 per month per user	Paid quarterly, by credit card	We require you to use the software of our preferred vendor of CRM services and pay associated costs, which may vary.
Customer Survey and Follow-up	Initial set up fee of $300, plus a monthly fee of $75	Paid quarterly, by credit card	This fee covers the use of the CustomerPulse and Marketing Module to conduct job follow-up surveys with customers.
Direct Mail	$1,200 to $3,500 per year	As incurred, payable by credit card	This includes the cost of postcards, lumpy packages and telemarketing.
Dual-Brand Fee	Currently $100 per month but subject to change	Paid monthly by credit card	If you will operate both an *Allegra* Center under a franchise agreement with us and a center under a franchise agreement with our affiliate, SGO, then you will pay this fee to us for dual-brand marketing materials, programs and support.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims from operation or resale of your franchised business or from your breach of the Franchise Agreement.
Insufficient Funds Fee	Currently $25 but subject to change	Upon demand	This fee is payable if there are insufficient funds in your account to cover electronic fund transfer withdrawals. We may also attempt to debit your account again periodically until funds are available (but no more than once every 5 days) and you will be charged the insufficient funds fee per each instance in which the funds are not available.
Insurance	Amount needed to reimburse us for mandatory insurance coverage	Upon demand	We have the right to purchase insurance for you if you fail to do so.
Interest	Lesser of 1.5% of the monthly outstanding balance and highest contract rate of interest allowed by law	When billed	Interest applies to all amounts owed to us or our affiliates.

Type of Fee [1]	Amount	Due Date	Remarks
Liquidated Damages	Will vary under circumstances	As incurred	If the Franchise Agreement is terminated because of your (or your owners) default or by you without cause, you will pay us the then net present value of the standard Royalty fees, Marketing Fund contributions and Local Advertising Cooperative contributions that would have become due from the date of termination to the earlier of (a) three years following termination, or (b) the scheduled expiration date of the Franchise Agreement. For this purpose, the Royalty fees, Marketing Fund contributions and Local Advertising Cooperative contributions shall be calculated based on Gross Sales of your Center for the 12 months preceding the termination date. In the event your Center was not in operation or you did not report Gross Sales for at least 12 months preceding the termination date, the Royalty fees, Marketing Fund contributions and Local Advertising Cooperative contributions will be calculated based on the average monthly Gross Sales of all Centers of your Designated Brand Concept during the fiscal year immediately preceding the termination date.
Local Advertising Cooperative contribution[2]	Not to exceed 1% of Gross Sales without approval of the Local Advertising Cooperative	Payable by 20th day of each month, via electronic funds transfer	If a Local Advertising Cooperative is formed in your geographic region, your contribution may increase if the members of the Local Advertising Cooperative approve a higher percentage according to the bylaws adopted by the Local Advertising Cooperative. We reserve the right to collect your Local Advertising Cooperative contribution on behalf of the Local Advertising Cooperative. (See Item 11)
Local Website	Currently, $50 per month	Paid monthly by credit card	You will pay this fee for monthly maintenance and hosting of your Local Website.
Marketing Resource Center (MRC) Fees[7]	Will vary based on project, typically you will be charged $60 to $75 per hour	As incurred, payable by credit card	You must pay us or our affiliates MRC fees for projects that you outsource to the MRC, including graphic design, copywriting, etc.
Non-Compliance Fee	$250 per default per month	If incurred, payable via electronic funds transfer with the next Royalties payment	If you are in default of the Franchise Agreement, we may charge you a non-compliance fee for each default, and may charge you each month until such default has been cured.
Office365 Fee	Currently, $4 per month per account	Paid quarterly, by credit card	You will sublicense Office365 from us.

Type of Fee [1]	Amount	Due Date	Remarks
Optional Marketing Programs	Each program will typically vary from $100 to $500	As incurred, payable by credit card	Marketing programs available for franchise members who desire additional assistance with data analysis, local search marketing, appointment setting, cross-channel campaigns, etc.
Pay-Per-Click Advertising	$2,790 to $7,980 per year	As incurred, payable by credit card	Your expenses will vary based on your desired spending level. You will be required to spend a minimum of $300 per month.
Relocation Expense	Our administrative costs associated with our evaluation of a proposed site	As incurred	If you request to relocate your Center and we agree to consider approving a new location, we may require you to reimburse us for the administrative costs we incur.
Technology Services Fee	Currently, $50 per month	Payable monthly on the date we determine by credit card	We will charge you a technology services fee for ongoing subscription, maintenance and support of various technology systems, platforms and resources. The fee charged may vary periodically based on the services we provide. Some technology services may also be offered separately for an additional fee.
Termination Fee	For Advantage Centers: During the Initial Term (defined in Item 17), unpaid amounts owed to us, plus a termination fee of $55,000 (as periodically adjusted by us to reflect any changes in the Consumer Price Index); following the Initial Term, unpaid amounts owed to us, plus a termination fee equal to the greater of (a) $55,000 (as periodically adjusted by us to reflect any changes in the Consumer Price Index) or (b) the previous 12 months of aggregate Royalties paid multiplied by 5. For All Centers Other Than an Advantage Center: Unpaid amounts owed to us, plus a termination fee equal to the greater of (a) $55,000 (as periodically adjusted by us to reflect any changes in the Consumer Price Index) or (b) the previous 12 months of aggregate Royalties paid multiplied by 5.	Effective date of termination	You may terminate the Franchise Agreement with 60 days prior notice, at your option, if you are then in compliance with your Franchise Agreement and you pay this Termination Fee. We do not charge this Termination Fee if we terminate the Franchise Agreement, though you may be required to pay lost revenue damages (see below).
Transfer Fee	25% of the then current initial franchise fee we charge for an Existing Center, plus any referral fees or broker fees[8]	Before closing of the transfer	The transferee will also incur the initial fee for an Existing Center described in Item 5.

Type of Fee [1]	Amount	Due Date	Remarks
WorkStream eCommerce[9]	Initial set up fee of $750, plus a monthly fee of $135 to $435	Paid monthly by credit card	WorkStream eCommerce is an online storefront platform, offering support for static, inventory and variable products. Participation is optional, and monthly fees vary based on services. Additional elective services available for additional cost.

Note 1: All fees imposed by and payable to us and all payments for purchases from us are not refundable under any circumstances. Fees may not be uniform for all franchisees. Some existing franchisees may have their Royalties, Marketing Fund contributions and Local Advertising Cooperative contributions calculated based on Total Receipts (as defined in Item 19) rather than Gross Sales.

Note 2: Royalties, Marketing Fund contributions, Local Advertising Cooperative contributions, and other amounts due to us or our affiliates are paid by electronic funds transfer. You must submit the financial reports in the form and manner we dictate to report your Gross Sales and other financial data we designate. If you do not timely submit Gross Sales statements, we may estimate your Gross Sales based on 110% of the average of the last three months' Gross Sales (whether reported or estimated) and debit your account for Royalty and Marketing Fund Local Advertising Cooperative contributions based on those estimated Gross Sales. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined your Center's true and correct Gross Sales), we will debit your account for the balance on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your account during the following month.

Note 3: "Gross Sales" means all revenue from sales conducted at, from or through your Center, including amounts received from the sale of services and products of every kind and nature. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as it is added to the selling price and actually paid by you to such governmental authority; (ii) all amounts paid by customers for postage; (iii) customer refunds or credits; and (iv) any revenue from the sale of services and products from your Center to another Center. Gross Sales also includes the proceeds of any business interruption insurance policies related to the operation of your Center.

Note 4: You will pay Royalty based on the following percentages:

(a) 6% of Gross Sales in each calendar year up to and including $1,062,652 of aggregate Gross Sales for such calendar year;

(b) 4% of Gross Sales in each calendar year in excess of $1,062,652 up to and including $2,125,304; and

(c) 1.5% of Gross Sales in each calendar year in excess of $2,125,304.

If at any time you are not in compliance with your Franchise Agreement, or any other agreement between you or your affiliates and us or our affiliates, the calculation of the Royalty will be based on the highest rate described above.

We may annually increase the Gross Sales threshold amounts by the most recently published National Consumer Price Index-All Urban Consumers-All Items (1982-1984 = 100) as most recently published by the U.S. Department of Labor, or a successor index ("CPI"). We have no obligation to

decrease these thresholds if the CPI decreases. The threshold amounts in this Disclosure Document apply for the 2019 calendar year and will be adjusted for the 2020 calendar year on or before March 15, 2020.

If you operate an Advantage Center, from the effective date of the franchise agreement through the end of the calendar year in which the franchise agreement is signed, Royalty payments due to us from your Center will be $500 per month; for the second calendar year in which you operate your Center, Royalty payments due to us from your Center shall be based on 1% of Gross Sales; and, for the third calendar year in which you operate your Center, Royalty payments due to us from your Center shall be based on 2% of Gross Sales. After the third calendar year, you must make all subsequent Royalty payments based on our standard Royalty percentages.

The above described Royalty structure is for a single Center. If you operate more than one Center and we allow you to aggregate the Gross Sales for your Centers for purposes of calculating the Royalty, your Royalty thresholds may be higher.

Note 5: We reserve the right to modify or remove the cap on Marketing Fund contributions.

Note 6: Currently, the fee is based on the previous annual gross sales of the acquisition candidate for the calendar year before the acquisition as follows:

(a) $3,000 if the total gross sales were in excess of $1,000,000;

(b) $2,500 if the total gross sales were in excess of $500,000 up to and including $1,000,000;

(c) $2,000 if the total gross sales were in excess of $250,000 up to and including $500,000; and

(d) $1,500 if the total gross sales were equal to or under $250,000.

Note 7: The Marketing Resource Center ("MRC") is a home office support resource that provides franchisees with advice about how to develop and create marketing campaigns and other creative services. The MRC may produce a project internally or outsource it to a third party. We may periodically alter the MRC or cease offering it at any time.

Note 8: Currently, franchise broker referral fees may be up to $30,000, unless otherwise agreed.

Note 9: The WorkStream™ e-commerce platform is a cloud-based B2B or B2C online storefront that is feature-rich and staged for growth to meet the increasing demands of the Centers' customers. The standard options include support for modern e-commerce workflow options, including mobile optimized themes, approval workflows, integrated shipping and various payment methods, including credit card and budgeted funds. The system also supports requirements for online commerce such as custom domain names, SSL Certificates and secure checkout. eDocBuilder™, a template-based variable data and online design publishing solution embedded into our solution provides support for both traditional forms-based and interactive designer products.

ITEM 7

YOUR ESTIMATED INITIAL INVESTMENT

THE FOLLOWING IS AN ESTIMATE OF THE INITIAL INVESTMENT FOR MATCHMAKER CENTERS:

Type of Expenditure[1]	Estimated Amount or Estimated Low-High Range[2]	Method of Payment	When Payable	To Whom Paid
Initial Franchise Fee	$45,000	As arranged	On signing the Franchise Agreement	Us
Training Expenses[3]	$1,200 - $2,500	As arranged	As incurred	Outside suppliers
Rent Deposit[4]	$0 - $4,000	Lump sum	As specified in lease	Landlord
Utility Deposits	$0 - $3,500	As arranged	As incurred	Utility companies
Software and Equipment[5]	$222 - $112,851	As arranged	As incurred – generally financed	Outside suppliers and Us
Management Information System[6]	$0 - $5,580	As arranged	As incurred	Us
Leasehold Improvements, Construction, Remodeling, Decorating[7]	$4,200 - $10,500	As arranged	As incurred and as needed	Outside suppliers
Exterior Signage[8]	$5,000 - $13,500	As arranged	As incurred	Outside suppliers
Marketing and Brand Identification[10]	$0 - $11,405	Lump sum	As incurred	Outside suppliers
KickStart Initial Marketing Fee[11]	$14,000	As arranged	As arranged	Us
Insurance (for 12 months)[12]	$2,450 - $8,575	As arranged	As incurred and as needed	Outside suppliers
Business Licenses and Permits	$500 - $1,000	As arranged	As incurred	Government agencies
Professional fees (lawyer, accountant, etc.)[13]	$2,750 - $6,500	Lump sum	As incurred	3rd party professionals
Additional Funds (for 12 months)[14]	$51,500 - $135,000	As arranged	As incurred	Employees & other outside suppliers
ESTIMATED INITIAL INVESTMENT[16, 17, 18]	**$126,822 - $373,911**			

THE FOLLOWING IS AN ESTIMATE OF THE INITIAL INVESTMENT FOR ADVANTAGE CENTERS[20]:

Type of Expenditure[1]	Estimated Amount or Estimated Low-High Range[2]	Method of Payment	When Payable	To Whom Paid
Initial Franchise Fee	$10,000	Lump sum	On signing the Franchise Agreement	Us
Training Expenses[3]	$1,200 - $2,500	As arranged	As incurred	Outside suppliers
Software and Equipment[5]	$222 - $112,851	As arranged	As incurred – generally financed	Outside suppliers or Us
Management Information System[6]	$0 - $5,580	As arranged	As incurred	Us
Leasehold Improvements, Construction, Remodeling, Decorating[9]	$4,200 - $10,500	As arranged	As incurred and as needed	Outside suppliers
Marketing and Brand Identification[10]	$0 - $13,915	Lump sum	As incurred	Us and outside suppliers
KickStart Initial Marketing Fee	$7,500	As arranged	On signing the Franchise Agreement	Us
Exterior Signage	$5,000 - $13,500	As arranged	As incurred	Outside suppliers
Professional fees (lawyer, accountant, etc.)[13]	$2,750 - $6,500	Lump sum	As incurred	3rd party professionals
Additional Funds (for 12 months)[15]	$0 - $55,000	As arranged	As incurred	Employees & other outside suppliers
ESTIMATED INITIAL INVESTMENT[17, 19]	**$30,872 - $237,846**			

NOTES:

Note 1: None of the fees in this Item 7 that are payable to us are refundable under any circumstances. Amounts payable to third-parties are non-refundable unless the supplier agrees otherwise.

Note 2: You may incur additional expenses in transitioning an independent marketing and business communication services center to a Center. Your actual costs will depend on factors such as: the Center size and location; remodeling costs; your discretionary expenditures; the availability of leasing or financing arrangements; your credit rating; and other factors.

Note 3: You will pay the expenses of travel, meals and lodging for any persons attending the training program. The amount expended will depend upon the distance those persons must travel and the type of accommodations chosen. The estimate contemplates attendance of 2 people for up to 5 days of training at our corporate office in Michigan (or another location we designate).

Note 4: The initial cost to lease the premises for your MatchMaker Center will vary based on local market conditions. It is likely that you will not purchase the business premises, but will lease them,

so estimates for the purchase of real property are not included in the above table. Variables affecting the cost include property location, building size, improvements, desirability of location, access to major streets, real estate taxes, common area maintenance charges and the like.

Typically, the business premises for a MatchMaker Center is about 2,000 to 6,000 square feet of net rentable space. Because of the wide variation in rental rates for commercial and retail space throughout the country, you should thoroughly investigate the costs of business premises and all other initial investment costs in your market area.

Note 5: We have assumed that you will have most of the operating equipment you need. However, you may need to purchase additional operating equipment and there may be some additional software and computer components that need to be purchased, which need to conform to our standards. We also strongly recommend that you replace outdated software and operating equipment to improve the efficiency of your Center. Typically, the software would include a point-of-sale order entry and estimating system and QuickBooks for financial management. The high end of the range includes an estimate for the outright purchase of wide format and mailing equipment, and the first 12 months' lease payments on a 5-year lease of a color copier. The low end of this estimate assumes that you already have all of the necessary software and equipment and they meet our mandatory specifications, standards, operating procedures, and rules ("System Standards"). Customarily, payments are due each month over the term of the lease, which is typically 36 to 60 months. At the end of the lease, there is a negotiated buyout or the equipment can be returned to the leasing company. You will lease the equipment from a third party unrelated to us. These amounts include the first three months' Technology Services Fee payable to us.

Note 6: If you are purchasing a franchise for a MatchMaker Center or an Advantage Center that does not use one of our designated management information systems, you must purchase it from us and we will help your Center transition to such management information system. See Item 11 for a description of the designated management information system. The cost of the management information system varies from $3,495 to $5,580.

Note 7: If you are purchasing and transitioning an independent business to an *Allegra* Center under the MatchMaker program, it may be necessary to remodel the lobby or customer area. These changes need to conform to our standards. The actual cost to implement these changes will depend on the existing business that you purchase and may exceed the range that we provide.

Note 8: If you are purchasing and transitioning an independent business to an *Allegra* Center under the MatchMaker program, it will be necessary to purchase and install exterior signage. These changes need to conform to our standards. The actual cost to implement these changes will depend on the existing business that you purchase and may exceed the range that we provide.

Note 9: Typically, you will negotiate most leasehold improvement, construction, remodeling and decorating costs with your landlord. To the extent that the landlord requires you to pay some or all of the costs, all or part may be amortized over the remaining term of the lease, and added to the monthly rent.

Note 10: We have developed a package of materials to promote your brand transition and launch mandatory marketing activities. Some of these materials are only available through us. (See Item 5) Other materials may be purchased from third-party vendors. This is a suggested amount, which includes the minimum requirement. We strongly encourage you to spend a significant amount on other promotional efforts associated with the marketing of the MatchMaker Center.

Note 11: If you are purchasing a franchise for a MatchMaker Center, you may elect to pay the full $14,000 in a lump sum when you sign the Franchise Agreement or in 2 installments as described in Item 5.

Note 12: You must maintain in force at your sole expense the insurance policies we require in connection with your Center's operation. The estimates provided above are for your annual premiums for your first year of operations for the minimum coverage we recommend. See Item 8 for a description of our current requirements.

Note 13: This amount includes the first three months' fee you are required to pay to the third party we designate for accounting services during your first year of operation.

Note 14: The additional funds represent working capital that will be used in the operation of the business. The amount of additional funds required will depend on the financial condition and cash flow of the existing business being purchased. You may need these additional funds to operate the MatchMaker Center during its 12-month initial phase. The estimated amount covers items such as employees' salaries (including $2,500 per month for the required outside salesperson, though it does not include any commission you may owe to such person), rent and miscellaneous expenses. The amount will vary depending on factors such as your previous experience, your management skill, supply costs in the area, prevailing wage rates, real estate costs, competition, location and general overhead. You must have the minimum amount in cash or its equivalent when you open the Center. The amount does not cover any salary or other compensation for you.

Note 15: Additional funds may not be necessary for the operation of an ongoing business. The low range of this estimate assumes that you will not need additional funds resulting from the transition of your business to a Center since you are transitioning an existing business to an Advantage Center. The high range of this estimate covers the salary for the required outside salesperson at $2,500 per month, though it does not include any commission you may owe to such person. The amount of additional funds required will depend on the financial condition and cash flow of the existing business, your management skill, supply costs in the area, prevailing wage rates, real estate costs, competition, location and general overhead. We have also assumed that you have all insurance, business permits and licenses necessary to operate your Center.

Note 16: In purchasing an existing marketing and business communication services business for a MatchMaker Center, you will typically make a down payment and the balance of the purchase price will be financed by the seller and/or a financial institution. You may also assume some existing equipment leases. We have not included the amount you will spend to acquire the existing business as it will vary based on the location and size of the existing marketing and business communication services business you purchase and the purchase price you agree upon with the seller.

Note 17: We have relied on our and our predecessor's experience in the printing and related services business since 1977 to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not finance any portion of your initial investment.

Note 18: Your actual investment for a MatchMaker Center may vary depending on the size and final purchase price of the independent business being acquired. Interest on the purchase of an independent business is not included in the total initial investment.

Note 19: We have also assumed that all other items (including necessary production equipment) are already in place. Your actual investment in transitioning your existing business to your

Center under the Advantage program may vary depending on the size of your existing business and the level of remodeling and initial equipment investment required.

Note 20: A franchisee transitioning an *American Speedy Printing* or *Insty-Prints* Center to an *Allegra* Center may incur similar costs to an Advantage Center in the transition process, but they will vary based on the franchisee's existing business operations. Similarly, a franchisee purchasing an existing *Allegra* Center will need to bring the Center up to our current System Standards and therefore may incur similar costs, but they will vary based on the Center's existing business operations.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We grant you a franchise for a Center located at a site we approve. If you lease the site, we must approve the lease. If you sign a Franchise Agreement for an Advantage Center, you must operate the Center at the site of your existing business and you may not sign a new or renewal lease without our prior written approval.

We will furnish you with plans and specifications for a Center of your Designated Brand Concept, which will include requirements for design, image, interior and exterior layout, signs, fixtures, and color scheme. You must prepare, at your expense, all required build out plans and specifications, and ensure that they comply with ordinances, building codes and permit requirements.

You must maintain, at your expense, the insurance coverage that we require under policies that meet our terms and conditions. Currently, we require you to maintain commercial general liability (we currently require a minimum of $1 million per occurrence and $2 million in the aggregate), motor vehicle liability, workers' compensation, cyber and privacy liability, and errors and omissions insurance policies in connection with your Center's operation. We may periodically change the amounts of coverage required under the insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

Your insurance must be written by an insurance company with a Best rating of "A" or better. You must provide us with 30 days' written notice of material changes to or cancellation or expiration of any policy. You must provide us with copies of all insurance policies, together with current certificates of insurance, on an annual basis. The insurance policies must provide for a waiver of subrogation. You must also provide us with a certificate of insurance naming us and any affiliates we designate as additional insureds for all liability coverage policies, using a form of endorsement we have approved.

You will purchase from us or our affiliates certain marketing materials and services, including initial marketing collateral, initial communications to clients, public relations, as well as direct mail, pay per click advertising, and certain software, technology and website services and products.

You must obtain, at your expense, all required permits, licenses and approvals for build out and operation of a Center, and you must build out and decorate the Center to conform to our specifications. We will not require you to purchase all new fixtures, equipment and supplies if you are a MatchMaker Center or an Advantage Center. However, depending on the type and condition of the existing fixtures, equipment and supplies of your acquired or Existing Center, we may require you to modify and/or purchase certain additional items. If you operate a MatchMaker Center or an Advantage Center, you must remodel and decorate the Center to conform to our System Standards for that Designated Brand Concept.

You must purchase or lease certain fixtures, computer hardware and software, equipment, marketing materials and supplies that meet our specifications. Also, you must purchase, lease or (if applicable) retain initial equipment and supplies that we approve in order to utilize our experience in the business and to provide proper initial planning, training and recordkeeping. Approximately 20% of products and services used in establishing a MatchMaker Center or an Advantage Center and approximately 30% of products and services used in the operation of a Matchmaker Center or an Advantage Center are subject to our specifications.

Specifications, which we have formulated for quality, design, appearance, function and performance, are described in our Operations Materials. (See Item 11) We may modify these specifications on reasonable written notice to you. We will consider your written request for a modification of a specification, if you explain the reason for the requested modification (or for the approval of any equipment or supply we have not previously approved) and provide us with sufficient technical data to enable us to evaluate your request. We will provide you with notification of approval or disapproval within 60 days after receipt of your request.

We maintain, and provide you access to, a list of recommended suppliers. We recommend suppliers (which may be us or our affiliates) of fixtures, equipment and supplies that meet our specifications, including specifications for product quality, pricing, reliability, support and customer relations. We are an approved supplier of certain software (including variable data, workflow and point-of-sale software) and outsourced marketing services projects (such as graphic design, copywriting, etc.), but you are not required to purchase any of these items from us. We are also an approved supplier of certain marketing programs, which you may utilize at your option. Under the Marketing Program (See Item 11), we currently recommend, but may require, that you purchase certain advertising materials from us.

You may request in writing our approval of additional recommended suppliers. Currently, we will grant or revoke approvals of recommended suppliers based on our standard criteria for recommending suppliers, which criteria are not available to you, and based on inspections and performance reviews. We may grant approvals of new recommended suppliers or revoke past approvals of recommended suppliers on reasonable written notice to you. We will provide you with written notification of the approval or disapproval of a recommended supplier you propose within 60 days after receipt of your request. We periodically may change our supplier approval process and criteria.

During fiscal year 2018, our revenue from purchases by franchisees of all of our concepts of software and equipment (including computer equipment), internet services, trade show booth rentals, marketing materials, marketing programs and other outsourced services was $1,049,376, which represents approximately 9% of our total revenue of $11,665,438. Our affiliates, ANCC and SGOCC, had $875,912 and $257,630, respectively, in revenue from franchisee purchases of outsourced services. Otherwise, our affiliates did not derive revenue from franchisee purchases.

We and our affiliates have the right to receive payments from suppliers based on franchisee purchases. We currently receive a 5% rebate from franchisee purchases of selected e-mail marketing services and a rebate of 2 cents per customer from franchisee purchases of certain prospective customer lists. In fiscal year 2018, we received a total of $44,722 from third-party suppliers. We use these funds primarily to defray costs to you, including towards payment of annual convention costs. However, we reserve the right to retain the credit of any discounts, rebates or incentives received as a result of your purchases or contribute them to the Marketing Fund.

Except as discussed above, we derive no revenue or any other material benefits from suppliers that sell or lease products or services to our franchisees. However, some of our recommended suppliers

sponsor events and/or rent display booths at our convention and other meetings in order to market and advertise their products and services. We provide no material benefits to you based on your use of approved suppliers. We have no purchasing or distribution cooperatives.

We have negotiated volume discounts with several suppliers for purchases by our franchisees. These discounts currently range from 5% to 40% off retail prices, but are subject to change. We may continue to negotiate volume discounts with vendors for our franchisees.

We and our officers do not own any interest in any approved supplier, except for ownership interest in us.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section of Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Section 2 of Franchise Agreement; Sections 1 and 2 of the MatchMaker Addendum; Section 2 of the Advantage Addendum	Items 7 and 11
b. Pre-opening purchases/leases	Sections 2.B and 2.C of Franchise Agreement; Section 3 of the MatchMaker Addendum; Section 2 of the Advantage Addendum	Items 7, 8 and 11
c. Site development and other pre-opening requirements	Franchise Agreement – N/A; Section 3 of the MatchMaker Addendum; Section 2 of the Advantage Addendum	Items 6, 7 and 11
d. Initial and ongoing training	Section 4 of Franchise Agreement; Section 6 of the MatchMaker Addendum; Section 7 of the Advantage Addendum; Section 5 of the Transition Addendum; Section 4 of the Dual-Brand Addendum	Item 11
e. Opening	Franchise Agreement – N/A; Section 2 of the Advantage Addendum	Item 11
f. Fees	Section 3; Sections 4 and 5 of the MatchMaker Addendum; Sections 3-6 of the Advantage Addendum; Sections 2-4 of the Transition Addendum; Sections 2 and 3 of the Dual-Brand Addendum	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 4.C and 8.G of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 5 and 6 of Franchise Agreement; Section 2 of the Advantage Addendum; Section 6 of the Transition Addendum	Items 13 and 14

Obligation	Section of Franchise Agreement	Disclosure Document Item
i. Restrictions on products/services offered	Sections 8.B and 8.D of Franchise Agreement; Section 3 of the MatchMaker Addendum	Items 8, 11 and 16
j. Warranty and customer service requirements	Not applicable	
k. Territorial development and sales quotas	Not applicable	
l. Ongoing product/service purchases	Section 8.D of Franchise Agreement	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 8.A and 8.G of Franchise Agreement; Section 3 of the MatchMaker Addendum; Sections 2 and 8 of the Advantage Addendum; Section 7 of the Transition Addendum	Item 11
n. Insurance	Section 8.F of Franchise Agreement; Section 3 of the MatchMaker Addendum; Section 9 of the Advantage Addendum	Items 7 and 8
o. Advertising	Section 9 of the Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 16.D of Franchise Agreement	Item 6
q. Owner's participation/ management/staffing	Section 8.C of Franchise Agreement	Items 11 and 15
r. Records and reports	Section 11 of Franchise Agreement; Section 4 of the Advantage Addendum	
s. Inspections and audits	Section 11 of Franchise Agreement	Item 6
t. Transfer	Section 12 of Franchise Agreement	Item 17
u. Renewal	Section 13 of Franchise Agreement; Section 10 of the Advantage Addendum	Item 17
v. Post-termination obligations	Section 15 of Franchise Agreement	Item 17
w. Non-competition covenants	Sections 7 and 15 of Franchise Agreement	Item 17
x. Dispute resolution	Section 17.G of Franchise Agreement	Item 17

ITEM 10

FINANCING

If you are purchasing a franchise for an Existing Center or a MatchMaker Center, you may elect to pay the initial marketing fee in two installments, as follows: $7,000 when you sign the Franchise Agreement and the balance of $7,000 within 90 days of when you sign the Franchise Agreement. If you elect to pay the initial marketing fee in two installments, you will sign our form secured promissory note (the "Note") (attached to this Disclosure Document as Exhibit K). The second installment is due and payable in one lump sum. The principal amount due under the Note may be prepaid without penalty.

No interest is due under the Note except in the event of default or a transfer of the Note, in which case the outstanding principal amount will be immediately due and payable and interest will accrue at the lesser of 18% per year or the highest contract rate of interest allowed by law. Any default under either the Franchise Agreement or the Note is deemed a default under both the Franchise Agreement and the Note

and we may pursue remedies available to us under both the Franchise Agreement and the Note. If we are required to take any action to enforce payment of the Note, you will be required to pay all costs, fees and expenses (including attorneys' fees) we incur to enforce our rights under the Note. The Note provides for a waiver of diligence, presentment and demand for payment, protest, notice, notice of protest and nonpayment, dishonor and notice of dishonor.

The amount due under the Note is secured by the Franchise Agreement, and each owner who signs a Guaranty and Assumption of Obligations will be required to sign the Note acknowledging that his or her obligations under the Guaranty and Assumption of Obligations extend to the Note.

It is not our practice or intent to sell, assign or discount to a third party all or part of the Note, nor do we receive any consideration for placing the Note with a lender.

Other than the above, we do not offer direct or indirect financing or guarantee your note, lease or other obligations.

ITEM 11

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

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

OUR OBLIGATIONS TO FRANCHISEES BEFORE OPENING THEIR CENTER

Before you open your Center or transition a business to a Center, we will provide you the following assistance:

(1) If you enter into a lease, consultation on and approval of lease terms. (Sections 2.A and 2.B of the Franchise Agreement; Section 2 of the MatchMaker Addendum)

(2) If you are signing a Franchise Agreement for a MatchMaker Center, approval of the independent marketing and business communication services center. (Section 1 of the MatchMaker Addendum)

(3) Initial training for 2 persons at Alliance University in Plymouth, Michigan or another location designated by us. This training will last up to 5 days but may vary depending on the number of people in attendance and their experience. (Section 4 of the Franchise Agreement; Section 5 of the Transition Addendum)

(4) We may, but are not obligated to, provide you with a link to your Local Website on the Franchise System Website. (Section 9.D of the Franchise Agreement)

(5) Electronic access to our Operations Materials (as defined below). (Section 4.C of the Franchise Agreement)

(6) Specifications for all required equipment (including computer system), furniture, fixtures and signs. (Section 2.C of the Franchise Agreement; Section 3 of the MatchMaker Addendum; Section 2 of the Advantage Addendum)

OUR OBLIGATIONS TO FRANCHISEES DURING OPERATION OF THEIR CENTER

During the operation of the Center, we will:

(1) Provide you with on-site assistance at your Center for up to 5 days (which may or may not be consecutive). (Section 4.A of the Franchise Agreement; Section 7 of Advantage Addendum)

(2) Administer a Marketing Fund. (See "Advertising and Promotion" below). (Section 9.B of the Franchise Agreement)

(3) Update the electronic Operations Materials to incorporate improvements and new developments in the System, including improvements in products and services you offer to your customers. We may revise the Operations Materials at any time. (Section 4.C of the Franchise Agreement)

(4) Periodically advise you, as the need for such advice is determined by us, concerning the operation of your Center. (Section 4.B of the Franchise Agreement)

(5) Approve your advertising materials. (Section 9.A of the Franchise Agreement)

(6) Maintain a Website for the promotion of Centers. (Section 9.C of the Franchise Agreement)

(7) Provide you with a list of recommended vendors and suppliers for the products, goods, merchandise, supplies, machinery, signs, furniture, fixtures, equipment and services. (Section 8.D of the Franchise Agreement)

(8) Assist you in marketing your Center for sale if you desire to sell it during the first 3 years of your Franchise Agreement's term. (Section 12.G of the Franchise Agreement)

ADVERTISING AND PROMOTION

Marketing Fund

We currently maintain and administer a marketing fund for *Allegra* Centers, *American Speedy Printing* Centers, and *Speedy Printing* Centers located in the United States and in Canada for the advertising, marketing, and public relations programs and materials we deem appropriate (the "Allegra Marketing Fund"). We also maintain and administer a separate marketing fund for *Insty-Prints* Centers ("Insty-Prints Marketing Fund"). (Unless otherwise indicated, the Allegra Marketing Fund and the Insty-Prints Marketing Fund are referred to each as a "Marketing Fund"). You will contribute to the applicable Marketing Fund. For the Allegra Marketing Fund, we currently require franchisees to contribute 1% of Gross Sales, subject to a $10,227 annual cap for the 2019 calendar year. However, we may raise this contribution to a maximum of 3% of Gross Sales. Some existing franchisees contribute to the Marketing Fund based on Total Receipts rather than Gross Sales. For the Insty-Prints Marketing Fund, we currently require franchisees to contribute 2% of Gross Sales, subject to a $21,497 annual cap for the 2019 calendar year. We reserve the right to modify or remove the cap on all contributions to the applicable Marketing Fund and the caps will be adjusted for the 2020 calendar year on or before March 15, 2020. We also reserve the right to combine the Allegra Marketing Fund and the Insty-Prints Marketing Fund and maintain and administer one marketing fund for all Centers, or to combine the Marketing Funds with the marketing funds of other brands we or our affiliates franchise, and maintain and administer one marketing

fund for all brands. Centers that we or our affiliates own may not contribute to the applicable Marketing Fund on the same percentage basis as franchisees.

We will direct all programs that each Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. Each Marketing Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining a franchise system website and/or related strategies; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; administering online advertising and marketing campaigns (including search engine, social media, e-mail, and display ad campaigns); developing and maintaining application software designed to run on computers and similar devices, including tablets, smartphones and other mobile devices, as well as any evolutions or "next generations" of such devices; implementing a loyalty program or other marketing programs designed to encourage the use of Centers; supporting public relations, market research, and other advertising, promotion, and marketing activities; sales training and support of franchisees' sales personnel; and such other use as we deem appropriate, in our sole discretion, for the promotion of the *Allegra*, *American Speedy Printing*, and *Speedy Printing* brands. As long as you are in compliance with the Franchise Agreement, including the System Standards, the Marketing Fund periodically will give you samples of advertising, marketing, and promotional formats and materials at no cost. The Marketing Fund will sell you multiple copies of these materials at its direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for each Marketing Fund separately from our other funds and not use either Marketing Fund for any of our general operating expenses. However, we may use each Marketing Fund to pay the reasonable salaries and benefits of personnel who manage and administer such Marketing Fund, such Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses that we incur in activities reasonably related to administering or directing such Marketing Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Marketing Fund contributions.

Neither Marketing Fund will be our asset. Neither Marketing Fund is a trust. We do not owe any fiduciary obligation to you for administering the Marketing Funds or any other reason. We will hold all Marketing Fund contributions for the benefit of the contributors and use contributions for the purposes described in this Subsection. Each Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on contributions to each Marketing Fund to pay costs before using such Marketing Fund's other assets. We will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement upon written request. We may have either Marketing Fund audited annually, at such Marketing Fund's expense, by an independent certified public accountant. We may incorporate either Marketing Fund or operate either through a separate entity whenever we deem appropriate.

We intend for each Marketing Fund to promote the applicable Marks, patronage of Centers and the *Allegra*, *American Speedy Printing*, *Speedy Printing*, and *Insty-Prints* brands generally. Although we will try to use each Marketing Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Centers of the brand(s) for which the Marketing Fund is intended to cover, we need not ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund contributions by Centers operating in

that geographic area or that any Center benefits directly or in proportion to its Marketing Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at such Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against a Marketing Fund. Except as expressly provided in the Franchise Agreement, we assume no direct or indirect liability or obligation to you for collecting amounts due to maintaining, directing, or administering the Marketing Fund.

We may at any time defer or reduce contributions of a Center franchisee and, upon 30 days' prior notice to you, reduce or suspend Marketing Fund contributions and operations for 1 or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If we terminate the Marketing Fund, all remaining contributions will be spent prior to its termination.

In fiscal year 2018, 9.4% of the Allegra Marketing Fund was used for outside national and local marketing production, 23.4% of the Allegra Marketing Fund was used for media placement, 13.4% of the Allegra Marketing Fund was paid to franchisees as rebates for local advertising, 29.6% of the Allegra Marketing Fund was used for general and administrative expenses, 17.1% of the Allegra Marketing Fund was used for training and support to franchisees and other miscellaneous expenses, and 7.1% was retained for use in future years.

In fiscal year 2018, 2.18% of the Insty-Prints Marketing Fund was used for outside national and local marketing production, 31.89% of the Insty-Prints Marketing Fund was used for media placement, 22.03% of the Insty-Prints Marketing Fund was paid to franchisees as rebates for local advertising, 30.01% of the Insty-Prints Marketing Fund was used general and administrative expenses, and 13.89% of the Insty-Prints Marketing Fund was used for training and support to franchisees and other miscellaneous expenses.

The general and administrative expenditures described above include reasonable salaries, travel expenses and membership costs for employees associated with Marketing Fund business, costs incurred to administer programs that would otherwise be outsourced, and costs associated with program delivery (such as email marketing, search engine optimization, local marketing, customer surveys and communication).

Local Advertising Cooperative

We may establish a local advertising cooperative in geographical areas in which 2 or more Centers are operating under the same brand. Generally, a geographic area for a cooperative will be defined as a Dominant Market Area ("DMA"). Franchisees of *Allegra* Centers, *American Speedy Printing* Centers and *Insty-Prints* Centers will contribute to their respective cooperatives. If a local advertising cooperative is established in your geographic region, you must contribute your share to the cooperative which will not exceed 1% of your Gross Sales, whichever is applicable, unless the members of the cooperative approve a higher percentage according to the bylaws adopted by the cooperative. We reserve the right to collect your contribution on behalf of the cooperative, in which case your contribution will be payable in the same manner as the Royalty. Fees remitted to the cooperative usually will be used at the discretion of the cooperative to promote the services provided by Centers that are members of the cooperative. We have the right to approve all of the cooperative's marketing programs, advertising materials and media selections. We will account for cooperative fees separately from our other funds. We will not use cooperative fees to solicit the sale of franchises. A cooperative will provide us with an annual financial statement, which will be reviewed by one of our officers.

We may use collection agents and bring legal proceedings to collect amounts owed to any local advertising cooperative, and may forgive, waive, settle and compromise claims by or against a cooperative. We have no liability or obligation to you for the maintenance, direction or administration of a cooperative. Each cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. We may change, dissolve or merge any cooperative.

Advertising Councils

We have established a Network Advisory Council of *Allegra*, *American Speedy Printing*, *Speedy Printing*, *Insty-Prints* and *KKP* franchisees. We consult with the Network Advisory Council on various issues, including marketing programs and materials, but reserve the right to make all decisions. The members of the Network Advisory Council are nominated by franchisees and selected by us. The Network Advisory Council does not have a certain number of designated slots for the various brands; therefore, not all brands will have a representative on the Network Advisory Council at all times. The Network Advisory Council has its own by-laws; currently, we do have the right to change or dissolve the Network Advisory Council.

The Insty-Prints Marketing Fund Committee (the "Committee") will review marketing progress and materials and provide guidance to us on how best to use the Insty-Prints Marketing Fund to benefit our Insty-Prints franchisees. The Committee is governed by its own Guidelines. The Insty-Prints committee members that are on the Network Advisory Council also comprise the Insty-Prints Marketing Fund Committee. Currently, there are 3 franchisee members and 3 Allegra corporate staff members. We may amend the Committee Guidelines, dissolve the Committee and/or form a new advisory body.

Marketing Program

We have established a comprehensive turnkey marketing program called the MarketBuilder Program (the "Marketing Program") which is designed and administered by us or our third-party designees. The Marketing Program currently includes customer and prospect communications, and pay-per-click advertising programs. We currently recommend, but may require, that you participate in the Marketing Program. Participation may require you to incur additional costs. We reserve the right to periodically alter the Marketing Program. We also reserve the right to discontinue the Marketing Program upon notice to you. We will establish prices for all materials and services we provide under the Marketing Program.

Advertising Materials

You must submit to us, for our approval, all materials to be used for local advertising, unless we have previously approved them or they consist only of materials we have provided. All materials containing our proprietary marks must include the designation service mark ^{SM}, trademark ^{TM}, registered ®, or copyright ©, or any designation we specify.

If you do not receive the written or oral disapproval of any materials submitted to us within 20 days after the date we received the materials, the materials are approved. We may require you to withdraw and/or discontinue the use of any materials, even if we previously approved them. We must make this requirement in writing, and you will have 5 days after receipt of our notice to withdraw and discontinue use of the materials.

If you will operate both an *Allegra* Center under a franchise agreement with us and a center under a franchise agreement with our affiliate, SGO, then you will sign our current form of Dual-Brand

Addendum attached to this Disclosure Document as Exhibit J, and will pay us a dual-brand marketing fee (currently $100 per month) for dual-brand marketing materials, programs and support.

Website(s), Social Media Platforms and E-mail

We maintain a corporate website on the Internet for each Designated Brand Concept, www.allegramarketingprint.com, www.americanspeedy.com and www.instyprints.com, to promote the System, and to advertise the services and products marketed by us and our franchisees and/or franchise opportunities (each a "Franchise System Website"). We may, but are not obligated to, provide you with a link to your Local Website (as defined below) on the applicable Franchise System Website. We may require that you: (i) provide us the information and materials we request to develop, update, and modify the Franchise System Website; and (ii) notify us whenever any information on the Franchise System Website regarding your Center is not accurate. We may discontinue or modify any Franchise System Website, or consolidate a Franchise System Website with the website of any other Designated Brand Concept, at any time we determine.

You will also be required to have a Website for your Center (the "Local Website") that we host. We must own the domain name for the Local Website, and will assign the domain name to you. The content of the Local Website must comply with our specifications and standards that we periodically designate; all updates and changes to the Local Website must be approved by us. You will pay us our then-current monthly maintenance and hosting fee (currently, $50 per month) for the Local Website. You may also utilize any website, domain name, homepage, e-mail address, social media account (such as LinkedIn®, Twitter®, Facebook®, Instagram®, or YouTube®), user name, other online presence or presence on any electronic medium of any kind ("Online Presence") that we approve under our then-current social media policy, which we may modify periodically. The Local Website and any other social media Website you maintain must identify your Center as an independently owned and operated business. If we approve the use of any Online Presence, you will develop and maintain such Online Presence in accordance with our then-current social media policy, including guidelines for posting any messages or commentary on third-party websites. We will own the rights to each Online Presence. All advertising, marketing, and promotional materials that you develop for your Center must contain notices of the Website's domain name in the manner we designate. Except as described in Section 9.D of the Franchise Agreement, you may not develop, maintain, register or authorize any other website that mentions or describes you or your Center or displays any of the Marks.

You must list your Center in such online subscriptions as we periodically prescribe. You also agree to establish any other Online Presence we require. You may only establish or maintain an Online Presence as approved and according to the guidelines described in our policies and in the Confidential Manuals.

COMPUTER SYSTEM

You must obtain and use specified integrated computer hardware and/or software system and other technology components that meets our System Standards. Currently, we recommend the use of Windows based PC computers, Apple Macintosh computers and routers with a vendor supported operating system. The computers are available through a variety of manufacturers. We estimate the cost range for purchasing the computer systems to be up to $13,670. You will not be required to repurchase items you already own that meet our standards and specifications.

We require that you use the following software:

- Management information system software (currently, either Printer's Plan or Print Smith Vision) for order entry and estimating system. If you select Printer's Plan software, the estimated cost is approximately $3,495 for up to five users, with an annual maintenance contract of approximately $800. If you select Print Smith Vision, the estimated cost is approximately $5,580 for up to five users and a report manager, with an annual maintenance contract of approximately $920.

- QuickBooks Pro with an estimated cost of approximately $210 and no annual maintenance fees, or QuickBooks Online with monthly subscription fees ranging from $50 to $160 per month.

- Microsoft Office Suite (Office 365).

- Adobe Creative Cloud subscription (for each prepress workstation) with an estimated cost of $159 per month.

- Customer relationship management software with an estimated cost of approximately $15 to $30 per month. There is no annual maintenance for this program.

The following software is also required: Extensis Suitcase (for font management), web browser, Anti-Virus software, variable data software and mailing service software.

The Printer's Plan software and PrintSmith Vision software are currently the only approved point-of-sale programs. We may designate a different point-of-sale program as an approved point-of-sale program in the future, or may designate only one point-of-sale program as approved software in the future. We are a distributor of Printer's Plan and PrintSmith Vision. You may, but are not required, to purchase this software program from us. We also recommend that you subscribe to the maintenance and support services provided by Page Path in connection with the Printer's Plan software or EFI in connection with PrintSmith Vision software, which cost approximately $800 and $920, respectively, per year.

We will sublicense Office365 to you, and you will pay us a license fee (currently, $4 per month per license). Prior to obtaining such sublicense, you must sign the Office365 Enrollment Form in the form attached to this Disclosure Document as Exhibit L. There is no annual maintenance contract for Office365.

The components and programs generate, and we will collect, point-of-sale and sales data, accounting data, and other financial data and information we designate. We currently do not have independent access to this data, but reserve the right to have such access in the future. We reserve the right to require you to use a system that will allow us to access your sales figures electronically or by other means. There are no contractual limitations on our right to access this information and data.

We may require you to upgrade or update your computer hardware or software during the term of the Franchise Agreement. There are no contractual limitations on the frequency or cost of this obligation. All hardware and software components are the proprietary property of their manufacturers who have no obligation to provide ongoing maintenance, repairs, upgrades or updates unless you pay for them.

We require you to pay a fee (the "Technology Services Fee") to us (or our affiliates) for ongoing subscription, maintenance and support of various technology systems, platforms and resources. We may periodically modify the amount of the Technology Services Fee. You must pay the Technology Services Fee at the times, and in the manner, designated by us. We may require you to enter into written

agreements with us or our affiliates to receive such services, with terms and conditions we approve. Currently, we charge a Technology Services Fee of $50 per month. Some technology services may also be offered separately for an additional fee.

OPERATIONS MATERIALS

We provide guidance through operations materials, which may include one or more separate manuals as well as digital media, computer software, information available on an internet site, other electronic media, and/or written materials (collectively, the "Operations Materials"). The Operations Materials currently have a total of 250 pages. See Exhibit P for the Table of Contents to the Operations Materials.

We currently post the Operations Materials on a restricted website to which you will have access. You must monitor and access the website for any updates to the Operations Materials or System Standards. Any passwords or other digital identifications necessary to access the Operations Materials will be deemed to be part of our confidential information.

SITE SELECTION

You must obtain and maintain a site acceptable to us for your Center.

We will consult with you on a site, which we will approve or disapprove based on factors such as business count, traffic count, accessibility, parking, visibility and competition. When you have given us all the necessary information on the site you have selected, we generally will approve or disapprove the site within two weeks. If you and we cannot agree on a site, we may terminate the Franchise Agreement. We will assist you by reviewing the lease and making recommendations regarding terms in the lease, but we recommend that you retain an attorney to assist you.

As referenced in Item 1, under our MatchMaker program, we may introduce you to owners of independent marketing and business communication services businesses who are interested in selling their businesses. You may only acquire a franchise for a MatchMaker Center if you are purchasing an independent marketing and business communication services center and transitioning it to an *Allegra* Center. We anticipate that you will operate your Center at the site of the independent business you purchase.

If you sign a Franchise Agreement for an Advantage Center, we anticipate that you will operate your Center at the site of your current business.

OPENING OF CENTER

If you are purchasing a franchise for a MatchMaker Center, you must complete the acquisition of the independent print business for operation under our Marks within 1 year after you sign the Franchise Agreement. Upon your acquisition of the independent marketing and business communication services business, you will have 180 days to transition such business to an *Allegra* Center meeting our specifications and standards. If you do not complete such transition within the 180 day period, we may terminate the Franchise Agreement or at our election we may exclude your participation from programs and services we provide to you.

If you sign a Franchise Agreement for an Advantage Center, you must keep your Advantage Center open and operating throughout the transition process. You also must have the transition of your Advantage Center completed within 180 days after the effective date of the Franchise Agreement.

Factors that affect the transition time include financing arrangements, lease negotiations, delivery and installation of equipment, and renovation of the premises. If you fail to transition the Advantage Center within this time, we may terminate the Franchise Agreement and retain the entire franchise fee unless we have agreed to extend the time, or at our election we may exclude your participation from programs and services we provide to you.

TRAINING

The initial training program involves up to 5 days of instruction for 2 persons at Alliance University in Plymouth, Michigan (or another location we designate). Prior to attending in-person training at Alliance University, attendees will be required to complete approximately 30 hours of online, self-paced learning sessions. We may lengthen, shorten or restructure the contents of this program. The classroom portion of the program is currently conducted on an as-needed basis at our headquarters (but we may designate an alternate location), and has been conducted by a training staff currently under the direction of Doris Bennett, Vice President of Sales and Training. Ms. Bennett has 8 years of experience with us and over 25 years of experience in the subjects taught.

You (or your Managing Owner, if you are an entity) must complete the program, to our satisfaction (i) if you are purchasing an Existing Center, prior to closing on the purchase transaction; (ii) if you are acquiring an independent business to transition to a MatchMaker Center, before the close of the purchase transaction; or (iii) if you are acquiring a franchise for an Advantage Center, within 45 days of the effective date of the Franchise Agreement. Scheduling of the training program is based on your availability, your Center's timing requirements and the training staff's availability. The initial training program covers general business procedures, Center marketing programs and processes, Center sales planning, pricing methodology, workflow production, marketing services, point-of-sale system overview and how to effectively utilize Quickbooks. Training materials include access to our online learning center, digital access to our Operations Materials and access to our franchise member-facing communications portal.

You (or your Managing Owner) may request additional training at the end of the initial training program, to be provided at our then current per diem charges, if you (or your Managing Owner) do not feel sufficiently trained in the operation of a Center. We and you will jointly determine the duration of this additional training. If you have a new Managing Owner, the new Managing Owner must satisfactorily complete our then current initial training program. We may charge reasonable fees for training new Managing Owners. You also agree to pay all travel and living expenses which your Managing Owner incurs during all training courses and programs.

The initial training program is designed to cover all phases of the operation of a Center. Any individual attending the training who has not signed the Franchise Agreement or the Guaranty and Assumption of Obligations must execute our then-current form of confidentiality, non-competition and non-solicitation agreement.

You are responsible for covering your and your personnel's travel and lodging costs for attending training. Initial on-site training will last up to 5 days (not necessarily consecutive), and will cover the set-up and organization of a Center, training of personnel, identifying and contacting outside suppliers, installing the computerized order entry system and implementing the KickStart initial marketing program. With respect to an Advantage Center, initial on-site training will last up to 5 days (not necessarily consecutive), and will cover transition, order entry systems and the KickStart initial marketing of an Advantage Center. The on-site training will be conducted at your Center within 90 days after the effective date of the Franchise Agreement, or, if you sign a Franchise Agreement for an Advantage Center, within 6 months after the effective date of the Franchise Agreement.

As of the date of this Disclosure Document, we provide the following initial training:

TRAINING PROGRAM

Subject[1, 2]	Hours of Classroom Training	Hours of Hands-On Job Training	Location[3]
Welcome • Meet & Greet • Intro and Class Agenda Review • Growth of the Print Industry • Intro to Business/Marketing/Sales Plan via EOS • **Business Planning** o Building a Successful Business o Business Analysis o -30/30/60/90	18	10	Alliance University
Business Growth Strategies • Mailing Services • Large Format • Promotional Products • AD3/E-Commerce Advantage • Tools for You as a Marketing Services Provider • Acquisitions Program	8	0	Alliance University
Marketing and Public Relations • Marketing Research • Marketing Materials and Programs • Corporate Communications • Identity Standards and Marketing Review/Recap	9	0	Alliance University
Sales • Consultative Sales • Sales Plan & Benchmarking • Frontline Training	9	0	Alliance University
Financial Management • Royalty & Matching Funds • Basic Bookkeeping • ORS Best Practices	6	8	Alliance University
Network Partnerships • Vendor Relationships	1	0	Alliance University
Center Visit • A Day in the Life of an Owner	6	0	Alliance University
Introduction to *Alliance University* Online Training Opportunities	.5	0	Alliance University

Subject[1, 2]	Hours of Classroom Training	Hours of Hands-On Job Training	Location[3]
Business Operations: • **Putting the Pieces Together with QuickBooks** • **POS System** o Pricing Models o Overview of System o Pricing Exercises o Invoices, Estimates, & Work Orders o EOD Procedures • **Production** o Intro to Paper o Bindery and Ancillary o Production Workflow o Center Maintenance & OSHA	14	16	Alliance University and at your Center
Digital Technology • Digital Production • Prepress Management	3	6	Alliance University
Totals	74.5	40	

Note 1: The hours devoted to each subject are estimates and may vary based on class size, participation, the franchisees' experience with the subject, and scheduling.

Note 2: Classroom training may also include webcasts that we, at our option, provide in lieu of classroom training.

Note 3: Classroom training will be conducted at Alliance University, which is currently located in Plymouth, Michigan (or another location we designate).

We may require you (or your Managing Owner) and/or previously trained and experienced employees to attend and complete satisfactorily various training courses that we periodically choose to provide at the times and locations that we designate, including courses and programs provided by third-parties we designate. We will not require attendance at more than 2 such courses, or for more than a total of 3 business days, during a calendar year. Besides attending these courses, you agree to attend an annual meeting of all Center franchise owners at a location we designate. Attendance will not be required for more than 5 days during any calendar year. You agree to pay all costs to attend.

Item 12

TERRITORY

We and our affiliates will not operate or grant a franchise for the operation of another *Allegra*, *American Speedy* or *Insty-Prints* Center, the physical premises of which is located within an area around your Center that we will determine before you sign the Franchise Agreement (the "Protected Territory"). However, you will not receive an exclusive territory. You may face competition from other franchisees, from Centers that we own or from other channels of distribution or competitive brands we control. Typically the Protected Territory encompasses a business count of 4,000 to 5,000 businesses.

Other Centers (including Centers of your Designated Brand Concept or Centers owned by us or our affiliates) may market and solicit customers in your market area and, likewise, you may market and solicit customers in the market area of the other Centers. However, except as permitted in your Franchise

Agreement, you may not engage in any promotional or similar activities, directly or indirectly, through or on the Internet. We may not modify your Protected Territory except as described in this Item 12.

We and our affiliates reserve the right to engage in any and all activities that we (and they) deem appropriate and are not expressly prohibited under the Franchise Agreement, including the right to:

(1) acquire and operate, and allow others to acquire and operate, one or more businesses offering products and services which are identical or similar to products and services offered by a Center, and/or franchising, licensing or creating similar arrangements with respect to these businesses, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Protected Territory);

(2) offer and sell products and services offered by Centers to national, regional and governmental accounts or our affiliates (including customers or accounts located within the Protected Territory);

(3) establish, and allow others to establish, other distribution channels (including the Internet), wherever located or operating and regardless of the nature or location of the customers with whom such other distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from a Center, and that sell products and/or services that are identical or similar to, and/or competitive with, those that a Center customarily sells;

(4) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Territory; and

(5) engage in all other activities not expressly prohibited by the Franchise Agreement.

We are not required to pay you if we exercise any of the rights specified above inside or outside your Protected Territory.

Your retention of the Protected Territory is not dependent on the achievement of any stated sales volume, market penetration or other contingency. However, if the business count in the Protected Territory increases by at least 50% we may reduce your Protected Territory. The business count in the new Protected Territory will be at least 4,000.

You will operate from one location and must receive our permission before relocating. If, after receiving our permission, you relocate the Center, we may change your Protected Territory.

The Franchise Agreement does not give you any right of first refusal or similar rights to acquire additional franchises within any given area.

Our affiliates operate *Image360* Centers and *Allegra* Centers. We and our affiliates also have franchised centers and will continue to offer franchises under each of the *Allegra*, *American Speedy*, *Insty-Prints*, *Image360*, *Signs By Tomorrow*, *Signs Now* or *RSVP* name and mark. We, our affiliates and franchisees that operate under these marks may solicit or accept orders in your market area. While we do not anticipate conflicts between franchisees of each brand concept or that the signs businesses will compete for your business, in the future such brands may offer additional products and services that may

be competitive with products and services you will offer at your Center. However, if a conflict should arise, we will analyze it and take action (if any) that we deem appropriate. As disclosed in Item 1, we share a principal business address for each Designated Brand Concept, though we and our affiliates currently maintain separate offices for certain support functions of the *Image360*, *Signs By Tomorrow*, *Signs Now* and *RSVP* franchise systems.

ITEM 13

TRADEMARKS

We grant you the non-exclusive right and obligation to use certain Marks based on your Designated Brand Concept and type of Center operated. You must use the Marks as we require. You may not use any of the Marks as part of your firm or corporate name. You may not use the Marks in the sale of unauthorized products or services or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale or other disposition of the Center or any interest in the franchise. The Marks are owned by Allegra Holdings LLC, our parent. We are authorized to use and to sublicense the use of the Marks. All rights in and goodwill from the use of the Marks accrue to us and our affiliates.

The principal Marks are:

Mark	Reg. No. & Principal (P) or Suppl. (S)	Registration Date
"A" (stylized)	Reg. 3,787,018 (P)	05/11/10
"A Allegra" (and design)	Reg. 3,783,744 (P)	05/04/10
"Allegra"	Reg. 2,200,840 (P)	11/03/98
"Allegra Print & Imaging" (and design)	Reg. 2,229,831 (P)	03/09/99
"Allegra"	Reg. 2,219,861 (P)	01/26/99
"Allegra Network"	Reg. 2,459,465 (P)	06/12/01
"American Speedy Printing Centers" and design	Reg. 1,408,004 (P)	09/02/86
"Insty-Prints"	Reg. 3,761,277 (P)	03/16/10
"Allegra Marketing Print Mail"	Reg. 5,668,694 (P)	02/05/19
"A Allegra Marketing Print Mail" (and design)	Reg. 5,668,695 (P)	02/05/19

For each registration noted above, Allegra Holdings LLC has filed all required affidavits and has applied for or obtained any required renewals.

No agreements limit our right to use or license the use of the Marks in a manner material to the franchise. We do not know of any superior prior rights in the Marks. We do not know of any infringing uses of the Marks that could materially affect your use of the Marks.

If we decide to modify or discontinue use of any of the Marks or to use one or more additional or substitute Marks, you must follow our directions to modify or discontinue use of the Marks or to use one

or more additional or substitute Marks within a reasonable time after notice. We have no obligation to reimburse you for any expenses resulting from a change in Marks, for your expenses for promoting a modified or substitute trademark or service mark, or for any indirect expense, such as advertising expenses, or for any goodwill associated with any discontinued Mark.

You must notify us immediately when you learn about an infringement of or challenge to your use of any of the Marks. We may take action we think appropriate, and we will control any litigation or administrative proceeding.

If you have timely notified us of a claim or proceeding and comply with the Franchise Agreement, we will indemnify you for all damages for which you are held liable in any proceeding from your authorized use of any of the Marks. We will indemnify you for all costs that you reasonably incur in defending the claim brought against you or any proceeding where you are named as a party because of your authorized and proper use of the Marks. We may defend and control the defense of any proceeding from your use of any of the Marks.

There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any federal or state court, nor are there any pending infringement, opposition or cancellation proceedings, or material litigation, involving the Marks which are relevant to their use by our franchisees.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents that are material to the franchise. We have not filed any patent applications that are material to the franchise.

Various marketing, sales, training and management materials which we have created, including the Operations Materials, marketing materials, newsletters, training and informational materials, printing, advertising and promotional materials, and related items, used in operating a Center, are protected under the U.S. Copyright Act, whether or not we have obtained registrations. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, for the purpose of promoting your Center, but you do not receive any rights in those materials.

There are no determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials which are relevant to their use by our franchisees.

No agreements limit our right to use or license the use of our copyrighted materials. We are not obligated under any agreement to protect or defend our copyrights, although we intend to do so. We do not know of any infringing uses of or superior rights in our copyrighted materials.

We have developed and may continue to develop confidential information for the operation of a Center, including: the Operations Materials, marketing materials, training materials, methods, techniques, formats, specifications, systems (including accounting systems), procedures, recommended prices and pricing methods, sales and marketing techniques, and marketing and advertising programs and materials.

The confidential information includes our trade secrets. We disclose it to you on the condition that you do not use the information in any other business, or in violation of the Franchise Agreement, during and after the term of the franchise, that you not make unauthorized copies of any portion of the

information, and that you implement all procedures we require to prevent unauthorized use or disclosure of the information. We may require you to have your employees and contractors execute a Confidentiality and Non-Solicitation Agreement and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements with independent enforcement rights.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are a corporation, partnership or limited liability company you must name as managing owner one of your shareholders or owners who owns at least a 20% interest in the corporation, partnership or limited liability company and who is your chief executive officer (the "Managing Owner").

If you are a corporation, partnership or limited liability company, each owner must sign a Guaranty and Assumption of Obligations (See Exhibit D), guaranteeing the performance of your obligations under the Franchise Agreement. The spouse of each owner will also be required to consent in writing to his or her spouse's execution of the guaranty, which serves to bind the assets of the marital estate to the guarantor's performance of the Guaranty and Assumption of Obligations.

You must diligently perform all your obligations under the Franchise Agreement and exert your best efforts to promote the Center. You (and your owners if you are a corporation, partnership or limited liability company) may not engage in a similar or competitive business.

You (or your Managing Owner) must devote substantially all of your (or his or her) effort and time to the on-premises supervision of the Center and manage the Center on a full-time basis. Your on-site manager (or any replacement manager) does not need to successfully complete our training program. However, you (or your Managing Owner) must supervise, train and evaluate the performance of your employees so that they provide competent and efficient service to customers.

Additionally, you must hire, and have an ongoing obligation to retain, an outside salesperson meeting the minimum specifications we may designate, who must be someone other than you. Any outside salesperson may (but is not required to) attend initial training for our then-current training fee if space is available. An original or a replacement outside salesperson does not need to have an equity interest in your Center.

Any of your Center's employees who will have access to our confidential and proprietary information or who will participate in our training programs must sign a Confidentiality and Non-Solicitation Agreement (See Exhibit E).

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may not use the Center or the premises of the Center for any purpose other than the operation of a Center in compliance with the Franchise Agreement. You must use our specifications for products, materials and supplies, and you must follow our specifications and marketing plans for certain brands of products, materials and supplies.

You may not offer any products or services that we have not approved. You must offer all products and services that we require to be offered at a Center. We may change the types of products and

services required to be offered at a Center on reasonable written notice to you and there are no limits on our right to do so. You may not offer any products or services that we have not approved. You must discontinue selling and offering for sale any products or services that we disapprove at any time. We have the right to add additional authorized products and services that you are required to offer. There are no limits on our right to do so. We do not restrict the customers to whom you may sell approved products and services.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(a) Length of the franchise term	Section 1.D; Section 1 of the Transition Addendum; Section 1 of the Advantage Addendum	Advantage Center: Franchise Agreement term is 5 years (the "Initial Term"). Existing Centers Transitioning to an Allegra Center: Franchise Agreement term is 10 years. However, if the term remaining on your existing franchise agreement is greater than 10 years, you can choose 10 years or your existing remaining term. All Other Centers: Franchise Agreement term is 20 years.
(b) Renewal or extension of the term	Section 13; Section 10 of the Advantage Addendum; Section 1 of the Transition Addendum; Section 1.a of the Dual-Brand Addendum	Advantage Center: The Franchise Agreement may be renewed for an additional 10-year term (the "Renewal Term") if you are in full compliance, and you execute our then current form of renewal addendum if we so require. After the expiration of the Renewal Term, if you are in full compliance, you may acquire one successor franchise on our then current terms (which may be materially different from existing terms) for 10 years. All Centers Other Than an Advantage Center: If you are in full compliance, you may acquire one successor franchise on our then current terms (which may be materially different from existing terms) for 20 years. Existing Centers Transitioning to an Allegra Center: You can choose to renew early and have an expiration date that is the expiration date of your existing franchise agreement plus 10 years. For all Centers: If you later sign a franchise agreement with us or an affiliate to operate another brand concept at the Center's premises such that the Center's premises will be used for a dual-brand center, then you may be required to sign an agreement extending the term of the Franchise Agreement so that its term expires on the same date as such franchise agreement.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(c) Requirements for franchisee to renew or extend	Section 13	Give us timely notice; maintain possession of your Center's premises or find acceptable substitute premises; remodel your Center according to our then current standards (regardless of cost); timely sign new franchise agreement and other documents we use to grant franchises; sign general release; and if we so require, transition your Center into a different Designated Brand Concept. If you seek to renew your franchise at the expiration of the term, you will be required to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements. As a matter of policy, existing franchisees under older franchise agreements are allowed to sign a renewal addendum to the franchise agreement in place of a new franchise agreement, which contains a general release and may amend certain terms of the franchise agreement, including financial terms. We reserve the right to change this policy in the future and require all franchisees to sign a new franchise agreement.
(d) Termination by franchisee	Section 14.A; Section 11 of the Advantage Addendum	You may terminate the Franchise Agreement if we materially breach the agreement and do not cure default after notice from you; you may also terminate if you pay us a termination fee (see Item 6).
(e) Termination by franchisor without cause	Not applicable	We may not terminate the Franchise Agreement without cause.
(f) Termination by franchisor with cause	Section 14.B; Section 12 of the Advantage Addendum	We may terminate only if you or your owners commit one of several violations.
(g) "Cause" defined — curable defaults	Section 14.B	Under the Franchise Agreement, you have 10 days to cure monetary defaults and failure to maintain required insurance; 72 hours to cure violations of laws, ordinances, rules or regulations of a governmental agency; and 30 days to cure operational defaults and other defaults not listed in (h) below.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(h) "Cause" defined — non-curable defaults	Section 14.B; Section 7 of the MatchMaker Addendum; Section 12 of the Advantage Addendum; Section 8 of Transition Addendum; Section 4 of Dual-Brand Addendum	Non-curable defaults under Franchise Agreement include failure to transition an independent business to a MatchMaker Center within 180 days of acquisition, or transition and develop your Advantage Center within 180 days after the Franchise Agreement's effective date (if applicable) or transition your existing Center into an *Allegra* Center within 90 days after the Franchise Agreement's effective date (if applicable); failure to complete training; abandonment; unapproved transfers of your Center; you lose the right to occupy the premises; material misrepresentations or omissions; conviction of a felony; dishonest or unethical conduct; unauthorized use or disclosure of the Operations Materials or other confidential information; failure to pay taxes; understating Gross Sales, whichever is applicable; repeated defaults (even if cured); an assignment for the benefit of creditors; appointment of a trustee or receiver; failure to comply with anti-terrorism laws; and failure to comply with other agreements with us or our affiliates and do not correct such failure within the applicable cure period, if any.
(i) Franchisee's obligations on termination/nonrenewal	Section 15	Obligations include paying outstanding amounts; closing the Center and cease selling products and services; cease all use of the Marks; cease identifying any business as a Center or franchisee and cancel all fictitious or assumed names using any Mark; returning or destroying all confidential information, as we require; delivering all customer artwork to your customers within 10 days; deliver to us within 10 days a copy of your management information system, including all customer information; complete de-identification; cease using and assign all telephone numbers, facsimile numbers and all Online Presences to us; providing evidence of compliance with the de-identification requirements within 15 days; and paying liquidated damages, if applicable (also see (o) and (r) below).
(j) Assignment of contract by franchisor	Section 12.A	No restriction on our right to assign; we may assign without your approval.
(k) "Transfer" by franchisee — definition	Section 12.B	Includes transfer of Franchise Agreement, sale of your Center's assets, transfer of ownership interest in you or your owners.
(l) Franchisor approval of transfer by franchisee	Section 12.B	No transfer without our prior written consent.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(m) Conditions for franchisor approval of transfer	Section 12.C	New franchisee qualifies; you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; no default during 60 day period before transfer request or during period between request and transfer's proposed effective date; new franchisee (and its owners and affiliates) are not in a competitive business; training completed; lease transferred; transferee agrees to upgrade and remodel your Center according to our specifications within 45 days after transfer's effective date; if we so require, transferee agrees to transition the Center into a different Designated Brand Concept; you or transferee signs our then current franchise agreement and other documents; any referral fees or broker fees are paid; transferee paid initial franchise fee for Existing Center; we approve purchase price and payment terms; you subordinate amounts due to you at our request; you de-identify; and you sign release (if law allows) (also see (r) below).
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 12.F	We may match any offer for your Center or an ownership interest in you.
(o) Franchisor's option to purchase franchisee's business	Section 15.E	We may buy your Center, after the Franchise Agreement is terminated or expires (without renewal).
(p) Death or disability of franchisee	Section 12.E	Assignment of franchise or an ownership interest in you to approved party within 180 days; we may manage your Center if there is no qualified manager approved by us.
(q) Non-competition covenants during the term of the franchise	Section 7	No diverting business (or assisting others to divert business); no behavior injurious of the Marks; no appropriating the System for use in other businesses or endeavors; no ownership interest in, or performing services for, or leasing premises to, competitive business anywhere ("competitive business" means (i) any business offering, selling or producing products or services that we may authorize Centers to sell, offer or produce, including, without limitation digital offset printing, large format printing, wide format printing, copying, marketing services, binding, mailing services, promotional products and related products and services, or (ii) any business granting franchises or licenses to others to operate the types of businesses specified in subparagraph (i) (other than a business operated under a franchise agreement with us). We may periodically change the products and services that Centers are authorized to sell and, therefore, you may be restricted from engaging in certain business activities in the future involving the offer and sale of products and services which are not currently offered by the Centers).

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(r) Non-competition covenants after the franchise is terminated or expires	Section 15.D	For 2 years, no direct or indirect ownership interest in, or performing services for, or leasing premises to, a competing business within 10 mile radius of your Center or within 5 mile radius of any other Center in operation or under construction on date of termination or expiration of Franchise Agreement (same restrictions apply after transfer).
(s) Modification of the agreement	Section 17.M	No modifications except in writing, but we may change Operations Materials and System Standards.
(t) Integration/merger clause	Section 17.O	Only the terms of the Franchise Agreement (including System Standards in the Operations Materials) are binding (subject to state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable.
(u) Dispute resolution by arbitration or mediation	Section 17.G	We and you must arbitrate all disputes at a location within 50 miles of our then current principal place of business (currently Plymouth, Michigan) (subject to state law).
(v) Choice of forum	Section 17.I	Subject to arbitration requirement, litigation must be exclusively in the state or federal court which is closest to our then current principal place of business (currently Plymouth, Michigan) (subject to state law).
(w) Choice of law	Section 17.H	Except for U.S. Federal Arbitration Act and other federal laws in the U.S., laws of State of Michigan (subject to state law).

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise. Although the Franchise Agreement does not prohibit you from using a public figure in promotion or advertising, we must approve any public figure, media, time and text that you propose to use.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

A. METHODS OF CALCULATION

System-wide sales numbers for the 2018 fiscal year were calculated for the purposes of this Item 19 as follows: (i) for all company-owned *Allegra* Centers, and all franchised *Allegra*, *American Speedy*

Printing, Speedy Printing, and *Zippy Print* Centers that operated under the terms of a franchise agreement signed prior to April 2016 (153 Centers in 2018), sales were based on Total Receipts (as defined below), and (ii) for franchised *Insty-Prints* Centers, and all franchised *Allegra, American Speedy Printing, Speedy Printing,* and *Zippy Print* Centers that operated under the terms of a franchise agreement signed after April 2016 or under the terms of an amendment to franchise agreement signed after April 2016 modifying the reporting basis (95 Centers in 2018), sales were based on Gross Sales (as defined below). If a Center fails to report sales numbers, we estimate the sales number for the purpose of calculating system-wide numbers. The estimated sales number equals 110% of the average of the last 3 monthly sales numbers for a Center (whether reported or estimated).

Sales for Centers located in Canada were converted from Canadian dollars to United States dollars in 2018 on a 1:0.77 basis.

"Gross Sales" means all revenue from sales conducted at, from or through a Center, including amounts received from the sale of services and products of every kind and nature. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as it is added to the selling price and actually paid by the franchisee to such governmental authority; (ii) all amounts paid by customers for postage; (iii) customer refunds or credits; and (iv) any revenue from the sale of services and products from a Center to another Center.

"Total Receipts" means all receipts from all of the sales conducted at, from or through a Center, including amounts received from the sale of services and products of every kind and nature and collections on credit sales. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers so long as it is added to the selling price and actually paid by the franchisee to such governmental authority; (ii) all amounts paid by customers for postage; (iii) customer refunds or credits; and (iv) sales made on credit if the franchisee is not paid.

B. ANNUAL SYSTEM-WIDE SALES

Year	System-Wide Sales
2016[1]	$231,859,328
2017[2, 4]	$232,002,903
2018[3, 4]	$234,411,265

1. This includes sales of 266 *Allegra, American Speedy Printing, Insty-Prints, Speedy Printing,* and *Zippy Print* Centers in operation in the United States and Canada. During 2016, 11 of the reporting system-wide Centers failed to report sales for an average of 3.4 months and we estimated such Centers' sales for the months for which they failed to report.
2. This includes sales of 251 *Allegra, American Speedy Printing, Insty-Prints, Speedy Printing,* and *Zippy Print* Centers in operation in the United States and Canada. During 2017, 5 of the reporting system-wide Centers failed to report sales for an average of 9.4 months and we estimated such Centers' sales for the months for which they failed to report.
3. This includes sales of 248 *Allegra, American Speedy Printing, Insty-Prints, Speedy Printing,* and *Zippy Print* Centers in operation in the United States and Canada. During 2018, 3 of the reporting system-wide Centers failed to report sales for an average of 7.3 months and we estimated such Centers' sales for the months for which they failed to report.

4. The sales growth was relatively low, in part, because when a print center dual brands, its signs sales immediately get reported to our affiliate, SGO, under the franchisee's franchise agreement with SGO, rather than to us, causing a loss for the print center.

C. ALLEGRA CENTERS' SALES FOR 2018[1]

The numbers in this Section C reflect the sales of all 193 franchised *Allegra* Centers located in the United States and Canada that were in operation for at least 1 full calendar year as of December 31, 2018. This excludes 7 *Allegra* Centers that closed during 2018, 2 *Allegra* Centers were open for less than 1 full calendar year as of December 31, 2018, and 1 *Allegra* Center that underwent a consolidation during 2018. This includes 7 *Allegra* Centers that converted from a KKP center during 2018. During 2018, 1 Center failed to report sales for 12 months and we estimated such Center's sales for the months for which it failed to report.

2018 ANNUAL SALES OF ALLEGRA CENTERS – FRANCHISED

	Centers Open More Than 1 Year	Average Annual Sales	Centers That Achieved or Exceeded the Average	Median Annual Sales	Range
Franchised	193	$1,078,596	32 (16.58%)	$764,636	$26,993 to $11,142,773
Top 50%	96	$1,708,115	32 (33.33%)	$1,312,878	$764,196 to $11,142,773
Bottom 50%	97	$455,567	53 (54.64%)	$470,839	$26,993 to $764,635

D. OPERATING RATIO STUDY[1]

2017 PERCENTAGE OF COSTS, EXPENSES AND PROFITS IN RELATION TO SALES

Medians[2]	Centers with Sales Greater than $2,000,000[12]	Centers with Sales of $1,200,000 to $2,000,000[13]	Centers with Sales of $700,000 to $1,200,000[14]	Centers with Sales of $400,000 to $700,000[15]	Centers with Sales Less than $400,000[16]
Sales	$3,009,515	$1,609,038	$945,617	$602,651	$329,644
Cost of Goods Sold[3]	34.27%	32.47%	32.66%	32.60%	29.05%
Gross Margin[4]	65.73%	67.53%	67.34%	67.40%	70.95%
Staff Cost[5]	31.64%	32.08%	26.93%	22.87%	20.85%
Operating Expenses[6]	15.73%	21.94%	23.00%	23.02%	29.23%
Capital Asset Cost[7]	5.34%	6.33%	5.26%	4.46%	4.63%
Net Profit Margin[8]	3.88%	(0.20%)	3.42%	1.94%	2.41%
Owner's Discretionary Profit Margin in Percentage[9]	11.01%	5.42%	13.81%	11.62%	10.51%
Owner's Discretionary Profit	$331,348	$87,210	$130,590	$70,028	$34,646

Margin in Dollars[10]					

Averages[11]	**Centers with Sales Greater than $2,000,000[12]**	**Centers with Sales of $1,200,000 to $2,000,000[13]**	**Centers with Sales of $700,000 to $1,200,000[14]**	**Centers with Sales of $400,000 to $700,000[15]**	**Centers with Sales Less than $400,000[16]**
Sales	$3,415,714[17]	$1,599,089[26]	$928,888[35]	$569,267[44]	$292,299[53]
Cost of Goods Sold[3]	34.57%[18]	33.49%[27]	31.69%[36]	31.81%[45]	30.14%[54]
Gross Margin[4]	65.43%[19]	66.51%[28]	68.31%[37]	68.19%[46]	69.86%[55]
Staff Cost[5]	31.54%[20]	30.68%[29]	27.01%[38]	22.43%[47]	21.51%[56]
Operating Expenses[6]	15.93%[21]	24.31%[30]	23.02%[39]	23.57%[48]	30.57%[57]
Capital Asset Cost[7]	5.78%[22]	6.65%[31]	5.66%[40]	7.39%[49]	5.18%[58]
Net Profit Margin[8]	5.96%[23]	(2.44%)[32]	3.77%[41]	5.13%[50]	4.11%[59]
Owner's Discretionary Profit Margin in Percentage[9]	12.17%[24]	4.87%[33]	12.61%[42]	14.80%[51]	12.59%[60]
Owner's Discretionary Profit Margin in Dollars[10]	$415,859[25]	$77,872[34]	$117,130[43]	$84,267[52]	$36,788[61]

NOTES:

1. Each year since 1992, we or our affiliates have conducted an annual Operating Ratio Study that summarizes and reports information provided on financial statements prepared by Participating Centers (defined below). The data provided above has been extracted from the results of the latest study which was conducted in 2018 for fiscal year ending December 31, 2017. A total of 173 Centers (the "Participating Centers") out of 248 (69.76%) Centers located in the U.S. and Canada (the "Total Centers") participated in this study. These 173 Participating Centers include *Allegra*, *American Speedy Printing*, *Speedy Printing*, *Zippy Print* and *Insty-Prints* Centers, 13 of which are located in Canada. Total Centers include all *Allegra* Centers, *American Speedy Printing* Centers, *Speedy Printing* Centers, *Insty-Prints* Centers and *Zippy Print* Centers as of December 31, 2017. The 173 Participating Centers were operated by 149 franchisees (the "Participating Franchisees"). With respect to a franchisee that operates multiple Centers, we aggregate the financial information received for all the franchisee's Centers and report the information as 1 Participating Center. Total Centers do not include 18 Centers which fall in one of the following categories: (i) Centers that had not been operated by the current owner during the entire 2017 calendar year, (ii) Centers that were impacted by significant consolidation/acquisition activity during calendar year 2017, (iii) Centers that were in the process of being transferred to a new owner during the first quarter of 2018, (iv) Centers that were abandoned by the franchisee in 2018, before the end of April, and (v) Centers that were operated by our affiliates.

2. The "median" is the middle value of the Participating Centers' in a particular category arranged in order. The same number of Participating Centers are above and below the median. The sum of the percentages from each category will not equal 100% because these are median percentages.

3. "Cost of Goods Sold" means the percentage of revenue spent by the franchisee on paper and other materials used in the production process.

4. "Gross Margin" means the percentage of revenue earned by franchisee, minus the Cost of Goods Sold.

5. "Staff Costs" means the percentage of revenue spent by the franchisee on wages, taxes, benefits, recruitment and other employee related expenditures.

6. "Operating Expenses" means the percentage of revenue spent on rent, advertising, utilities, insurance and other overhead expenses. Amounts paid to us for royalties and marketing fund contributions are included as expenses.

7. "Capital Asset Costs" means the percentage of revenue spent on capital asset costs, including amortization, depreciation, operating leases and interest expense.

8. "Net Profit Margin" means the percentage of revenue retained by the Center, after owner(s) salary, benefits and taxes.

9. "Owner's Discretionary Profit Margin in Percentage" means the percentage of revenue retained by franchisee, including owner(s) salary, benefits, and taxes, plus the net income or minus the net loss.

10. The "Owner's Discretionary Profit Margin in Dollars" is determined by multiplying the sales by the Owner's Discretionary Profit Margin in Percentage. This number does not represent the actual median or average profit of the Participating Centers included in the particular sales range.

11. The "average" for each sales, profit and expense category is the sum value of the sales, profit or expense for each Participating Center that falls within the particular sales volume category, divided by the total number of Participating Centers that fall within that particular sales volume category.

12. Sales of 24 Participating Centers (13.87%) had sales that were more than $2,000,000. The 24 Participating Centers were operated by 19 Participating Franchisees.

13. Sales of 35 Participating Centers (20.23%) had sales that were between $1,200,000 and $2,000,000. The 35 Participating Centers were operated by 29 Participating Franchisees.

14. Sales of 62 Participating Centers (35.84%) had sales that were between $700,000 and $1,200,000. The 62 Participating Centers were operated by 52 Participating Franchisees.

15. Sales of 31 Participating Centers (17.92%) had sales that were between $400,000 and $700,000. The 31 Participating Centers were operated by 29 Participating Franchisees.

16. Sales of 21 Participating Centers (12.14%) had sales that were less than $400,000. The 21 Participating Centers were operated by 20 Participating Franchisees.

17. Sales of the 19 Participating Franchisees that had sales of more than $2,000,000 ranged from $2,170,318 to $7,107,483, and 6 of the 19 Participating Franchisees (31.58%) achieved or exceeded the average sales.

18. 9 of the 19 Participating Franchisees (47.37%) that had sales of more than $2,000,000 exceeded the average Cost of Goods Sold.

19. 9 of the 19 Participating Franchisees (47.37%) that had sales of more than $2,000,000 achieved or exceeded the average Gross Margin.

20. 10 of the 19 Participating Franchisees (52.63%) that had sales of more than $2,000,000 exceeded the average Staff Cost.

21. 8 of the 19 Participating Franchisees (42.11%) that had sales of more than $2,000,000 exceeded the average Operating Expenses.

22. 7 of the 19 Participating Franchisees (36.84%) that had sales of more than $2,000,000 exceeded the average Capital Asset Cost.

23. 7 of the 19 Participating Franchisees (36.84%) that had sales of more than $2,000,000 achieved or exceeded the average Net Profit Margin.

24. 9 of the 19 Participating Franchisees (47.37%) that had sales of more than $2,000,000 achieved or exceeded the average Owner's Discretionary Profit Margin in Percentage.

25. Owner's Discretionary Profit Margin in Dollars of the 19 Participating Franchisees that had sales of more than $2,000,000 ranged from -$64,577 to $807,095, and 7 of the 19 Participating Franchisees (36.84%) achieved or exceeded the average.

26. Sales of the 29 Participating Centers that had sales of $1,200,000 to $2,000,000 ranged from $1,239,419 to $1,986,948, and 15 of the 29 Participating Franchisees (51.72%) achieved or exceeded the average.

27. 18 of the 29 Participating Franchisees (62.07%) that had sales of $1,200,000 to $2,000,000 exceeded the average Cost of Goods Sold.

28. 18 of the 29 Participating Franchisees (62.07%) that had sales of $1,200,000 to $2,000,000 achieved or exceeded the average Gross Margin.

29. 20 of the 29 Participating Franchisees (68.97%) that had sales of $1,200,000 to $2,000,000 exceeded the average Staff Cost.

30. 9 of the 29 Participating Franchisees (31.03%) that had sales of $1,200,000 to $2,000,000 exceeded the average Operating Expenses.

31. 17 of the 29 Participating Franchisees (58.62%) that had sales of $1,200,000 to $2,000,000 exceeded the average Capital Asset Cost.

32. 7 of the 29 Participating Franchisees (24.14%) that had sales of $1,200,000 to $2,000,000 achieved or exceeded the average Net Profit Margin.

33. 6 of the 29 Participating Franchisees (20.69%) that had sales of $1,200,000 to $2,000,000 achieved or exceeded the average Owner's Discretionary Profit Margin in Percentage.

34. Owner's Discretionary Profit Margin in Dollars of the 29 Participating Franchisees that had sales of $1,200,000 to $2,000,000 ranged from -$1,234,173 to $649,817, and 15 of the 29 Participating Franchisees (51.72%) achieved or exceeded the average.

35. Sales of the 52 Participating Franchisees that had sales of $700,000 to $1,200,000 ranged from $704,338 to $1,171,474, and 25 of the 52 Participating Franchisees (48.08%) achieved or exceeded the average.

36. 28 of the 52 Participating Franchisees (53.85%) that had sales of $700,000 to $1,200,000 exceeded the average Cost of Goods Sold.

37. 28 of the 52 Participating Franchisees (53.85%) that had sales of $700,000 to $1,200,000 achieved or exceeded the average Gross Margin.

38. 27 of the 52 Participating Franchisees (51.92%) that had sales of $700,000 to $1,200,000 exceeded the average Staff Cost.

39. 27 of the 52 Participating Franchisees (51.92%) that had sales of $700,000 to $1,200,000 exceeded the average Operating Expenses.

40. 24 of the 52 Participating Franchisees (46.15%) that had sales of $700,000 to $1,200,000 exceeded the average Capital Asset Cost.

41. 24 of the 52 Participating Franchisees (46.15%) that had sales of $700,000 to $1,200,000 achieved or exceeded the average Net Profit Margin.

42. 26 of the 52 Participating Franchisees (50.00%) that had sales of $700,000 to $1,200,000 achieved or exceeded the average Owner's Discretionary Profit Margin in Percentage.

43. Owner's Discretionary Profit Margin in Dollars of the 52 Participating Franchisees that had sales of $700,000 to $1,200,000 ranged from -$96,777 to $339,567, and 26 of the 52 Participating Franchisees (50.00%) achieved or exceeded the average.

44. Sales of the 29 Participating Franchisees that had sales of $400,000 to $700,000 ranged from $417,012 to $682,718, and 14 of the 29 Participating Franchisees (48.28%) achieved or exceeded the average.

45. 20 of the 29 Participating Franchisees (68.97%) that had sales of $400,000 to $700,000 exceeded the average Cost of Goods Sold.

46. 20 of the 29 Participating Franchisees (68.97%) that had sales of $400,000 to $700,000 achieved or exceeded the average Gross Margin.

47. 16 of the 29 Participating Franchisees (55.17%) that had sales of $400,000 to $700,000 exceeded the average Staff Cost.

48. 14 of the 29 Participating Franchisees (48.28%) that had sales of $400,000 to $700,000 exceeded the average Operating Expenses.

49. 15 of the 29 Participating Franchisees (51.72%) that had sales of $400,000 to $700,000 exceeded the average Capital Asset Cost.

50. 10 of the 29 Participating Franchisees (34.48%) that had sales of $400,000 to $700,000 achieved or exceeded the average Net Profit Margin.

51. 14 of the 29 Participating Franchisees (48.28%) that had sales of $400,000 to $700,000 achieved or exceeded the average Owner's Discretionary Profit Margin in Percentage.

52. Owner's Discretionary Profit Margin in Dollars of the 29 Participating Franchisees that had sales of $400,000 to $700,000 ranged from -$65,445 to $193,034, and 11 of the 29 Participating Franchisees (37.93%) achieved or exceeded the average.

53. Sales of the 20 Participating Franchisees that had sales of less than $400,000 ranged from $85,374 to $379,598, and 11 of the 20 Participating Franchisees (55.00%) achieved or exceeded the average.

54. 9 of the 20 Participating Franchisees (45.00%) that had sales of less than $400,000 exceeded the average Cost of Goods Sold.

55. 9 of the 20 Participating Franchisees (45.00%) that had sales of less than $400,000 achieved or exceeded the average Gross Margin.

56. 10 of the 20 Participating Franchisees (50.00%) that had sales of less than $400,000 exceeded the average Staff Cost.

57. 8 of the 20 Participating Franchisees (40.00%) that had sales of less than $400,000 exceeded the average Operating Expenses.

58. 10 of the 20 Participating Franchisees (50.00%) that had sales of less than $400,000 exceeded the average Capital Asset Cost.

59. 8 of the 20 Participating Franchisees (40.00%) that had sales of less than $400,000 achieved or exceeded the average Net Profit Margin.

60. 8 of the 20 Participating Franchisees (40.00%) that had sales of less than $400,000 achieved or exceeded the average Owner's Discretionary Profit Margin in Percentage.

61. Owner's Discretionary Profit Margin in Dollars of the 20 Participating Franchisees that had sales of less than $400,000 ranged from -$15,434 to $120,480, and 9 of the 20 Participating Franchisees (45.00%) achieved or exceeded the average.

E. AVERAGE SALES PRIOR TO ACQUISITION IN 2018

During the 2018 calendar year, we assisted our franchisees to complete 15 acquisitions of independent marketing and business communication services businesses. The sales figures provided below are for sales volume of the businesses acquired during the 12 months preceding their acquisition.

Average Sales	Number Meeting or Exceeding Average	Highest in Range	Lowest in Range	Median
$589,590	4 (26.67%)	$3,200,000	$100,000	$343,095

****

Written substantiation of the data used to prepare the information provided above will be made available to you on reasonable request.

This financial information is prepared without an audit. Prospective franchisees should be advised that no certified public accountant has audited these figures or expressed his or her opinion with regard to the content or form.

Some Centers have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Meredith Flynn at Allegra Network LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466, (800) 726-9050; the Federal Trade Commission; and the appropriate state regulatory authorities.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1

SYSTEMWIDE CENTER SUMMARY FOR YEARS 2016 to 2018[1]

Outlet Type	Year	Centers at the Start of the Year	Centers at the End of the Year	Net Change
Franchised	2016	247	241	-6
	2017	241	230	-11
	2018	230	221	-9
Company-Owned[2]	2016	3	3	0
	2017	3	2	-1
	2018	2	2	0
Total Outlets	**2016**	**250**	**244**	**-6**
	2017	**244**	**232**	**-12**
	2018	**232**	**223**	**-9**

1. The numbers are as of December 31 of each year.

2. Company-owned includes affiliate-owned outlets.

TABLE NO. 2

TRANSFERS OF CENTERS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE) FOR YEARS 2016 to 2018[1]

State	Year	Number of Transfers
California	2016	0
	2017	0
	2018	1
Illinois	2016	1
	2017	0
	2018	0
Indiana	2016	0
	2017	0
	2018	1
Iowa	2016	0
	2017	0
	2018	1
Kentucky	2016	0
	2017	1
	2018	0
Maryland	2016	0
	2017	0
	2018	1
Massachusetts	2016	0
	2017	0
	2018	1
Minnesota	2016	0
	2017	4
	2018	1
Montana	2016	1
	2017	0
	2018	1
New York	2016	0
	2017	1
	2018	0
North Carolina	2016	0
	2017	1
	2018	0
Ohio	2016	0
	2017	0
	2018	1
Pennsylvania	2016	2
	2017	0
	2018	0

State	Year	Number of Transfers
Rhode Island	2016	0
	2017	1
	2018	0
South Carolina	2016	0
	2017	1
	2018	0
Wisconsin	2016	0
	2017	1
	2018	0
Total	**2016**	**4**
	2017	**10**
	2018	**8**

1. The numbers are as of December 31 of each year.

TABLE NO. 3

STATUS OF FRANCHISED CENTERS
FOR YEARS 2016 to 2018[1]

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Centers at End of Year
Alabama	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Arizona	2016	7	0	0	0	0	0	7
	2017	7	0	0	0	0	0	7
	2018	7	0	0	1	0	0	6
Arkansas	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
California	2016	6	0	0	1	0	0	5
	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
Colorado	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Connecticut	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	1	1
	2018	1	0	0	0	0	0	1
Florida	2016	14	0	0	0	0	0	14
	2017	14	0	0	0	0	0	14
	2018	14	0	0	0	0	0	14
Georgia	2016	7	0	0	0	0	0	7
	2017	7	0	0	0	0	0	7
	2018	7	0	0	0	0	0	7

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Centers at End of Year
Idaho	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
Illinois	2016	24	0	0	0	0	0	24
	2017	24	0	0	0	0	4	20
	2018	20	1	0	0	0	1	20
Indiana	2016	7	0	0	1	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Iowa	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	1	0	0	0	0	4
Kentucky	2016	4	0	0	0	0	0	4
	2017	4	0	0	0	0	0	4
	2018	4	0	1	0	0	0	3
Louisiana	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Maryland	2016	3	0	0	0	0	0	3
	2017	3	0	1	0	0	0	2
	2018	2	0	0	0	0	1	1
Massachusetts	2016	7	0	0	0	0	1	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	1	0	1	4
Michigan	2016	30	0	0	0	0	0	30
	2017	30	0	0	0	0	1	29
	2018	29	0	0	0	0	1	28
Minnesota	2016	21	0	0	0	0	0	21
	2017	21	0	0	0	0	0	21
	2018	21	0	0	0	0	2	19
Mississippi	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	1	0
Missouri	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Montana	2016	11	0	0	0	0	0	11
	2017	11	0	0	0	0	0	11
	2018	11	0	0	0	0	0	11
Nevada	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
New Hampshire	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Centers at End of Year
New Jersey	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
New Mexico	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
New York	2016	5	0	0	0	0	0	5
	2017	5	0	0	0	0	1	4
	2018	4	0	0	0	0	0	4
North Carolina	2016	14	0	0	0	0	0	14
	2017	14	1	0	1	0	1	13
	2018	13	1	0	0	0	1	13
Ohio	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Oklahoma	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Oregon	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Pennsylvania	2016	5	0	0	0	0	0	5
	2017	5	0	0	0	0	0	5
	2018	5	1	0	0	0	0	6
Rhode Island	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
South Carolina	2016	8	0	0	0	0	0	8
	2017	8	0	0	0	0	0	8
	2018	8	0	0	0	0	0	8
South Dakota	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Tennessee	2016	9	0	0	0	0	0	9
	2017	9	0	0	0	0	1	8
	2018	8	1	0	0	0	1	8
Texas	2016	11	0	0	0	0	2	9
	2017	9	0	0	0	0	0	9
	2018	9	0	0	0	0	0	9
Virginia	2016	7	0	0	0	0	0	7
	2017	7	1	0	0	0	1	7
	2018	7	0	0	0	0	1	6
Washington	2016	2	0	1	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Centers at End of Year
Wisconsin	2016	12	0	0	0	0	0	12
	2017	12	1	0	0	0	3	10
	2018	10	0	0	0	0	1	9
Totals[2,3,4]	**2016**	**247**	**0**	**1**	**2**	**0**	**3**	**241**
	2017	**241**	**4**	**1**	**1**	**0**	**13**	**230**
	2018	**230**	**5**	**1**	**2**	**0**	**11**	**221**

1. The numbers are as of December 31 of each year.

2. The numbers in the "Total" column may exceed the number of Centers affected because several events may have affected the same Center. For example, the same Center may have had multiple owners.

3. In the year ending December 31, 2018, there were 22 *Allegra* Centers, 2 *Speedy Printing* Centers and 1 *Zippy Print* Center in Canada.

4. For 2016, the total number of franchised businesses operating at year end included 184 *Allegra* Centers, 42 *Insty-Prints* Centers, and 15 *American Speedy Printing* Centers. For 2017, the total number of franchised businesses operating at year end included 186 *Allegra* Centers, 32 *Insty-Prints* Centers, and 12 *American Speedy Printing* Centers. For 2018, the total number of franchised businesses operating at year end included 183 *Allegra* Centers, 27 *Insty-Prints* Centers, and 11 *American Speedy Printing* Centers.

TABLE NO. 4

STATUS OF COMPANY-OWNED CENTERS
FOR YEARS 2016 TO 2018[1]

State	Year[1]	Centers at Start of Year	Centers Opened	Centers Reacquired from Franchisee	Centers Closed	Centers Sold to Franchisee	Centers at End of Year
Michigan	2016	3	0	0	0	0	3
	2017	3	0	0	1	0	2
	2018	2	0	0	0	0	2
Totals	**2016**	**3**	**0**	**0**	**0**	**0**	**3**
	2017	**3**	**0**	**0**	**1**	**0**	**2**
	2018	**2**	**0**	**0**	**0**	**0**	**2**

1. The numbers in this table are as of December 31 of each year.

TABLE NO. 5

PROJECTED OPENINGS
AS OF DECEMBER 31, 2018 FOR 2019

State	Franchise Agreements Signed But Centers Not Opened as of December 31, 2018	Projected New Franchised Centers in 2019	Projected New Company-Owned Centers in 2019
Arizona	0	1	0
Florida	0	2	0
Georgia	0	1	0
Michigan	0	2	0
Nevada	0	1	0
Tennessee	1	1	0
Virginia	0	1	0
Washington	0	1	0
Totals	**1**	**10**	**0**

Exhibit M is a list of the names, addresses and telephone numbers of our U.S. franchisees as of December 31, 2018.

Exhibit N is a list of the names, cities, states and business telephone numbers (or, if unknown, the last known home telephone numbers) of every U.S. franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, current and former franchisees have signed confidentiality clauses. In some instances, current and former franchisees have signed provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

The Network Advisory Council is sponsored by us; its members are nominated by franchisees and we appoint its members. You can reach the organization by contacting Joseph Mullan at Allegra, 220 Chambers Road, Suite A, Aurora, CO 80011, (303) 360-0733.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit O are our audited consolidated balance sheets as of December 31, 2018 and December 31, 2017 and related consolidated statements of operations and comprehensive income, members' interests, and cash flows for the year ended December 31, 2018, December 31, 2017 and December 31, 2016.

ITEM 22

CONTRACTS

The following contracts are exhibits to this Disclosure Document:

Exhibit B	Franchise Agreement
Exhibit C	Application for Franchise
Exhibit D	Guaranty and Assumption of Obligations
Exhibit E	Confidentiality and Non-Solicitation Agreement
Exhibit F	Representations and Acknowledgment Statement
Exhibit G	Advantage Addendum to Franchise Agreement
Exhibit H	MatchMaker Addendum to Franchise Agreement
Exhibit I	Transition Addendum to Franchise Agreement
Exhibit J	Dual-Brand Addendum to Franchise Agreements
Exhibit K	Secured Promissory Note
Exhibit L	Office365 Enrollment Form
Exhibit Q	Sample General Release
Exhibit R	State-Specific Riders to Franchise Agreement

ITEM 23

RECEIPTS

Exhibit S contains detachable documents acknowledging your receipt of the Disclosure Document.

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

EXHIBIT "A"

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

CALIFORNIA

Department of Business Oversight:
Toll Free: 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013
(213) 576-7505

Sacramento

1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205

San Diego

1350 Front Street
San Diego, California 92101
(619) 525-4044

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104
(415) 972-8559

HAWAII

(state administrator)

Business Registration Division
Securities Compliance Branch
Department of Commerce
and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2722

(agent for service of process)

Commissioner of Securities of the
Department of Commerce and Consumer
Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(state administrator)

Indiana Secretary of State
Securities Division, E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

(agent for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND

(state administrator)

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(agent for service of process)

Maryland Securities Commissioner
at the Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

(state administrator)

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 373-7177

(agent for service of process)

Michigan Department of Commerce,
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

MINNESOTA

state administrator)

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

(agent for service of process)

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

(state administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236 Phone
(212) 416-6042 Fax

(agent for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA

(state administrator)

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol - Fifth Floor
Bismarck, North Dakota 58505
(701) 328-4712

(agent for service of process)

Securities Commissioner
600 East Boulevard Avenue
State Capitol - Fifth Floor
Bismarck, North Dakota 58505
(701) 328-4712

OREGON

Department of Business Services
Division of Finance & Corporate Securities
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(state administrator)

State Corporation Commission
Division of Securities
and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

(agent for service of process)

Clerk, State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON

(state administrator)

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

(agent for service of process)
Director
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501

WISCONSIN

(state administrator)

Securities and Franchise Registration
Wisconsin Securities Commission
201 West Washington Avenue
Madison, Wisconsin 53703
(608) 266-1064

(agent for service of process)

Division of Securities
Wisconsin Securities Commission
201 West Washington Avenue
Madison, Wisconsin 53703
(608) 266-1064

EXHIBIT B

FRANCHISE AGREEMENT

ALLEGRA NETWORK LLC

FRANCHISE AGREEMENT

FRANCHISEE

DATE OF AGREEMENT

CENTER ADDRESS

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ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, 20___ (the "Effective Date") (regardless of the dates of the parties' signatures) by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____, whose principal business address is _____ ("you" or "your").

1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.

A. PREAMBLES.

(1) We and our affiliates have, over a considerable time period and with considerable effort, developed a marketing and business communication services business offering a full range of marketing and business communication services and related products and services known as ***Allegra***® Centers, ***American Speedy***® ***Printing*** Centers or ***Insty-Prints***® Centers (individually, "Center" and collectively, "Centers"). The franchise concept under which you will operate your Center is defined in Section 1.D as the "Designated Brand Concept."

(2) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols in operating the Centers, including, without limitation, the ***Allegra***®, ***American Speedy***® and ***Insty-Prints***® marks, which have gained public acceptance and goodwill, and may create, use, and license other trademarks, service marks, and commercial symbols for the Centers (collectively, the "Marks").

(3) We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate a Center offering the products and services we authorize and using our and our affiliates' distinctive business formats, methods, rules, procedures, signs, designs, layouts, standards, specifications, and Marks (the "Franchise System").

(4) You have applied for a franchise to own and operate a Center.

B. ACKNOWLEDGMENTS. You acknowledge:

(1) That you have independently investigated this franchise opportunity and recognize that, like any other business, the nature of the business a Center conducts may, and probably will, evolve and change over time.

(2) That an investment in a Center involves business risks that could result in the loss of a significant portion or all of your investment and that your business abilities and efforts are vital to your success and the success of your Center.

(3) That you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of a Center, that any information you have acquired from other Center franchisees regarding their sales, profits, or cash flows was not information obtained from us, and that we make no representation about that information's accuracy.

(4) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are deemed to be only between you and us.

(5) That you have represented to us, to induce our entry into this Agreement, that all statements you have made and all materials you have given us, including the description of franchise ownership set forth on Exhibit A of this Agreement, are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(6) That we have not made any representation, warranty, or other claim regarding this franchise opportunity, other than those made in this Agreement and our Franchise Disclosure Document, and that you have independently evaluated this opportunity, including by using your business professionals and advisors, and have relied solely upon those evaluations in deciding to enter into this Agreement.

(7) That you have been afforded an opportunity, and have been encouraged by us, to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or elected not to do so.

(8) That you have a net worth which is sufficient to make the investment in the franchise opportunity represented by this Agreement, and you will have sufficient funds to meet all of your obligations under this Agreement.

C. **CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP.** If you are at any time a corporation, limited liability company, or partnership (each, an "Entity"), you agree and represent that:

(1) You will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents will recite that this Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement's restrictions;

(3) Exhibit A to this Agreement completely and accurately describes all of your owners and their interests in you and identifies each of your principal officers as of the Effective Date and each of your owners during this Agreement's term will execute a guaranty in the form we prescribe undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. The spouse of each owner will also be required to acknowledge the guaranty. Subject to our rights and your obligations under Section 12, you and your owners agree to sign and deliver to us a revised Exhibit A to reflect any permitted changes in the information that Exhibit A now contains;

(4) You shall not use any Mark as part of your Entity name;

(5) Your Center and other Centers, if applicable, will be the only business(es) you operate (although your owners may have other, non-competitive business interests); and

(6) You must identify on Exhibit A one of your owners who is a natural person with at least 20% ownership interest and voting power in you and who will have the authority of a chief executive officer (the "Managing Owner"). You must obtain our written consent prior to changing the Managing Owner and agree to deliver to us a revised Exhibit A to accurately identify the Managing Owner.

D. **GRANT OF FRANCHISE.** You have applied for a franchise to own and operate a Center at _____ (the "Premises"). (If the Premises has not been determined as of the Effective Date, the Premises shall be the site selected in accordance with Section 2.A hereof.) Subject to this Agreement's terms, we grant you a franchise (the "Franchise") to operate a Center ("your Center") under the brand [ ] ***Allegra***®, [ ] ***American Speedy***® ***Printing*** or [ ] ***Insty-Prints***® at the Premises (the "Designated Brand Concept"), and to use the Franchise System in its operation, for a term beginning on the Effective Date and expiring 20 years from that date, unless sooner terminated under Section 14. Notwithstanding the foregoing, if subsequent to your execution of this Agreement you sign another franchise agreement with either us or an affiliate to operate another brand concept at the Premises such that the Premises will operate as a dual brand center, then you may be required to sign an agreement extending the term of this Agreement so that its term expires on the same date as such franchise agreement.

You agree at all times faithfully, honestly, and diligently to perform your obligations under this Agreement and to use your best efforts to promote your Center. You may use the Premises only for your Center. You agree not to conduct the business of your Center at any location other than the Premises. In addition, except as permitted under Section 9.D below, you may not engage in any promotional or similar activities, whether directly or indirectly, through or on the internet, or any other similar proprietary or common carrier electronic delivery system. You acknowledge that once you commence operation of your Center, you must actively and continuously operate the Center during normal business hours (as we may periodically prescribe in the Operations Materials) for the entire term of this Agreement.

E. **EXCLUSIVITY AND RESERVATION OF RIGHTS.** We and our affiliates will not operate or grant a franchise for the operation of another *Allegra*, *American Speedy* or *Insty-Prints* Center, the physical premises of which is located within the area described on Exhibit B attached hereto (the "Protected Territory"). If the aggregate business count for the Protected Territory increases by more than 50%, we may reduce the Protected Territory, provided that the business count in the new Protected Territory will be at least 4,000. You acknowledge and agree that other Centers may market and solicit customers in your Protected Territory and, likewise, you may market and solicit customers in the protected territory of the other Centers; provided, however, that we may from time to time prohibit you from marketing and soliciting customers in certain areas outside your Protected Territory. Except as expressly limited above, you acknowledge that we (and our affiliates) retain the right at all times during this Agreement's term to engage in any and all activities that we (and they) deem appropriate and are not expressly prohibited under this Agreement, wherever and whenever we (and they) desire, and whether or not such activities compete with your Center, including, without limitation, the right to:

(1) acquire and operate, and allow others to acquire and operate, one or more businesses offering products and services which are identical or similar to products and services offered by the Centers, and/or franchising, licensing or creating similar arrangements with respect to these businesses, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Protected Territory);

(2) offer and sell products and services offered by Centers to national, regional and governmental accounts or our affiliates (including customers or accounts located within the Protected Territory);

(3) establish, and allow others to establish, other distribution channels (including, but not limited to, the internet), wherever located or operating and regardless of the nature or location of the customers with whom such other distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from the Centers, and that sell products and/or services that are identical or similar to, and/or competitive with, those that the Centers customarily sell under any terms and conditions we deem appropriate;

(4) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Territory; and

(5) engage in all other activities not expressly prohibited by this Agreement.

2. SITE SELECTION, LEASE OF PREMISES, AND COMPUTER SYSTEM.

A. **SITE SELECTION.** We must approve the Premises and you may operate your Center only at the Premises. You must receive our permission to relocate; if we approve of a relocation, we may change the Protected Territory. You acknowledge and agree that, if we recommend or give you information regarding a site for the Premises, it is not a representation or warranty of any kind, express or implied, of the site's suitability for a Center or any other purpose. Our recommendation indicates only that we believe that the site meets our then acceptable criteria. Applying criteria that have appeared effective with other sites might not accurately reflect the potential for all sites and premises, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site or premises we recommend fails to meet your expectations. You acknowledge and agree that your acceptance of the Franchise and selection of the Premises are based on your own independent investigation of the suitability of the site for your Center.

B. **LEASE OF PREMISES.** We have the right to approve the terms of any lease or sublease for the Premises (the "Lease") before you sign it, and you may not sign the Lease without our prior written approval. The Lease must contain certain terms and provisions which we require from time to time (although we will not directly negotiate your Lease). If the Lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, we will allow you to relocate your Center to a new site acceptable to us. Relocation of the Center requires our prior approval. Any relocation will be at your sole expense, and we reserve the right to require you reimburse us for our administrative costs associated with our evaluation of a proposed site. We recommend that you engage professional advisors, including legal counsel, to assist with the negotiation of the Lease.

C. **COMPUTER SYSTEM.** You agree to obtain (if necessary to meet our System Standards (as defined in Section 4.C)) and use specified integrated computer hardware and/or software, including an order-entry system, franchise management system and social media management (the "Computer System"). We may require that you purchase part or all of the Computer System from the supplier we designate. We may modify specifications for, and components of, the Computer System. You also agree to maintain all specified points of high-speed internet connection. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable

over this Agreement's remaining term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support, including service agreements for ongoing support. We have no obligation to reimburse you for any Computer System costs. Within 60 days after you receive notice from us, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you a monthly or other fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during this Agreement's term.

Although you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces at our specified levels of connection speed with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

3. FEES AND PAYMENT OBLIGATIONS.

A. **INITIAL FRANCHISE FEE.** You agree to pay us a one-time initial franchise fee of [___] $25,000 if you are acquiring an existing Center; or [___] $10,000 if you are our existing franchisee or a franchisee of one of our affiliates and are acquiring an additional Center (check whichever is applicable). The initial franchise fee is due in a lump sum when you sign this Agreement. The initial franchise fee is fully earned by us when you sign this Agreement and is not refundable under any circumstances.

B. **ROYALTY FEE.** You agree to pay us a monthly royalty (the "Royalty") on or before the 20th day of each month based on the following percentages of Gross Sales (as defined below):

a. 6% of Gross Sales in each calendar year up to and including $1,062,652 of aggregate Gross Sales for such calendar year;

b. 4% of Gross Sales in each calendar year in excess of $1,062,652 up to and including $2,125,304; and

c. 1.5% of Gross Sales in each calendar year in excess of $2,125,304.

If at any time you are not in compliance with this Agreement, or any other agreement between you or your affiliates and us or our affiliates, the calculation of the Royalty will be based on the highest rate described above.

C. **ROYALTY TERMS.** The above thresholds are for the 2019 calendar year. We may annually increase the Gross Sales thresholds by the most recently published National Consumer Price Index-All Urban Consumers-All Items (1982-1984 = 100) as most recently published by the U.S. Department of Labor, or a successor index (the "CPI"). We have no obligation to decrease Gross Sales thresholds if the CPI decreases. We will notify you in writing on or before March 15 of each calendar year as to any changes in the Gross Sales ranges for that calendar year. The Royalty shall be paid per

Center per annum, commencing the first month of operation and continuing thereafter until the expiration of the term of this Agreement.

D. **GROSS SALES.** "Gross Sales" means all revenue from sales conducted at, from or through your Center, including amounts received from the sale of services and products of every kind and nature. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as it is added to the selling price and actually paid by you to such governmental authority; (ii) all amounts paid by customers for postage; (iii) customer refunds or credits; and (iv) any revenue from the sale of services and products from your Center to another Center. Gross Sales also includes the proceeds of any business interruption insurance policies related to the operation of your Center.

E. **MARKETING FUND CONTRIBUTION**. You agree to pay us a Marketing Fund (as defined in Section 9.B) contribution of 1% of your Gross Sales, not to exceed an annual cap determined by us each year ($10,277 for the 2019 calendar year), as adjusted from time to time by us to reflect any changes in the CPI, payable on the 20th day of the calendar month following the calendar month in which such Gross Sales are received (*unless you operate an Insty-Prints Center, then your Marketing Fund contribution rate is 2% of Gross Sales and the annual cap for the 2019 calendar year is $21,497*). We reserve the right to modify or remove the cap on Marketing Fund contributions. We also reserve the right to raise the amount of the Marketing Fund contribution, not to exceed 3% of your Gross Sales. We have no obligation to decrease the annual cap on the Marketing Fund contribution if the CPI decreases.

F. **TECHNOLOGY SERVICES FEE.** We require you to pay a fee (the "Technology Services Fee") to us (or our affiliates) for ongoing subscription, maintenance and support of various technology systems, platforms and resources. We may in our discretion periodically modify the amount of the Technology Services Fee. You must pay the Technology Services Fee at the times, and in the manner, designated by us. We may require you to enter into written agreements with us or our affiliates to receive such services, with terms and conditions we approve. Some technology services may also be offered separately for an additional fee.

G. **INITIAL MARKETING FEE.** You agree to pay us a one-time fee of [___] $14,000, or if you are an existing franchisee of us or one of our affiliates [___] $7,500, for our KickStart initial marketing package that we have developed to promote the Center, when you sign this Agreement. We may determine the contents of the KickStart initial marketing package based on the sales volume and marketing needs of the Center. The KickStart initial marketing package may include initial marketing collateral, initial communications to clients, public relations, as well as direct mail, pay per click advertising, and local website set-up. The KickStart initial marketing package may also include signage and other identity items, including items associated with a transition to a different Designated Brand Concept. The initial marketing fee is fully earned by us when you sign this Agreement, and is not refundable under any circumstances.

H. **INTEREST ON LATE PAYMENTS.** All amounts which you owe us for any reason will bear interest accruing as of their due date at 1.5% per month or the highest commercial contract interest rate the law allows, whichever is less. We may debit your bank account automatically for the service charge and interest. You acknowledge that this Section does not mean we agree to accept any payments after they are due or that we are committing to extend credit to, or otherwise finance your operation of, your Center. Interest assessments will be in addition to any other rights or remedies that we may have under this Agreement or otherwise.

I. **NON-COMPLIANCE FEE.** In addition to our other rights and remedies, if you are in default of this Agreement we may charge you a non-compliance fee in the amount of $250 per default per

month. We may charge you for each month that such default remains uncured. The non-compliance fee is payable to us in the same manner as Royalties.

J. **METHOD OF PAYMENT AND APPLICATION OF PAYMENTS.** Concurrently with the execution hereof, you agree to sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for the Royalty, Marketing Fund (as defined in Section 9.B) contributions, Local Advertising Cooperative (as defined in Section 9.C) contributions, and other amounts due under this Agreement (the "EFT Authorization"). Such EFT Authorization shall remain in full force and effect during the term of this Agreement. We will debit the business account you designate in the EFT Authorization for these amounts on their due dates (or the subsequent business day if the due date is a national holiday or a weekend day). You agree to ensure that funds are available in your designated account to cover our withdrawals.

If there are insufficient funds in your designated account to cover our withdrawals, we may charge you the insufficient funds fee for each such instance (currently, $25), as we may modify from time to time, to compensate us for our administrative expenses. In such circumstances, we may also attempt to debit your account again periodically until funds are available (but no more than once every 5 days) and you will be charged the insufficient funds fee for each instance in which the funds are not available.

You must submit the financial reports in the form and manner we dictate to report your Gross Sales and other financial data we designate. If you fail to report the Gross Sales, we may estimate your Gross Sales based on 110% of the average of the last three months' Gross Sales (whether reported or estimated) and debit your account for Royalty and Marketing Fund/Local Advertising Cooperative contributions based on such estimated Gross Sales. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined your Center's true and correct Gross Sales), we will debit your account for the balance on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your account during the following month.

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may set-off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners.

We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic debit (*e.g.*, by credit card or web-based application) whenever we deem appropriate, and you agree to comply with our payment instructions. If you fail to comply with our payment instructions, we reserve the right to exclude your participation from certain programs; provided that such failure shall also be deemed a default under this Agreement.

4. TRAINING AND ASSISTANCE.

A. **TRAINING.** Before you begin operating your Center, we will provide up to five days of training for you (or your Managing Owner if you are an Entity) and one additional owner or designated employee (although the specific number of days depends on our opinion of your or your Managing Owner's and your employee's experience and needs), on the material aspects of operating a Center, at one of our principal offices or at a designated training facility of our choice. Prior to attending in-person training, attendees will be required to complete 30 hours of online, self-paced learning sessions. You (or your Managing Owner) must satisfactorily complete initial training prior to operating your Center (or, if you are purchasing an existing Center, prior to closing on the purchase transaction). If we determine that you (or your Managing Owner) cannot complete initial training to our satisfaction, we may terminate this

Agreement. You will be responsible for your employee's travel and living expenses, wages and workers' compensation insurance while attending training, if applicable.

You (or your Managing Owner) may request additional training at the end of the initial training program, to be provided at our then current per diem charges, if you (or your Managing Owner) do not feel sufficiently trained in the operation of a Center. We and you will jointly determine the duration of this additional training. However, if you (or your Managing Owner) satisfactorily complete our initial training program, and have not expressly informed us in writing at the end of that program that you (or your Managing Owner) do not feel sufficiently trained in the operation of a Center, then you will be deemed to have been trained sufficiently to operate a Center.

After you open the Center, you may send additional employees to our regularly scheduled training programs. You must pay our then-current per diem charges for this training. You must bear the cost of trainees' wages and benefits, and trainee's travel, lodging and meal expenses.

Within 90 days of the Effective Date, such timing to be determined in our discretion, we will, at our own cost, send one of our representatives to your Center to assist you with the Center's operations for an aggregate of up to five days. You also must successfully complete this phase of the initial training program. If you request, and we agree to provide, additional or special guidance, assistance, or training during this initial phase, we may charge you the then applicable fee, including our personnel's per diem charges and travel and living expenses.

We may require you (or your Managing Owner) and/or previously trained and experienced employees to attend and complete satisfactorily various training courses that we periodically choose to provide at the times and locations that we designate, including courses and programs provided by third-parties we designate. We will not require attendance at more than two such courses, or for more than a total of three business days, during a calendar year. Besides attending these courses, you agree to attend the annual meeting of all Center franchisees each year at a location we designate. Attendance will not be required for more than five days during any calendar year. You agree to pay all costs to attend.

If you have a new Managing Owner during this Agreement's term, the new Managing Owner must satisfactorily complete our then current initial training program. We may charge reasonable fees for training new Managing Owners. You also agree to pay all travel and living expenses which your Managing Owner incurs during all training courses and programs.

You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify from time to time. We reserve the right to require any employees attending training to sign a confidentiality and non-solicitation agreement pursuant to Section 6 hereof.

B. **GENERAL GUIDANCE.** We will advise you from time to time regarding your Center's operation based on your reports or our inspections and will guide you with respect to: (1) standards, specifications, and operating procedures and methods that Centers use; (2) purchasing required and authorized equipment (including the Computer System), furniture, fixtures and signs (collectively the "Operating Assets"), and other products and services; (3) advertising and marketing materials and programs; (4) sales and sales management training; and (5) administrative, bookkeeping, accounting, and financial management.

We will furnish to you guidance in connection with the operation of your Center. Such guidance will be furnished in the form of our operations materials for the operation of Centers, which may include

one or more separate manuals as well as computer software, information available on an internet site, other digital media, and/or written materials (collectively, the "Operations Materials"). We may also provide guidance via telephonic conversations and/or consultation at our offices. If you request, and we agree to provide, additional or special guidance, assistance, certification programs or training, we may charge you our then applicable fee, including our personnel's per diem charges and travel and living expenses.

C. **OPERATIONS MATERIALS.** During the term of this Agreement we will provide you with access to the Operations Materials. The Operations Materials contain mandatory specifications, standards, operating procedures, and rules that we periodically prescribe for operating Centers ("System Standards"), and information on suggested procedures and your other obligations under this Agreement. We may modify the Operations Materials periodically to reflect changes in System Standards. If there is a dispute over its contents, our master copy of the Operations Materials controls. You agree that the Operations Materials' contents are confidential and that you will not disclose the Operations Materials to any person other than your employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Materials.

You agree to monitor and access the website, extranet or web-based application for any updates to the Operations Materials or System Standards. Any passwords or other digital identifications necessary to access the Operations Materials will be deemed to be part of Confidential Information (as defined in Section 6).

D. **DELEGATION OF PERFORMANCE.** You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations.

5. MARKS.

A. **OWNERSHIP AND GOODWILL OF MARKS.** Your right to use the Marks is derived only from this Agreement and limited to your operating your Center according to this Agreement and all System Standards we prescribe during its term. Your or your owners' unauthorized use of the Marks is a breach of this Agreement and infringes our and our affiliates' rights in the Marks. You acknowledge and agree that your use of the Marks and any goodwill established by that use are exclusively for our and our affiliates' benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate your Center under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after this Agreement's term contest or assist any other person in contesting the validity of, or our and our affiliates' rights to, the Marks.

B. **LIMITATIONS ON YOUR USE OF MARKS.** You agree to use the Marks associated with the Designated Brand Concept as your Center's sole identification, except that you agree to identify yourself as its independent owner in the manner we prescribe. You (or your owners) may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any website, domain name, homepage, e-mail address, social media account (such as LinkedIn®, Twitter®, Facebook®, Instagram®, or YouTube®), user name, other online presence or presence on any electronic medium of any kind ("Online Presence") or otherwise in connection with a website (except as permitted under Section 9.D below), or (5) in any other manner that we have not expressly authorized in writing. You may not use any Mark in advertising the transfer,

sale, or other disposition of your Center or an ownership interest in you without our prior written consent. You agree to display the Marks associated with the Designated Brand Concept prominently as we prescribe at your Center and on forms, advertising, supplies, and other materials we designate. You agree to give the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

C. **NOTIFICATION OF INFRINGEMENTS AND CLAIMS.** You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, and our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and our affiliates may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. You agree to sign any documents and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our and our affiliates' interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our and our affiliates' interests in the Marks. We will reimburse you for your costs of taking any action that we have asked you to take.

D. **DISCONTINUANCE OF USE OF MARKS.** If it becomes advisable at any time for us, our affiliates, and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing your Center's signs, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Section 5.D apply to any and all of the Marks (and any portion of any Mark) that we authorize you to use in this Agreement. We may exercise these rights at any time and for any reason, business or otherwise, that we think best. If you are signing this Agreement for an American Speedy Printing Center or an Insty-Prints Center, we will exercise this right to require you to transition your Center to an Allegra Center within one year of the Effective Date, and such transition may require you to incur additional expenses. You acknowledge both our right to take this action and your obligation to comply with our directions.

E. **INDEMNIFICATION FOR USE OF MARKS.** We agree to reimburse you for all damages and expenses that you incur in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement.

6. CONFIDENTIAL INFORMATION.

We and our affiliates possess (and may continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the "Confidential Information"), relating to developing and operating Centers, whether or not marked confidential, including (without limitation): (1) site selection criteria; (2) the Operations Materials; (3) the System Standards; (4) market research, promotional, marketing and advertising programs for Centers; (5) knowledge of specifications for, and suppliers of, Operating Assets and other products and supplies; (6) any computer software or similar technology which is proprietary to us, our affiliates; (7) knowledge of the operating results and financial performance of Centers other than your Center; and (8) your Center's customer list.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your Center during this Agreement's term. All Confidential Information furnished to you by us or on our behalf, whether orally or by means of written material, is proprietary, and is disclosed to you only on the condition that you agree, and you in fact do agree, that you: (a) will not use Confidential Information in connection with any other business or capacity; (b) will keep each item deemed to be part of Confidential Information in strict confidence, both during this Agreement's term and then thereafter for as long as the item is not generally known to the public; (c) will not make unauthorized copies of, or disclose or reveal to any other person, any Confidential Information disclosed via electronic medium or in written or other tangible form; and (d) will adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to your personnel and others who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than your obligations hereunder, or to individuals or entities specifically authorized by us in advance. You agree to protect the Confidential Information from unauthorized use, access or disclosure in the same manner as you protect your own confidential or proprietary information of a similar nature and with no less than reasonable care. We may require you to have your employees and contractors execute a confidentiality and non-solicitation agreement and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements with independent enforcement rights. You acknowledge that any form of confidentiality and non-solicitation agreement that we require you to use, provide to you, or regulate the terms of may or may not be enforceable in a particular jurisdiction. You agree that you are solely responsible for obtaining your own professional advice with respect to the adequacy of the terms and provisions of any confidentiality and non-solicitation agreement that your employees, agents and independent contractors sign.

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known through publication or communication by others (without violating an obligation to us or our affiliates); or which, after we disclose it to you, lawfully becomes generally known through publication or communication by others (without violating an obligation to us or our affiliates). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled.

You acknowledge and agree that, as between us and you, we are the sole owner of all right, title, and interest in and to the Franchise System and any Confidential Information. All improvements, developments, derivative works, enhancements, or modifications to the Franchise System and any Confidential Information, and all ideas, concepts, techniques, or materials relating to a Center, whether or not protectable intellectual property (collectively, "Innovations"), made or created by you, your employees or your contractors, whether developed separately or in conjunction with us, shall be owned solely by us. You represent, warrant, and covenant that your employees and contractors are bound by written agreements assigning all rights in and to any Innovations developed or created by them to you. To the extent that you, your employees or your contractors are deemed to have any interest in such Innovations, you hereby agree to assign, and do assign, all right, title and interest in and to such Innovations to us. To that end, you shall execute, verify, and deliver such documents (including, without limitation, assignments) and perform such other acts (including appearances as a witness) as we may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. In the event we are unable for any reason, after reasonable effort, to secure your signature on any document needed in connection with the actions specified in this Section 6, you hereby irrevocably designate and appoint us and our duly

authorized officers and agents as your agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on your behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section 6 with the same legal force and effect as if executed by you. You further agree that we have the right to use any digital images of products you produce for any purpose. The obligations of this Section 6 shall survive any expiration or termination of this Agreement.

7. EXCLUSIVE RELATIONSHIP.

You acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during this Agreement's term, neither you, nor any of your owners, nor any of your or your owners' immediate family members will:

(1) have any direct or indirect interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than 5% of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this Section 7(1));

(2) perform services as a director, officer, manager, employee, consultant, lessor, representative, or agent for a Competitive Business, wherever located or operating;

(3) divert, attempt to divert, or assist any other person or entity, directly or indirectly, to divert any actual or potential business or customer of any Center to a Competitive Business;

(4) engage in any other activity which might injure the goodwill of the Marks and/or the Centers; or

(5) directly or indirectly, appropriate, use or duplicate the Franchise System or System Standards, or any portion thereof, for use in any other business or endeavor.

The term "Competitive Business" means (i) any business offering, selling or producing products or services that we may authorize Centers to sell, offer or produce, including, without limitation digital and offset printing, large format printing, wide format printing, copying, marketing services, binding, mailing services, promotional products and related products and services, or (ii) any business granting franchises or licenses to others to operate the types of businesses specified in subparagraph (i) (other than a business operated under a franchise agreement with us). You acknowledge that we may periodically change the products and services that Centers are authorized to sell and, therefore, you may be restricted from engaging in certain business activities in the future involving the offer and sale of products and services which are not currently offered by the Centers.

8. CENTER OPERATIONS AND SYSTEM STANDARDS.

A. **CONDITION AND APPEARANCE OF YOUR CENTER.** You agree that you will not use any part of the Premises for any purpose other than operating your Center in compliance with this Agreement. You will place or display at the Premises (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos and display and advertising materials that we approve from time to time. You further agree to maintain, at your own expense, the condition and appearance of your Center, its Operating Assets and the Premises in accordance with the System Standards and consistent with the image of a Center as an efficiently operated business offering high quality products and services and observing the highest standards of cleanliness and efficient, courteous service. You must, at your expense,

undertake all maintenance and make all repairs, replacements, alterations and additions as may be required for that purpose. You will also cause your employees to present themselves to customers and prospective customers, in terms of general appearance and dress, in accordance with written standards we require in the Operations Materials or otherwise in writing.

B. **PRODUCTS AND SERVICES THE BUSINESS OFFERS.** You agree that you (1) will offer and sell from your Center the products and services that we periodically specify; (2) will not offer or sell at your Center, the Premises or any other location any products or services we have not authorized; and (3) will discontinue selling and offering for sale any products or services that we at any time disapprove.

C. **MANAGEMENT OF THE BUSINESS.** Your Center shall be managed by you or, if you are an Entity, by the Managing Owner. You (or the Managing Owner if you are an Entity) agree to work full-time at your Center, to supervise the day-to-day operations of your Center and continuously exert your best efforts to promote and enhance your Center.

You must engage an outside salesperson meeting the minimum qualifications, as we may designate in the Operations Materials or otherwise in writing, within 120 days of the Effective Date. You (or the Managing Owner if you are an Entity) may not fill the position of outside salesperson. The outside salesperson is not required to attend initial training, but may attend initial training for our then-current training fees if space is available.

D. **APPROVED PRODUCTS, SERVICES, AND SUPPLIERS.** We reserve the right to periodically designate and approve standards, specifications, suppliers and/or distributors of the Operating Assets and the products and services that we periodically authorize for use at your Center. During this Agreement's term you must purchase or lease all Operating Assets and other products and services for your Center only according to our standards and specifications and, if we require, only from suppliers or distributors that we designate or approve (which may include or be limited to us and/or our affiliates). You acknowledge and agree that we and/or our affiliates do not provide any warranty to any Operating Assets or other products that we require you to purchase or lease. You further acknowledge and agree that we and/or our affiliates may derive revenue based on your purchases and leases (including, without limitation, from charging you for products and services we or our affiliates provide to you and from payments made to us or our affiliates by suppliers that we designate or approve for some or all of our franchisees).

If you want to use any Operating Assets or products that we have not yet evaluated or want to purchase any item from a supplier or distributor that we have not yet approved (for items that we require you to purchase from designated or approved suppliers or distributors), you first must submit your request in writing before purchasing such product or service, or any items or services from that supplier. We will not be obligated to respond to your request, and any actions we take in response to your request will be at our discretion, including the assessment of a fee to compensate us for the time and resources we spend in evaluating the proposed supplier, product or service. We may, with or without cause, revoke our approval of any supplier, product or service at any time, and you must discontinue using a supplier or selling and offering for sale any products or services that we disapprove at any time.

E. **COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.** You must secure and maintain in force throughout this Agreement's term all required licenses, permits and certificates relating to your Center's operation and operate your Center in full compliance with all applicable laws, ordinances and regulations. You agree to comply and assist us in our compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to anti-terrorist activities, including, without limitation, the U.S. Patriot Act, Executive Order 13224, and related U.S.

Treasury and/or other regulations. In connection with such compliance efforts, you agree not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to your Center as may be required by us or by law. You confirm that you are not listed in the Annex to Executive Order 13224 and agree not to hire any person so listed or have any dealing with a person so listed (the Annex is currently available at http://www.treasury.gov). You are solely responsible for ascertaining what actions must be taken by you to comply with all such laws, orders and/or regulations, and specifically acknowledge and agree that your indemnification responsibilities as provided in Section 16.D pertain to your obligations hereunder.

Your Center must in all dealings with its clients, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You must promptly pay all taxes and fees levied and asserted on the property of your Center and promptly satisfy any other indebtedness or liability to third party vendors that you incur in operating your Center. You agree to refrain from any business or advertising practice which might injure our business or the goodwill associated with the Marks or other Centers. You must notify us in writing within three business days of: (1) the commencement of any action, suit or proceeding relating to your Center; (2) the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality relating to your Center; (3) any notice of violation of any law, ordinance or regulation relating to your Center; (4) receipt of any notice of complaint from the Better Business Bureau, any local, state or federal consumer affairs department or division, or any other government or independent third party involving a complaint from a customer or potential customer relating to your Center; (5) any notice of default from your landlord or any third party supplier; and (6) written complaints from any customer or potential customer. You must immediately provide to us copies of any documentation you receive of events in (1) through (6) above and resolve the matter in a prompt and reasonable manner in accordance with good business practices.

F. **INSURANCE.** During the term of this Agreement you must maintain in force at your sole expense commercial general liability, motor vehicle liability, workers' compensation, cyber and privacy liability, and errors and omissions insurance policies in connection with your Center's operation, all containing the minimum liability coverage we periodically prescribe. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Our recommendations for insurance coverage are not representations or warranties of any kind that such coverage is sufficient for your Center's operations. Such requirements represent only the minimum coverage that we deem acceptable to protect our interests. It is your sole responsibility to obtain insurance coverage for your Center that you deem appropriate, based on your own independent investigation. We are not responsible if you sustain losses that exceed your insurance coverage under any circumstances.

The liability coverage insurance policies must name us and any affiliates we designate as additional insureds, using a form of endorsement that we have approved, and every insurance policy must provide for 30 days' prior written notice to us of a policy's material modification, cancellation or expiration. All insurance policies must be issued by insurance companies with performance ratings of at least "A" as rated in the most recent edition of Best's Insurance Reports or comparable publication. You routinely must furnish us copies of your Certificate of Insurance or other evidence of your maintaining this insurance coverage and paying premiums. If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and your Center on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining such insurance.

G. **COMPLIANCE WITH SYSTEM STANDARDS.** You acknowledge and agree that operating and maintaining your Center according to System Standards are essential to preserve the goodwill of the Marks and the goodwill of all Centers. Therefore, you agree at all times to operate and maintain your Center according to each and every System Standard, as we periodically modify and supplement them. Though we retain the right to establish and periodically modify and supplement System Standards which you have agreed to maintain in the operation of your Center, you retain the right and sole responsibility for the day-to-day management and operation of your Center and the implementation and maintenance of System Standards at your Center. System Standards may regulate any aspect of your Center's operation and maintenance, including, but not limited to, any one or more of the following: (1) sales, marketing, advertising and promotional programs and materials and media used in these programs; (2) staffing levels for your Center and employee qualifications, training, dress and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned and working conditions); (3) use and display of the Marks; (4) days and hours of operation; (5) participation in market research and testing and product and service development programs; (6) participation in quality assurance and customer satisfaction programs; (7) bookkeeping, accounting, data processing and record keeping systems and forms; (8) formats, content and frequency of reports to us of sales, revenue, and financial performance and condition; and (9) any other aspects of operating and maintaining your Center that we determine to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and Centers.

You agree that the System Standards, whether prescribed in the Operations Materials or otherwise communicated to you in writing or another form, are part of this Agreement as if fully set forth within its text. All references to this Agreement include all System Standards as periodically modified. You acknowledge that our periodic modification of the System Standards (including, without limitation, changes to the hardware and software required for the Computer System), which may accommodate regional and/or local variations, may obligate you to invest additional capital in your Center and/or incur higher operating costs.

We have the right to operate, develop, and change the System Standards in any manner that is not specifically prohibited by this Agreement. You agree to comply with any new System Standards we issue within 90 days of our issuance of such new System Standard, unless we expressly provide a longer time period for you to bring your Center into compliance with such new or modified System Standard. Whenever we have reserved in this Agreement a right to take or to withhold an action, to grant or decline to grant you a right to take or withhold an action, or to provide or withhold approval or consent, we may, except as otherwise specifically provided in this Agreement, make our decision or exercise our rights based on information readily available to us and on our judgment of what is in our and/or the best interests of the Centers and the Marks at the time our decision is made.

Following the Effective Date you will continue to operate your Center as a going concern. Further, immediately following the Effective Date you must offer all products and services in accordance with System Standards, and you agree that no later than 180 days following the Effective Date you will obtain all equipment necessary to bring the Center into full compliance with System Standards. You acknowledge and agree that our allowance of more than 90 days to bring the Center into full compliance with System Standards in no way acts as a waiver of our future right to require that you comply with newly issued System Standards within 90 of our issuance of such new System Standard, in accordance with the previous paragraph.

H. **CENTER NUMBERS, LISTINGS AND INTERNET ACCOUNTS.** You acknowledge that upon the termination or expiration of this Agreement, as between you and us, we have the sole rights to, and interest in, all telephone numbers, facsimile numbers, classified and online directory listings, and any other type of contact information that you use in the operation or promotion of

the Center or that is associated with your Center ("Contact Identifiers"). You irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. To evidence and confirm such appointment, you must execute the form of Collateral Assignment of Contact Identifiers and Online Presences, which is attached as Exhibit C.

I. **INFORMATION SECURITY.** You must implement all administrative, physical and technical safeguards necessary to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, biometric or health data, government-issued identification numbers and credit report information ("Personal Information") in accordance with applicable law and industry best practices. It is entirely your responsibility (even if we provide you any assistance or guidance in that regard) to confirm that the safeguards you use to protect Personal Information comply with all applicable laws and industry best practices related to the collection, access, use, storage, disposal and disclosure of Personal Information. If you become aware of a suspected or actual breach of security or unauthorized access involving Personal Information, you will notify us immediately and specify the extent to which Personal Information was compromised or disclosed.

J. **EMPLOYEES, AGENTS AND INDEPENDENT CONTRACTORS.** You acknowledge and agree that you are solely responsible for all decisions relating to employees, agents, and independent contractors that you may hire to assist in the operation of your Center. You agree that any employee, agent or independent contractor that you hire will be your employee, agent or independent contractor, and not our employee, agent or independent contractor. You also agree that you are exclusively responsible for the terms and conditions of employment of your employees, including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. You agree to manage the employment functions of your Center in compliance with federal, state, and local employment laws. You must also notify all of your employees that they are your employees and not our employees, and you must never contend otherwise.

K. **NON-DISPARAGEMENT**. Each party to this agreement agrees not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, heirs, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of the other party, or any of the other party's affiliates, or any of such parties' directors, officers, employees, representatives or affiliates, the brands under which such parties do business, or such parties' business operations, or take any other action which would, directly or indirectly, subject any of the foregoing to ridicule, scandal or reproach. The obligations of this Section 8.K shall survive any expiration or termination of this Agreement.

9. MARKETING.

A. **BY YOU.** We may provide marketing guidance in the form of additional training, programs and seminars either through an Online Presence or at various locations that we designate. You acknowledge and agree that the best interests of the Franchise System and your Center are likely to be maximized by participating in such training, programs and seminars.

You agree to list your Center in such online subscriptions as we periodically prescribe. You also agree to establish any other Online Presence we require. Except as provided in Section 9.D below, you may not develop, maintain, or authorize any website that mentions or describes you or your Center or displays any of the Marks.

You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe from time to time. Before you use them, you agree to send us for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously approved. If you do not receive written disapproval within 20 days after we receive the materials, they are deemed to be approved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved. You will have five days after receipt of our notice of disapproval to withdraw and discontinue use of such disapproved materials.

B. **MARKETING FUND.** We have established a marketing fund for Centers located in the United States and in Canada operating under the ***Allegra***, ***American Speedy Printing***, and ***Speedy Printing*** brands, and a separate marketing fund for Centers located in the United States and in Canada operating under the ***Insty-Prints*** brand (each referred to as a "Marketing Fund"). We will use each Marketing Fund for advertising, marketing, and public relations programs and materials we deem appropriate. Centers that we or our affiliates own may not contribute to the applicable Marketing Fund on the same percentage basis as franchisees. We reserve the right to consolidate the Marketing Funds so that we maintain and administer one marketing fund for all Centers, and to consolidate any of the Marketing Funds with the marketing funds of other brands we or our affiliates franchise, and maintain and administer one marketing fund for all brands.

We will direct all programs that each Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. Each Marketing Fund may pay for preparing and producing video, audio, and written materials and digital media; developing, implementing, and maintaining a Franchise System Website (as defined in Section 9.D below) and/or related strategies; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; administering online advertising and marketing campaigns (including search engine, social media, e-mail, and display ad campaigns); developing and maintaining application software designed to run on computers and similar devices, including tablets, smartphones and other mobile devices, as well as any evolutions or "next generations" of any such devices; implementing a loyalty program or other marketing programs designed to encourage the use of Centers; supporting public relations, market research, direct sales tools, and other advertising, promotion, and marketing activities; sales training and support of franchisees' sales personnel; and such other use as we deem appropriate, in our discretion, for the promotion of the ***Allegra***, ***American Speedy Printing***, ***Insty-Prints*** and ***Speedy Printing*** brands. As long as you are in compliance with this Agreement, including the System Standards, the Marketing Fund periodically will give you samples of advertising, marketing, and promotional formats and materials at no cost. The Marketing Fund will sell you multiple copies of these materials at its direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for each Marketing Fund separately from our other funds and not use either Marketing Fund for any of our general operating expenses. However, we may use each Marketing Fund to pay the reasonable salaries and benefits of personnel who manage and administer such Marketing Fund, such Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses that we incur in activities reasonably related to administering or directing such Marketing Fund and its programs, including, without limitation, conducting market research; public relations; preparing advertising, promotion and marketing materials; and collecting and accounting for Marketing Fund contributions.

None of the Marketing Funds will be our asset. None of the Marketing Funds is a trust. We do not owe any fiduciary obligation to you for administering the Marketing Fund or any other reason. We will hold all Marketing Fund contributions for the benefit of the contributors and use contributions for the purposes described in this Section. Each Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on the Marketing Fund contributions to pay costs before using the Marketing Fund's other assets. We will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement upon written request. We may have each Marketing Fund audited annually, at such Marketing Fund's expense, by an independent certified public accountant. We may incorporate each Marketing Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Section.

We intend for each Marketing Fund to promote the applicable Marks, patronage of Centers contributing to the Marketing Fund and the ***Allegra, American Speedy Printing, Speedy Printing,*** and ***Insty-Prints*** brands generally. Although we will try to use each Marketing Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Centers contributing to such Marketing Fund, we need not ensure that such Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund contributions by Centers operating in that geographic area or that any Center benefits directly or in proportion to its Marketing Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against a Marketing Fund. Except as expressly provided in this Section, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Marketing Funds.

We may at any time defer or reduce contributions of a Center franchisee and, upon 30 days' prior notice to you, reduce or suspend Marketing Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If we terminate a Marketing Fund, we will spend all remaining contributions prior to its termination.

C. **LOCAL ADVERTISING COOPERATIVE.** Subject to the terms and conditions of this Section 9.C, you agree that we may establish a local advertising cooperative ("Local Advertising Cooperative") in geographical areas in which two or more Centers are operating under the same brand. The Local Advertising Cooperative members in any area will include all ***Allegra***®, ***American Speedy Printing*** or ***Insty-Prints***® franchise owners in such area. Each Local Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. We may change, dissolve and merge Local Advertising Cooperatives. Each Local Advertising Cooperative's purpose is, with our approval, to administer advertising programs and develop advertising, marketing and promotional materials for the area that the Local Advertising Cooperative covers. If, as of the time you sign this Agreement, we have established a Local Advertising Cooperative for the geographic area in which your Center is located, or if we establish a Local Advertising Cooperative in that area during the term of your Franchise Agreement, you agree to sign the documents we require to become a member of the Local Advertising Cooperative and to participate in the Local Advertising Cooperative as those documents require.

If we establish a Local Advertising Cooperative in your geographic area, you agree to contribute your share to such Local Advertising Cooperative; provided that your Local Advertising Cooperative contribution will not exceed 1% of the Gross Sales unless the members approve a higher percentage in accordance with the bylaws adopted by the Local Advertising Cooperative. We reserve the right to

collect your Local Advertising Cooperative contribution on behalf of the Local Advertising Cooperative, in which case your Local Advertising Cooperative contribution is payable in the same manner as the Royalty.

Each Center contributing to the Local Advertising Cooperative will have one vote. The Local Advertising Cooperative may not use any advertising, marketing or promotional plans or materials without our prior written consent. We agree to assist in the formulation of marketing plans and programs, which will be implemented under the direction of the Local Advertising Cooperative. You acknowledge and agree that, subject to our approval, the Local Advertising Cooperative will have sole discretion over the creative concepts, materials and endorsements used by it. You agree that the Local Advertising Cooperative assessments may be used to pay the costs of preparing and producing video, audio and written advertising and direct sales materials for Centers of your type in your area of the country; purchasing direct mail and other media advertising for Centers of your type in that area of the country; and implementing direct sales programs, and employing marketing, advertising and public relations firms to assist with the development and administration of marketing programs in Centers of your type in your area of the country.

The monies collected by us on behalf of a Local Advertising Cooperative will be accounted for separately by us from our other funds received by us under this Agreement and will not be used to defray any of our general operating expenses. You agree to submit to us and the Local Advertising Cooperative any reports that we or the Local Advertising Cooperative requires.

You understand and acknowledge that your Center may not benefit directly or in proportion to its contribution to the Local Advertising Cooperative from the development and placement of advertising and the development of marketing materials. Local Advertising Cooperatives for ***Allegra***® Centers, ***American Speedy***® ***Printing*** Centers and ***Insty-Prints***® Centers will be developed separately and no cooperative will benefit the others. We will have the right, but not the obligation, to use collection agents and to institute legal proceedings to collect amounts owed to the Local Advertising Cooperative on behalf of and at the expense of the Local Advertising Cooperative and to forgive, waive, settle and compromise all claims by or against the Local Advertising Cooperative. Except as expressly provided in this Section, we assume no direct or indirect liability or obligation to you with respect to the maintenance, direction or administration of the Local Advertising Cooperative.

D. **FRANCHISE SYSTEM WEBSITE.** We have established a website to advertise, market, and promote Centers, the products and services that they offer and sell, and/or the Center franchise opportunity (a "Franchise System Website"). We may, but are not obligated to, provide you with a link to your Local Website on the Franchise System Website that references your Center. We may require that you: (1) provide us the information and materials we request to develop, update, and modify the Franchise System Website; and (2) notify us whenever any information on the Franchise System Website regarding your Center is not accurate. We will own all intellectual property and other rights in the Franchise System Website, and all information they contain (including, without limitation, the domain name or URL for your Local Website, the log of "hits" by visitors, and any personal or business data that visitors supply).

We will maintain the Franchise System Website and may use the Marketing Fund's assets to develop, maintain, and update the Franchise System Website. We periodically may update and modify the Franchise System Website. You acknowledge that we have final approval rights over all information on the Franchise System Website. We may also discontinue any Franchise System Website, or consolidate such Franchise System Website with the website of any other Designated Brand Concept, at any time, and in our discretion.

Even if we provide you a link to your Local Website on our Franchise System Website, we will only include the link while you are in full compliance with this Agreement and all System Standards we implement (including, without limitation, those relating to the Franchise System Website). If you are in default of any obligation under this Agreement or our System Standards, then we may, in addition to our other remedies, temporarily remove the link to your Local Website and remove any reference to your Center from the Franchise System Website until you fully cure the default. We will permanently remove the link to your Local Website and any reference to your Center from the Franchise System Website upon this Agreement's expiration or termination.

You will also be required to have a website for your Center (the "Local Website") that we host. We must own the domain name for the Local Website, and will assign the domain name to you. The content of the Local Website must comply with our specifications and standards that we periodically designate; all updates and changes to the Local Website must be approved by us. You will pay us our then-current monthly maintenance and hosting fee for the Local Website. You may also utilize any Online Presence that we approve pursuant to our then-current social media policy, which we may modify from time to time. The Local Website and any other Online Presence you maintain must identify your Center as an independently owned and operated business. All advertising, marketing, and promotional materials that you develop for your Center must contain notices of the Franchise System Website's domain name in the manner we designate. If we approve the use of any Online Presence in the operation of your Center, you will develop and maintain such Online Presence only in accordance with our then-current social media policy, including guidelines for posting any messages or commentary on other third-party websites. We will own the rights to each such Online Presence. At our request, you agree to grant us access to each such Online Presence, and to take whatever action (including signing an assignment or other documents) we request to evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence. Except as otherwise provided in this Section 9.D, you may not develop, maintain, register or authorize any other Online Presence that mentions or describes you or your Center or displays any of the Marks.

E. **MARKETING PROGRAM.** We have established a comprehensive, turnkey marketing program (the "Marketing Program") which is designed and administered by us or our third-party designees. The Marketing Program currently includes a customer and prospect communications, and pay-per-click advertising programs. We currently recommend, but may require, that you participate in the Marketing Program and any other marketing programs implemented by us. Participation may require you to incur additional costs. We reserve the right to periodically modify the Marketing Program. We may also discontinue the Marketing Program upon notice to you. We will establish the price for all materials and services we provide under the Marketing Program which we may change from time to time. The Marketing Program is currently called MarketBuilder, but we may change the name of the program from time to time. We currently require you to pay amounts due for the Marketing Program by credit card, but may require you to pay such amounts by other means.

10. RECORDS, REPORTS, AND FINANCIAL STATEMENTS.

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe from time to time. Your fiscal year will coincide with the calendar year. We may require you to use a Computer System or other systems to maintain certain sales data and other information. You agree to give us in the manner and format that we prescribe from time to time:

(1) on or before the 5th day of each calendar month, a report on your Center's Gross Sales during the preceding calendar month, and your monthly profit and loss statement and balance sheet;

(2) within ten days after our request, (i) the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and your Center covering the previous calendar quarter and the fiscal year to date, and (ii) exact copies of federal and state income tax returns, sales tax returns, and any other forms, records, books, and other information we periodically require relating to your Center and the Franchise; and

(3) within 15 days after the end of each calendar month, monthly profit and loss and source and use of funds statements and a balance sheet for your Center as of the end of that calendar month.

You agree to verify and sign each report and financial statement in the manner we prescribe. Further, you will provide all financial records in accordance with the chart of accounts we may designate. We may disclose data derived from these reports. Moreover, we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to your Center's operation and all customer information from your management information system database. We may use and disclose data we retrieve from your Computer System as we deem appropriate, including, without limitation, to publish sales rankings. You agree to preserve and maintain all records in a secure location at your Center for at least seven years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipt and disbursement journals, and general ledgers), or for any longer period that may be required by law.

You agree that during your first year of operation of your Center you will engage the third party we designate for accounting services for proper bookkeeping, and at our discretion, engage such third party for accounting services beyond your first year of operation as we may require.

You agree to participate in our operating ratio studies by providing such data and information as we may require, and in the form and manner we require from time to time. You further agree that we shall have the right, to include such data and information in our annual operating ratio studies.

11. INSPECTIONS AND AUDITS.

A. **OUR RIGHT TO INSPECT YOUR CENTER.** To determine whether you and your Center are complying with this Agreement and all System Standards, we and our designated agents or representatives, may at all times and without prior notice to you: (1) inspect your Center; (2) photograph your Center and observe and videotape your Center's operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) inspect your Computer System, including hardware, software, security, configurations, connectivity and data access, and other technology used in the operation of your Center; (5) interview your Center's personnel and customers; and (6) inspect and copy any books, records, and documents relating to your Center's operation. You agree to cooperate with us fully. If we exercise any of these rights, we will not interfere unreasonably with your Center's operation. Any inspection will be made at our expense, but if we or our designee must make two inspections concerning your repeated or continuing failure to comply with this Agreement, we will have the right to charge you for the costs of making all further inspections concerning your failure to comply, including travel expenses, room, board and compensation of our designee.

B. **OUR RIGHT TO AUDIT.** We may at any time during your business hours, and without prior notice to you, examine your (if you are an Entity) and your Center's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. You must cooperate fully with our representatives and independent accountants in any examination. If any examination discloses an understatement of your Center's Gross Sales, you must pay us, within 15 days after receiving

the examination report, the Royalty and Marketing Fund contributions and Local Advertising Cooperative contributions due on the amount of the understatement, plus 1.5% interest on the understated amounts from the date originally due until the date of payment. Furthermore, you must reimburse us for the costs of the examination, inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees, if: (i) an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or (ii) our examination reveals a Royalty, Marketing Fund contribution or Local Advertising Cooperative contribution understatement exceeding 5% of the amount that you actually reported to us for the period examined. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

12. TRANSFER.

A. **BY US.** You acknowledge that we maintain a staff to manage and operate the franchise system for the Centers and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, member, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement and any other agreement to a third party without restriction.

B. **BY YOU.** You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or to your owners if you are an Entity) and that we have granted you the Franchise in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, neither this Agreement (or any interest in this Agreement), your Center or substantially all of its assets, any ownership interest in you (regardless of its size), nor any ownership interest in any of your owners (if such owners are legal entities) may be transferred without our prior written approval. A transfer of your Center's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer, or attempt to transfer, without our approval is a breach of this Agreement and has no effect. In this Agreement, the term "transfer" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in this Agreement, you or substantially all of the assets of your Center. Without limiting the foregoing, you may not, without our prior written consent, pledge, or attempt to pledge, this Agreement (to someone other than us) or an ownership interest in you or your owners or transfer, or attempt to transfer, an interest in this Agreement or substantially all of the assets of the Center in a divorce, insolvency or entity dissolution proceeding.

C. **CONDITIONS FOR APPROVAL OF TRANSFER.** If you (and your owners) are in full compliance with this Agreement, then, subject to the other provisions of this Section 12, we will approve a transfer that meets all of the requirements in this Section. A non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) may be transferred if the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and meet our then applicable standards for Center franchisees (including no ownership interest in or performance of services for a Competitive Business). All proposed transferees of a non-controlling interest in you must fill out and submit to us our then current form of franchise application. If the proposed transfer is of this Agreement or a controlling ownership interest in you or one of your owners, or is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Agreement or a controlling ownership interest in you or one of your owners, then all of the following conditions must be met before or concurrently with the effective date of the transfer:

(1) the transferee has sufficient business experience, aptitude, and financial resources to operate your Center;

(2) you have paid all Royalty, Marketing Fund contributions, Local Advertising Cooperative contributions, and other amounts owed to us, our affiliates, and third-party vendors; have submitted all required reports and statements;

(3) you have not violated any provision of this Agreement, the Lease, or any other agreement with us during both the 60-day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(4) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(5) the transferee (or its managing owner) satisfactorily completes our training program;

(6) your landlord allows you to transfer the Lease or sublease the Premises to the transferee;

(7) the transferee agrees (if the transfer is of this Agreement) to upgrade, remodel, and refurbish your Center in accordance with our current requirements and specifications for Centers (subject to Section 12.C(8), if applicable) within 45 days after the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions that it must take within this time period);

(8) if we so require, the transferee agrees to transition the Center into a different brand concept that either we or an affiliate offers, including remodeling the Center as necessary, adding or replacing improvements and Operating Assets, replacing the Marks wherever they appear (including without limitation advertising materials and stationery) and complying with all of the then-current system standards applicable to the new brand concept;

(9) the transferee shall (if the transfer is of this Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then current form of franchise agreement and related documents, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement;

(10) you pay us a transfer fee in the amount of 25% of our then current initial franchise fee charged to purchasers of existing Centers, and also pay any referral fees or broker fees incurred in connection with the transfer;

(11) you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, and agents;

(12) we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of your Center;

(13) if you or your owners finance any part of the purchase price, we reserve the right to require that you and/or your owners subordinate any of the transferee's obligations under promissory notes or agreements with you or your security interests reserved in your Center, to the transferee's obligation to pay Royalty, Marketing Fund contributions, Local Advertising Cooperative contributions, and other amounts due to us, our affiliates, and third party vendors and otherwise to comply with this Agreement;

(14) you and your transferring owners (and your and their immediate family members) will not, for two years beginning on the transfer's effective date, engage in any of the activities proscribed in Section 15.D below; and

(15) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other Centers you own and operate) identify yourself or themselves or any business as a current or former Center or as one of our franchisees; use any Mark, any colorable imitation of a Mark, or other indicia of a Center in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us.

We may review all information regarding your Center that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding your Center.

Our consent to a transfer of this Agreement and your Center, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of your Center's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand full compliance by you and the transferee with this Agreement.

D. **TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY.** Notwithstanding Section 12.C above, if you are in full compliance with this Agreement, you may transfer this Agreement to a corporation or limited liability company which conducts no business other than your Center and, if applicable, other Centers, in which you maintain management control, and of which you own and control 100% of the equity and voting power of all issued and outstanding ownership interests, provided that all of your Center's assets are owned, and your Center's business is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement. You agree to remain personally liable under this Agreement as if the transfer to the corporation or limited liability company did not occur and sign the form of consent to assignment and assignment to corporate entity satisfactory to us which may include a general release of any and all claims against us and our owners, officers, directors, employees and agents.

E. **YOUR DEATH OR DISABILITY.**

(1) **Transfer upon Death or Disability**. Upon your or your Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer your interest in this Agreement, or the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed 180 days from the date of death or disability, and is subject to all of the terms and conditions in this Section 12. The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or the Managing Owner from supervising your Center's management and operation.

(2) **Operation upon Death or Disability**. If, upon your or the Managing Owner's death or disability, a manager approved by us is not managing your Center, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must appoint a manager within 15 days of the date of death or disability. The manager must complete our standard training program at your expense. A new Managing Owner acceptable to us also

must be appointed for your Center within 30 days. If, in our judgment, your Center is not being managed properly any time after your or the Managing Owner's death or disability, we may, but need not, assume your Center's management (or appoint a third party to assume its management). All funds from your Center's operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to amounts due under this Agreement) a reasonable per diem fee plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume your Center's management under this Section 12.E(2). We (or a third party) have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your Center incurs, or to any of your creditors for any products, other assets, or services your Center purchases, while we (or a third party) manage it.

F. **OUR RIGHT OF FIRST REFUSAL.** If you (or any of your owners) at any time determine to sell or transfer for consideration an interest in this Agreement and your Center, or an ownership interest in you (except to or among your current owners, which is not subject to this Section), in a transaction that otherwise would be allowed under Sections 12.B and 12.C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Agreement and your Center. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to 5% or more of the offering price. The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Sections 12.B and 12.C above. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within 30 days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that: (1) we may substitute cash for any form of payment proposed in the offer; (2) our credit will be deemed equal to the credit of any proposed buyer; (3) we will have an additional 30 days to prepare for closing after notifying you of our election to purchase; and (4) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable.

If we exercise our right of first refusal, you and your selling owner(s) (and your and their immediate family members) agree that, for two years beginning on the closing date, you and they will be bound by the non-competition covenant contained in Section 15.D below. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section. If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with, and you (and your owners) and the transferee comply with the conditions in, Sections 12.B and 12.C.

If you do not complete the sale to the proposed buyer within 60 days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the 30 day period following either the expiration of the 60 day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

G. **SALE OF YOUR CENTER.** If at any time prior to the three-year anniversary of the Effective Date you desire to sell your Center, and you are in full compliance with this Agreement, then we agree to assist you in marketing your Center for sale for a period of one year after you give us notice of your desire to sell your Center; provided that you sign our then current form of listing agreement. We may market your Center through whatever means and methods that we deem appropriate and have no obligation to spend any minimum amount on such marketing efforts. However, we will apply an amount equal to the Resale Allowance (as defined below), if any, to the listing fee, transfer fee and any broker fee due to us or our affiliate in connection with the sale of your Center. "Resale Allowance" shall mean $25,000 minus our out of pocket expenses that we or our affiliates incur in connection with marketing your Center for sale. Notwithstanding the foregoing, we cannot and do not guarantee that we will be able to find a buyer for your Center. Further, any potential buyer and the sale of your Center will still be subject to the conditions for approval of transfer in Section 12.C of this Agreement. If you do not sell your Center pursuant to the terms and conditions of Section 12 of this Agreement, you agree to continue to operate the Center during the remaining term of this Agreement.

13. EXPIRATION OF THIS AGREEMENT.

A. **YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.** When this Agreement expires:

(1) if you (and each of your owners) have substantially complied with this Agreement during its term; and

(2) provided that, and in conjunction with Section 13.A(3) below, (a) you maintain possession of and agree (regardless of cost) to remodel and/or expand your Center, add or replace improvements and Operating Assets, and otherwise modify your Center as we require to comply with System Standards then applicable for Centers of your Designated Brand Concept, or (b) at your option, you secure a substitute premises that we approve and you develop those premises according to System Standards then applicable for Centers of your Designated Brand Concept; and

(3) provided that if we so require, you transition your Center into a different brand concept that either we or an affiliate offers, including remodeling the Center as necessary, adding or replacing improvements and Operating Assets, replacing the Marks wherever they appear (including without limitation signage, advertising materials and stationery) and complying with all of the then-current System Standards applicable to the new brand concept;

then you may acquire a successor franchise to operate your Center as a Center for an additional term of 20 years.

B. **GRANT OF A SUCCESSOR FRANCHISE.** You agree to give us written notice of your election to acquire a successor franchise no more than one year and no less than nine months before this Agreement expires. If you fail to notify us of your election to acquire a successor franchise within the prescribed time period, we need not grant you a successor franchise. We agree to give you written notice ("Our Notice"), not more than 60 days after we receive your notice, of our decision:

(1) to grant you a successor franchise;

(1) to grant you a successor franchise on the condition that you correct existing deficiencies of your Center or in your operation of your Center;

(2) to grant you a successor franchise on the condition that you transition your Center into a different brand concept, in accordance with Section 13.A(3) of this Agreement;

(3) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during its term or were not in full compliance with this Agreement and all System Standards on the date you gave us written notice of your election to acquire a successor franchise; or

(4) not to grant you a successor franchise because we no longer maintain a franchise program for Centers of your Designated Brand Concept.

If we elect not to grant you a successor franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a successor franchise, your right to acquire a successor franchise is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice, which may include actions to cure any operating deficiencies or to bring your Center into compliance with then applicable System Standards for your Designated Brand Concept.

C. **AGREEMENTS/RELEASES.** If you satisfy all of the other conditions for a successor franchise, you and your owners agree to execute the form of franchise agreement and any ancillary agreements we then customarily use in granting franchises for Centers (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement, at least six months before this Agreement expires. You and your owners further agree to sign general releases, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors and assigns. We will consider your or your owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution (together with the successor franchise fee) within one month after their delivery to you to be an election not to acquire a successor franchise.

14. TERMINATION OF AGREEMENT.

A. **BY YOU.**

(1) If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not (i) correct the failure within 30 days after you deliver written notice of the material failure to us or, (ii) if we cannot correct the failure within 30 days and fail to give you, within 30 days after your notice, reasonable evidence of our effort to correct the failure within a reasonable time, you may terminate this Agreement effective an additional 30 days after you deliver to us written notice of termination.

(2) Prior to the expiration of the term of this Agreement and if you have materially complied with all of your obligations under this Agreement, you may terminate this Agreement at any time upon 60 days' prior written notice to us and upon the payment of a termination fee ("Termination Fee"). The Termination Fee shall be an amount equal to the greater of (a) $55,000.00 (as adjusted from time to time by us to reflect any changes in the Consumer Price Index) and (b) the aggregate of Royalties paid for your Center for the 12 months immediately preceding the effective date of your termination of this Agreement multiplied by five. The Termination Fee shall be due and payable to us as of the effective date of your termination of this Agreement. You shall comply with your post-termination obligations under this Agreement, including, without limitation, your obligations under Section 15 of this Agreement; provided, however, upon payment of the Termination Fee, you will not be required to comply with the

covenant not to compete under Section 15.D of this Agreement. You acknowledge and agree that the Termination Fee shall be reasonable compensation to us for our lost opportunity to benefit from the franchise relationship and is a reasonable reflection of the value of the loss of the franchise to us, including without limitation, lost profits from the Royalty and other fees. The Termination Fee shall be paid in addition to any other amounts owed us under this Agreement and there shall be no deduction or set-off of any kind with respect to the Termination Fee.

(3) Your termination of this Agreement other than according to this Section 14.A will be deemed a termination without cause and a breach of this Agreement.

B. **BY US.** We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(1) you (or any of your owners) have made or make any material misrepresentation or omission in acquiring the Franchise or operating your Center;

(2) you (or your Managing Owner) do not satisfactorily complete the initial training program in accordance with Section 4.A;

(3) you abandon or fail actively to operate your Center for three or more consecutive business days, unless you close your Center for a purpose we approve;

(4) you surrender or transfer control of your Center's operation without our prior written consent;

(5) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest or guilty to, a felony;

(6) you fail to maintain the insurance we require and do not correct the failure within ten days after we deliver written notice of that failure to you;

(7) you (or any of your owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects your Center's reputation or the goodwill associated with the Marks;

(8) you (or any of your owners or, if one or more of your owners is an Entity, the owner of a controlling interest in that Entity) make or attempt to make an unauthorized assignment of this Agreement, an ownership interest in you (or your owner), or your Center;

(9) you lose the right to occupy the Premises;

(10) you (or any of your owners) knowingly make any unauthorized use or disclosure of any part of the Operations Materials or any other Confidential Information;

(11) you violate any law, ordinance, rule or regulation of a governmental agency in connection with the operation of your Center and fail to correct such violation within seventy-two hours after you receive notice from us or any other party, regardless of any longer period of time that any governmental agency may have given you to cure such violation;

(12) you fail to pay us (or our affiliates) any amounts due and do not correct the failure within ten days after we deliver written notice of that failure to you;

(13) you fail to pay when due any federal or state income, service, sales, or other taxes due on your Center's operation, unless you are in good faith contesting your liability for these taxes;

(14) you understate your Center's Gross Sales three times or more during this Agreement's term or by more than 5% on any one occasion;

(15) you (or any of your owners) (a) fail on three or more separate occasions within any 12 consecutive month period to comply with this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (b) fail on two or more separate occasions within any six consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(16) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; your Center is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within 30 days; or any order appointing a receiver, trustee, or liquidator of you or your Center is not vacated within 30 days following the order's entry;

(17) you file a petition in bankruptcy or a petition in bankruptcy is filed against you;

(18) you (or any of your owners) fail to comply with anti-terrorism laws, ordinances, regulations and Executive Orders;

(19) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within 30 days after we deliver written notice of the failure to you;

(20) you default under any promissory note or other financing agreement with us or our affiliate; or

(21) you fail to comply with any other agreement with us or our affiliate and do not correct such failure within the applicable cure period, if any.

C. **ASSUMPTION OF MANAGEMENT.** We have the right (but not the obligation), under the circumstances described below, to enter the Premises and assume your Center's management (or to appoint a third party to assume its management) for any period of time we deem appropriate. If we (or a third party) assume your Center's management under subparagraphs (1), (2) and (3) below, you agree to pay us (in addition to the Royalty, Marketing Fund contributions, Local Advertising Cooperative contributions and other amounts due under this Agreement) a reasonable per diem fee, plus our (or the third party's) direct out-of-pocket costs and expenses, for up to 60 days after we assume management. If we (or a third party) assume your Center's management, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your Center incurs, or to any of your creditors for any supplies, products, or other assets or services your Center purchases, while we (or the third party) manage it.

We (or a third party) may assume your Center's management under the following circumstances: (1) if you abandon or fail actively to operate your Center; (2) if you fail to comply with any provision of this Agreement or any System Standard and do not cure the failure within the time period we specify in our notice to you; (3) if we are assisting you in the sale of your Center; or (4) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase your Center under Section 15.E below.

If we exercise our rights under subparagraphs (1), (2) or (3) above, that will not affect our right to terminate this Agreement under Section 14.B above.

D. **SUSPENSION OF OBLIGATIONS AND SUPPORT.** If you fail to comply with this Agreement or the System Standards, then we may, in our discretion, suspend our obligations and support services we provide to you. This right shall be in addition to our right to termination in accordance with Section 14.B of this Agreement. Nothing in this Section shall be construed to relieve you of any obligations you have under this Agreement or any other agreements between you and us (or our affiliates).

15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

A. **PAYMENT OF AMOUNTS OWED TO US.** You agree to pay us within 15 days after this Agreement expires or is terminated, or on any later date that we determine the amounts due to us, the Royalty, Marketing Fund contributions, Local Advertising Cooperative contributions, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

B. **DE-IDENTIFICATION.** When this Agreement expires or is terminated for any reason:

(1) you must immediately close the Center for business to customers and cease to directly or indirectly sell any products and services of any kind and in any manner from the Center and/or using the Marks, unless we direct you otherwise in connection with our exercise of our option to purchase pursuant to Section 15.E;

(2) you must cease all use, direct or indirect, of any Mark, any colorable imitation of a Mark, or other indicia of a Center in any manner or for any purpose; and must not use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(3) you may not directly or indirectly at any time or in any manner (except with other Centers you own and operate) identify any business as a current or former Center and you agree to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark. Notwithstanding the foregoing, you are not prohibited from identifying yourself as a former franchisee in connection with identifying your employment history on job applications or business networking websites;

(4) you agree to deliver to us or destroy (as we require), at your expense, within 15 days all marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a Center, including copies of all Confidential Information, and allow us, without liability to you or third parties, to remove these items from your Center;

(5) you deliver to your customers within ten days all artwork of customers in your possession;

(6) you agree that we may independently access and retrieve all information from, or at our direction you will deliver to us within ten days a copy of, your management information system database, including all customer information from your Center in the format we designate, including, without limitation, contact information, order history and such other information as may be on the management information system or as we may otherwise reasonably request;

(7) if we do not have or do not exercise an option to purchase your Center under Section 15.E, you agree promptly and at your own expense to make the alterations we specify in our Operations Materials (or otherwise) to distinguish your Center clearly from its former appearance and from other Centers in order to prevent public confusion;

(8) you agree to immediately cease using and, at our direction, either disable or instruct the registrar of any Contact Identifier or Online Presence to transfer exclusive control of and access to such Contact Identifier or Online Presence to us (or our designee), as we determine in our discretion;

(9) comply with all other System Standards we establish from time to time (and all applicable laws) in connection with the closure and de-identification of your Center, including as it relates to disposing of Personal Information, in any form, in your possession or the possession of any of your owners or employees; and

(10) you agree to give us, within 15 days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations, including, without limitation, photographs of the interior and exterior of the Center.

C. **CONFIDENTIAL INFORMATION.** You agree that, when this Agreement expires or is terminated, you will immediately cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications that we have licensed to you or that otherwise are proprietary to us or the Franchise System) in any business or otherwise and return to us all copies of the Operations Materials and any other confidential materials that we have loaned you or to which we have given you access.

D. **COVENANT NOT TO COMPETE.** Upon termination or expiration of this Agreement, you and your owners agree that, for two years beginning on the effective date of termination or expiration or the date on which all persons restricted by this Section begin to comply with this Section, whichever is later, neither you nor any of your owners (or their immediate family members) will have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, lessor, representative, or agent, or perform any services in any capacity (including each of the foregoing) in any Competitive Business (as defined in Section 7 above) located or operating, nor will any such person lease or sublease any property to a Competitive Business:

(1) within a ten-mile radius of your Center; or

(2) within a five-mile radius of any other Center in operation or under construction on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Section begin to comply with this Section.

Additionally, at no time after the term of this Agreement, will you or your owners (or their immediate family members) divert, attempt to divert, or assist any other person or entity, directly or indirectly, to divert any actual or potential business or customer of any Center to a Competitive Business.

These restrictions also apply after transfers, as provided in Section 12.C(14) above. These restrictions do not apply if you terminated this Agreement pursuant to Section 14.A(2). If any person restricted by this Section refuses voluntarily to comply with these obligations, the two-year period for that person will commence with the entry of a court order enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section will not deprive you of your personal goodwill or ability to earn a living.

E. **OUR RIGHT TO PURCHASE YOUR CENTER.**

If you decide to transfer your Center and this Agreement, your Center's assets, or an ownership interest in you during this Agreement's term, the provisions of Section 12 generally will apply to the proposed transfer. However, upon

(a) our termination of this Agreement according to its terms and conditions,

(b) your termination of this Agreement without cause, or

(c) expiration of this Agreement (if we offer, but you elect not to acquire, a successor franchise, or if we do not offer you a successor franchise due to your failure to satisfy the conditions for a successor franchise set forth in Section 13),

we have the option, exercisable by giving you written notice before or within 30 days after the date of termination or expiration to purchase your Center. We have the unrestricted right to assign this option to purchase. We are entitled to all customary warranties and representations in our asset purchase. The purchase price for your Center will be its fair market value, provided that the fair market value will not include any value for (i) the Franchise or any rights granted by this Agreement; or (ii) goodwill attributable to our Marks, brand image, and other intellectual property. We may exclude from the assets purchased any Operating Assets or other items that are not reasonably necessary (in function or quality) to your Center's operation or that we have not approved as meeting System Standards for Centers, and the purchase price will reflect these exclusions.

If we and you cannot agree on fair market value, fair market value will be determined by one independent accredited appraiser who will conduct an appraisal and, in doing so, be bound by the criteria specified herein. You and we agree to select the appraiser within 15 days after we notify you that we wish to exercise our purchase option (if you and we have not agreed on fair market value before then). You and we will share equally the appraiser's fees and expenses. The appraiser must complete its appraisal within 30 days after its appointment. The purchase price will be the appraised value.

We (or our assignee) will pay the purchase price at the closing, which will take place not later than 60 days after the purchase price is determined. We may set-off against the purchase price, and reduce the purchase price by, any and all amounts you or your owners owe us or our affiliates. At the closing, you agree to deliver instruments transferring to us (or our assignee): (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and other transfer taxes paid by you; (b) all of your Center's licenses and permits which may be assigned or transferred; and (c) an assignment of the Lease.

You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors, and assigns. If we exercise our rights under this Section 15.E, you and your owners agree that, for two years beginning

on the closing date, you and they will be bound by the non-competition covenant contained in Section 15.D.

F. **CONTINUING OBLIGATIONS.** All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

A. **INDEPENDENT CONTRACTORS.** You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, Center personnel, and others as your Center's owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require from time to time. We may direct you to engage a minimum number of employees in order to adequately perform the services of the Center, but we will have no right to hire or fire any of your employees or independent contractors or to exercise any control over those employees or independent contractors, all of whom will be entirely under your control and direction, and you will be responsible for their acts and omissions.

B. **NO LIABILITY TO OR FOR ACTS OF OTHER PARTY.** We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Center's operation or the business you conduct under this Agreement. We will have no liability for your obligations to pay any third parties, including any product vendors.

C. **TAXES.** We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or your Center, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes that we must pay to any state taxing authority on account of your operation or payments that you make to us.

D. **INDEMNIFICATION.** You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of your Center's operation, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our intentional misconduct in a final, unappealable ruling issued by a court with competent jurisdiction. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at your expense and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's

expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you under this Section. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section.

17. ENFORCEMENT.

A. **SECURITY INTEREST.** As security for the performance of your obligations under this Agreement, including payments owed to us for purchase by you, you grant us a security interest in all of the assets of your Center, including but not limited to inventory, fixtures, furniture, equipment, accounts, customer lists, supplies, contracts, cash derived from the operation of the Center and sale of other assets, and proceeds and products of all those assets. You agree to execute such other documents as we may reasonably request in order to further document, perfect and record our security interest. If you default in any of your obligations under this Agreement, we may exercise all rights of a secured creditor granted to us by law, in addition to our other rights under this Agreement and at law. If a third-party lender requires that we subordinate our security interest in the assets of your Center as a condition to lending you working capital for the operation of your Center, we will agree to subordinate pursuant to terms and conditions determined by us.

B. **SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.** Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of our refusal to enter into a successor franchise agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

C. **WAIVER OF OBLIGATIONS.** We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Centers; the existence of franchise agreements for other Centers which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform our or your obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of the Royalty or Marketing Fund and Local Advertising Cooperative contributions due afterward.

D. **COSTS AND ATTORNEYS' FEES.** If either party initiates an arbitration, judicial or other proceeding, the prevailing party will be entitled to reasonable costs and expenses (including attorneys' fees incurred in connection with such arbitration, judicial or other proceeding).

E. **YOU MAY NOT WITHHOLD PAYMENTS DUE TO US.** You agree that you will not withhold payment of any amounts owed to us on the grounds of our alleged nonperformance of any of our obligations under this Agreement or for any other reason, and you specifically waive any right you may have at law or in equity to offset any funds you may owe us or to fail or refuse to perform any of your obligations under this Agreement. You agree to submit all claims, unless otherwise resolved by our and your mutual agreement, to arbitration as provided in Section 17.G.

F. **RIGHTS OF PARTIES ARE CUMULATIVE.** Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

G. **ARBITRATION.** We and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective owners, officers, directors, agents, and employees, on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to:

(1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates);

(2) our relationship with you;

(3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any of such agreements

(including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or

(4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our then-current principal place of business (currently, Plymouth, Michigan). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any Marks owned by us or our affiliates generic or otherwise invalid or award any punitive or exemplary damages against any party to the arbitration proceeding (we and you hereby waiving to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

We and you agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us.

We and you agree that arbitration will be conducted on an individual basis and that an arbitration proceeding between us and any of our affiliates, or our and their respective owners, officers, directors, agents, and employees, on the one hand, and you (or your owners, guarantors, affiliates, and employees), on the other hand, may not be: (i) conducted on a class-wide basis, (ii) commenced, conducted or consolidated with any other arbitration proceeding, (iii) joined with any separate claim of an unaffiliated third-party, or (iv) brought on your behalf by any association or agent. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

We and you agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of time frame, subject matter and persons or entities to which the requests pertain, and shall not include broad phraseology such as "all documents directly or indirectly related to." You and we further agree that no interrogatories or requests to admit shall be propounded, unless the parties later mutually agree to their use.

With respect to any discovery of electronically stored information, you and we agree that such requests must balance the need for production of electronically stored information relevant and material to the outcome of a disputed issue against the cost of locating and producing such information. You and we agree that:

(a) production of electronically stored information need only be from sources used in the ordinary course of business. No party shall be required to search for or produce information from back-up servers, tapes, or other media;

(b) the production of electronically stored information shall normally be made on the basis of generally available technology in a searchable format which is usable by the party receiving the information and convenient and economical for the producing party. Absent a showing of compelling need, the parties need not produce metadata, with the exception of header fields for e-mail correspondence;

(c) the description of custodians from whom electronically stored information may be collected shall be narrowly tailored to include only those individuals whose electronically stored information may reasonably be expected to contain evidence that is relevant and material to the outcome of a disputed issue;

(d) the parties shall attempt to agree in advance upon, and the arbitrator may determine, reasonable search parameters; and

(e) where the costs and burdens of electronic discovery are disproportionate to the nature of the dispute or to the amount in controversy, or to the relevance of the materials requested, the arbitrator shall either deny such requests or order disclosure on condition that the requesting party advance the reasonable cost of production to the other side, which cost advance will not be awarded to the prevailing party in any final award.

In any arbitration, each side may take no more than three depositions, unless the parties mutually agree to additional depositions. Each side's depositions are to consume no more than a total of 15 hours, and each deposition shall be limited to five hours, unless the parties mutually agree to additional time.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

H. **GOVERNING LAW. ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL**

NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

I. **CONSENT TO JURISDICTION. SUBJECT TO SECTION 17.G ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS.**

J. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL. EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SECTION 16.D, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.**

WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY EITHER OF US.

K. **DAMAGES.** In the event this Agreement is terminated because of your (or your owners) default or by you without cause, the parties agree that it would be difficult if not impossible to determine the amount of damages that we would suffer due to the loss or interruption of the revenue stream we otherwise would have derived from your continued payment of Royalty Fees and that the Marketing Fund would have otherwise derived from your continued contribution to such funds, less any cost savings, through the remainder of the term of this Agreement (the "Damages"). The parties agree that a reasonable estimate of those Damages is, and you agree to pay us as compensation for the Damages, an amount equal to the then net present value of the standard Royalty fees and Marketing Fund contributions that would have become due from the date of termination to the earlier of (i) three years following termination, or (ii) the scheduled expiration date of this Agreement. For this purpose, Damages shall be calculated based on Gross Sales of your Center for the 12 months preceding the termination date. In the event your Center has not been in operation or you have not reported Gross Sales for at least 12 months preceding the termination date, the Royalty fees and Marketing Fund contributions will be calculated based on the average monthly Gross Sales of all Centers under the brand identified under Section 1.D above during the fiscal year immediately preceding the termination date. You and we agree that the calculation described in this Section is a calculation only of the Damages and that nothing herein shall preclude or limit us from proving and recovering any other damages caused by your breach of this Agreement.

L. **INJUNCTIVE RELIEF.** Nothing in this Agreement, including the provisions of Section 17.G, bars our right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause us, the Marks, or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions (subject to our obligation to arbitrate the underlying claim if required by Section 17.G). You agree that we may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to us at law or in equity. You agree that we will not be required to post a bond to obtain injunctive relief and that your only remedy if

an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing, and you hereby expressly waive any claim for damages caused by such injunction.

M. **BINDING EFFECT.** This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the System Standards, this Agreement may not be modified except by a written agreement signed by our and your duly-authorized officers.

N. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS. WE AND YOU AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT. NO PREVIOUS COURSE OF DEALING SHALL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING SHALL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT. EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US OR ANY OF OUR AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.**

O. **CONSTRUCTION.** The preambles and exhibits are a part of this Agreement which, together with the System Standards (which may be periodically modified, as provided in Sections 4.C, 8.G, and 17.M above), constitutes our and your entire agreement, and there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your Center (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us. Except as provided in Sections 16.D and 17.G, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You agree that whenever this Agreement allows or requires us to take actions or make decisions, we may do so in our sole and unfettered discretion, even if you believe our action or decision is unreasonable, unless the Agreement expressly and specifically requires that we act reasonably or refrain from acting unreasonably in connection with the particular action or decision. The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to "we," "us," and "our," with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term

"affiliate" means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. "Control" means the power to direct or cause the direction of management and policies.

If two or more persons are at any time the owners of the Franchise and your Center, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to "owner" mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and your Center or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise, or your Center and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. References to a "controlling ownership interest" in you or one of your owners (if an Entity) mean the percent of the voting shares or other voting rights that results from dividing 100% of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, the determination of whether a "controlling ownership interest" is involved must be made as of both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer). "Person" means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity. Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term "your Center" includes all of the assets of the Center you operate under this Agreement, including its revenue and the Lease.

18. **NOTICES AND PAYMENTS.**

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Operations Materials will be deemed to be delivered: (a) at the time delivered by hand; (b) at the time delivered via computer transmission and, in the case of the Royalty, Marketing Fund contributions, Local Advertising Cooperative contributions, and other amounts due, at the time we actually receive payment; (c) one business day after transmission by electronic system if the sender has confirmation of successful transmission; (d) one business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or (e) three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. Any notice must be addressed to the party to be notified at its most current principal business address of which the notifying party has notice, or if to you, may be addressed to the Center's address. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two days before then) will be deemed delinquent.

19. **COUNTERPARTS.**

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

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

FRANCHISOR:

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE:

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT A

TO THE FRANCHISE AGREEMENT
BETWEEN ALLEGRA NETWORK LLC
AND _____
DATED _____, 20___

Effective Date: This Exhibit A is current and complete as of _____, 20___

You and Your Owners

1. **Form of Owner**.

(a) **Individual Proprietorship**. Your owner(s) (is) (are) as follows:

_____

_____

_____

(b) **Corporation, Limited Liability Company, or Partnership.** You were incorporated or formed on _____, under the laws of the State of _____ _____ under the name _____, with the entity identification number of _____. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and _____. Your federal tax identification number is _____. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

Name of Each Director/Officer	Position(s) Held
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. **Owners**. The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

	Owner's Name	Description of Interest	Percentage of Ownership
(a)	_____	_____	_____
(b)	_____	_____	_____
(c)	_____	_____	_____
(d)	_____	_____	_____

3. **Managing Owner**. The Managing Owner is _____.

FRANCHISOR:

ALLEGRA NETWORK LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE:

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT B

TO THE FRANCHISE AGREEMENT
BETWEEN ALLEGRA NETWORK LLC
AND _____
DATED _____, 20___

PROTECTED TERRITORY

EXHIBIT C

TO THE FRANCHISE AGREEMENT
BETWEEN ALLEGRA NETWORK LLC
AND _____
DATED _____, 20___

COLLATERAL ASSIGNMENT OF CONTACT IDENTIFIERS AND ONLINE PRESENCES

THIS COLLATERAL ASSIGNMENT (this "Assignment") is entered into this __ day of _____ _____, 20__, in accordance with the terms of the Allegra Network LLC Franchise Agreement ("Franchise Agreement") between **ALLEGRA NETWORK LLC** ("Franchisor") and _____ _____ ("Franchisee"), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate a center under the brand [__] ***Allegra***®, [__] ***American Speedy***® or [__] ***Insty-Prints***® (the "Center") located at _____ _____.

FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor (1) all telephone and facsimile numbers and other directory listings (collectively, the "Contact Identifiers") and (2) all websites, domain names, homepages, e-mail addresses, social media accounts, user names, other online presence or presence on any electronic medium of any kind (each an "Online Presence") associated with Franchisor's trade and service marks used from time to time in connection with the operation of the Center. This Assignment is for collateral purposes only and, except as specified herein, Franchisor has no liability or obligation of any kind whatsoever in connection with this Assignment, unless Franchisor notifies the telephone company, the telephone listing agencies and the companies managing the Online Presences (the "Service Providers") to effectuate this assignment.

Upon termination or expiration of the Franchise Agreement (without extension), Franchisor has the right to effectuate the assignment of the Contact Identifiers and Online Presences. In such event, Franchisee will have no further right, title or interest in the Contact Identifiers and Online Presences, and will remain liable to the Service Providers for all past due fees owing to the Service Providers before the effective date of this assignment.

Franchisee agrees that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor has the sole right to the Contact Identifiers and Online Presences, and Franchisee irrevocably appoints Franchisor as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest, to direct the Service Providers to assign same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee will immediately notify the Service Providers to assign the Contact Identifiers and Online Presences to Franchisor. If Franchisee fails to promptly direct the Service Providers to assign the Contact Identifiers and Online Presences to Franchisor, Franchisor will direct the Service Providers to effectuate the assignment contemplated hereunder to Franchisor. The parties agree that the Service Providers may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in the Contact Identifiers and Online Presences upon such termination or expiration and that such assignment will be made automatically and effective immediately upon a Service Provider's receipt of such notice from Franchisor or Franchisee. The parties further agree that if any Service Provider requires that the parties execute the Service Provider's assignment forms or other documentation at the time of termination or expiration of the Franchise

Agreement, Franchisor's execution of the forms or documentation on behalf of Franchisee will effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish this assignment upon termination or expiration of the Franchise Agreement.

All rights of Franchisor shall inure to its benefit and to the benefit of its successors and assigns. Franchisor may assign its rights under this Assignment to any designee. This Assignment may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

THUS SIGNED this Assignment as of the day and date shown on the first page hereof.

FRANCHISOR:
ALLEGRA NETWORK LLC
a Michigan limited liability company

By:_____
Its:_____

FRANCHISEE:

(IF CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP):

_____
[Name]

By:_____
Its:_____

(IF INDIVIDUALS):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT C

APPLICATION FOR FRANCHISE

Confidential Franchise Application

Please type or print clearly and complete the form in full.

PERSONAL INFORMATION

Last Name	First Name	Middle Name	Marital Status	☐ Male ☐ Female	Driver's License # & State or Province
		City	State/Province	Zip/Postal Code	Country
Years at this address	Home Phone	Cell Phone	Other Phone	Date of Birth	
Email	Citizenship	If you are not a citizen of the country in which you have applied for franchise ownership, do you have the required visa to legally own and operate a business in that country? ☐ Yes ☐ No			
Are you a veteran of the Canadian or United States Armed Forces? ☐ Yes ☐ No	Branch	Dates of Service:	Honorably discharged? ☐ Yes ☐ No If yes, please provide DD214 or discharge certificate		

EDUCATION

College of Institution	City & ST/Province	Dates Attended	Did you graduate ☐ Yes ☐ No	Degree earned

BUSINESS/EMPLOYMENT INFORMATION (Please provide business information for the past 10 years and/or attach resume)

MAY WE CONTACT THESE EMPLOYERS TO VERIFY EMPLOYMENT? ☐ Yes ☐ No

Currently employed ☐ Yes ☐ No	Name of employer (or former employer)	Title	Telephone
Business address	City	State/Province	Zip/Postal Code	Dates of employment
Please describe your responsibilities:				Annual income

Currently employed ☐ Yes ☐ No	Name of next most recent employer	Title	Telephone
Business address	City	State/Province	Zip/Postal Code	Dates of employment
Please describe your responsibilities:				Annual income

SPOUSE INFORMATION

Last Name	First Name	Middle Name	Marital Status	☐ Male ☐ Female	Driver's License # & State or Province
Home street address		City	State/Province	Zip/Postal Code	Country
Years at this address	Home Phone	Cell Phone	Other Phone	Date of Birth	
Email	Citizenship	If you are not a citizen of the country in which you have applied for franchise ownership, do you have the required visa to legally own and operate a business in that country? ☐ Yes ☐ No			
Are you a veteran of the Canadian or United States Armed Forces? ☐ Yes ☐ No	Branch	Dates of Service:	Honorably discharged? ☐ Yes ☐ No If yes, please provide DD214 or discharge certificate		

SPOUSE EDUCATION

College of Institution	City & ST/Province	Dates Attended	Did you graduate ☐ Yes ☐ No	Degree earned

SPOUSE BUSINESS/EMPLOYMENT INFORMATION (Please provide business information for the past 10 years and/or attach resume)

MAY WE CONTACT THESE EMPLOYERS TO VERIFY EMPLOYMENT? ☐ Yes ☐ No

Currently employed ☐ Yes ☐ No	Name of employer (or former employer)	Title	Telephone
Business address	City	State/Province	Zip/Postal Code	Dates of employment
Please describe your responsibilities:				Annual income

Currently employed	Name of next most recent employer	Title	Telephone

☐Yes ☐ No				
Business address	City	State/Province	Zip/Postal Code	Dates of employment
Please describe your responsibilities:				Annual income

REV 03/2017

GENERAL INFORMATION

Do you have previous sales experience? If yes, please describe:

How did you hear about us?	*What other businesses are you investigating?*	
How long have you been seeking your own business?	*What is your desired market?*	
Are you willing to relocate? If yes, where?	*Can you give the business your full time?* ☐ Yes ☐ No	*Do you intend to run this business yourself?* ☐ Yes ☐ No
If qualified, when would you be ready to start your business?	*Have you ever been convicted of a felony* ☐ Yes ☐ No	
Are you now, or have you ever been party to any lawsuit – either as defendant or plaintiff?	*Have you or any company you have owned or managed ever filed bankruptcy, reorganized due to insolvency, gone out of business, or compromised a debt?* ☐ Yes ☐ No	
Are you a partner or officer in any other venture? If yes, please explain.		
Do you have any contingent liabilities for guarantees, endorsements, leases, etc? ☐ *Yes* ☐ *No*	*Have you ever been convicted of any offense (including misdemeanors for which you were fined $200 or more?* ☐ *Yes* ☐ *No*	

If you answered "yes" to any of the above questions or if there is any other information you believe is pertinent to your experience, background, or knowledge, not already covered in this profile, please explain on a separate piece of paper and include with the profile.

If other individuals/partners will be involved with you and on the Franchise Agreement, list names and addresses below. (They must also complete a candidate profile.)
1.)
2.)

FINANCIAL STATEMENT

ASSETS	IN EVEN DOLLARS	LIABILITIES	IN EVEN DOLLARS
Cash on hand and in banks	$	Notes payable to banks – secured	$
Marketable securities	$	Notes payable to banks – unsecured	$
Non-marketable securities	$	Amounts payable to others	$
Residence market value	$	Accounts payable to others	$
Partial interest in real estate equities	$	Accounts and bills due	$
Real estate owned	$	Unpaid income tax	$
Loans receivable	$	Other unpaid taxes and interest	$
Automobiles and other personal property	$	Mortgage on residence	$
Cash value – Life Insurance	$	Real estate mortgages payable	$
Other assets – Itemize:	$	Other debts – Itemize:	$
	$		$
	$		$
	$		$
	$		$
TOTAL ASSETS	**$0.00**	**TOTAL LIABILITIES**	**$0.00**
		NET WORTH (Assets minus liabilities)	**$0.00**

APPLICATION FOR FRANCHISE

By signing below, you authorize Allegra Network LLC or any of its affiliates (collectively, "Allegra") to start an investigative background check (including information as to my character, general reputation, personal characteristics and mode of living) and credit investigation based on information voluntarily provided by me to Allegra, including, without limitation, the information I provide in this Application which I warrant is true and accurate. I understand that I have a right to request that Allegra make a complete and accurate disclosure of the nature and scope of such investigation. This is my authorization to credit reporting agencies, banks, creditors and suppliers to release to Allegra, and to Allegra to release to such parties, all information requested regarding my depository, loan or other credit information, including, without limitation, financial information, by telephone or in writing as part of the normal credit evaluation process. I release Allegra from any liability with respect to the release of any such requested information. If I am requesting that Allegra make a credit determination based on my creditworthiness combined with any co-applicants, I authorize Allegra to discuss any derogatory credit items, and any other information Allegra obtains in connection with the investigation, with such co-applicants.

I promise that I have supplied all information to the best of my ability and understand that Allegra will rely upon this information in assessing my qualifications. I understand that this profile is not a contract and is in no way binding on Allegra or me and does not mean or imply that a franchise will be offered. Financial requirement may be required at a later date.

Signature	Date
Name Printed	
Signature	Date
Name Printed	

We look forward to talking with you about owning a center.

EXHIBIT D

GUARANTY AND ASSUMPTION OF OBLIGATIONS

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS IS GIVEN THIS ___day of _____, 20___, by _____ _____ _____ (the "Guarantor").

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date (the "Agreement") by Allegra Network LLC (the "Franchisor"), and ____ _____ ("Franchisee"), each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; and (4) any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability. Each of the undersigned consents and agrees that: (1) his direct and immediate liability under this guaranty shall be joint and several; (2) he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (4) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

Each undersigned Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Guarantor hereby consents and agrees that:

(a) Guarantor's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and the other guarantors and owners of Franchisee;

(b) Guarantor shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(c) This undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of the Agreement by a trustee of Franchisee. Neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(d) Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and

(e) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

Guarantor agrees to be personally bound by the arbitration obligations under Section 17.F of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section 17.F of the Agreement in accordance with its terms.

Remainder of page intentionally blank

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

GUARANTOR(S)	**PERCENTAGE OWNERSHIP IN FRANCHISEE**
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____

The undersigned, as the spouse of the Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty.

_____	_____
Name of Guarantor	Name of Guarantor
_____	_____
Name of Guarantor's Spouse	Name of Guarantor's Spouse
_____	_____
Signature of Guarantor's Spouse	Signature of Guarantor's Spouse
_____	_____
Name of Guarantor	Name of Guarantor
_____	_____
Name of Guarantor's Spouse	Name of Guarantor's Spouse
_____	_____
Signature of Guarantor's Spouse	Signature of Guarantor's Spouse

EXHIBIT E

CONFIDENTIALITY AND NON-SOLICITATION AGREEMENT

CONFIDENTIALITY AND NON-SOLICITATION AGREEMENT

This "Agreement" is made and entered into as of this ___ day of _____, 20____, by and between _____ ("Franchisee") and _____ ("Covenantor").

1. Allegra Network LLC ("Franchisor") has executed or intends to execute a "Franchise Agreement" with Franchisee under which Franchisor grants to Franchisee certain rights with regard to an Allegra Center, an American Speedy Printing Center or an Insty-Prints Center (each referred to herein as a "Center"). Before allowing Covenantor, [an employee of Franchisee who will have access to Confidential Information] or [an officer / a director / general partner / managing member of Franchisee], to have access to the Confidential Information (as defined below) and as a material term of the Franchise Agreement necessary to protect Franchisor's proprietary rights in and Franchisee's right to use the Confidential Information, Franchisor and Franchisee require that Covenantor enter into this Agreement.

As a condition of Covenantor's employment or continued employment with Franchisee or Covenantor's appointment as a director or officer of Franchisee and to induce Franchisor to enter into the Franchise Agreement, Covenantor agrees to enter into this Agreement. Due to the nature of Franchisor's and Franchisee's business, any use or disclosure of the Confidential Information other than in accordance with this Agreement will cause Franchisor and Franchisee substantial harm.

2. Covenantor agrees to use the Confidential Information only to the extent reasonably necessary to perform his or her duties on behalf of Franchisee. Covenantor acknowledges and agrees that neither Covenantor nor any other person or entity will acquire any interest in or right to use the Confidential Information under this Agreement or otherwise other than the right to utilize it as authorized in this Agreement and that the unauthorized use or duplication of the Confidential Information would be detrimental to Franchisor and Franchisee and would constitute a breach of Covenantor's obligations of confidentiality and an unfair method of competition with Franchisor and/or other Centers owned by Franchisor or franchisees. Covenantor acknowledges and agrees that the Confidential Information is confidential to and a valuable asset of Franchisor. Covenantor agrees that during the term of the Franchise Agreement and thereafter, he or she will maintain the confidentiality of the Confidential Information. The term "Confidential Information" as used in this Agreement means certain confidential and proprietary information relating to the development and operation of the Centers, which includes, but is not limited to: (1) training materials, programs, and systems for franchisees and personnel of the Centers; (2) methods, techniques, formats, distinctive systems, specifications, standards, procedures and knowledge of and experience in the development and operation of the Centers; (3) marketing promotional programs for the Centers; (4) knowledge of specifications for supplies and suppliers; (5) knowledge of operating results and financial performance of the Centers; and (6) the Centers' customer lists.

3. Covenantor agrees that for as long as Covenantor is (a) a director, officer, general partner, or managing member of Franchisee, or (b) an employee of Franchisee who will have access to Confidential Information, Covenantor shall not (i) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (defined below); or (ii) perform services as a director, officer, member, employee, manager, consultant, representative, agent or otherwise for any Competitive Business. Covenantor further acknowledges that the restrictions contained in this Section will not hinder his or her activities or those of members of his or her immediate family under this Agreement or in general. The term "Competitive Business" as used in this Agreement means (i) any business offering or selling any products or services that Franchisor may periodically authorize Centers to sell (collectively, the "Products"), and (ii) any business granting franchises or licenses to others to operate the types of businesses specified in subparagraph (i).

4. Upon the first to occur of: (a) termination or expiration without renewal of the Franchise Agreement; or (b) the date as of which Covenantor is neither (i) a director, officer, general partner or managing member of Franchisee or (ii) an employee of Franchisee who will have access to Confidential Information (each of these events is referred to as a "Termination Event"), Covenantor agrees that for a period of two years commencing on the effective date of a Termination Event, Covenantor shall not, directly or indirectly, on Covenantor's own behalf or on behalf of any other person, whether as owner, employee, agent, consultant or in any other capacity, (i) solicit, induce or attempt to solicit or induce any current or former customer of Franchisee that is included in Franchisee's customer database ("Customer") to terminate or modify its use of the Products; or (ii) solicit the sale of or sell products similar to the Products to Customers, except to Customers who have an existing relationship with a Competitive Business at which Covenantor is employed after a Termination Event.

5. Covenantor agrees that as of the effective date of a Termination Event Covenantor shall immediately cease to use the Confidential Information disclosed to or otherwise learned or acquired by Covenantor and return to Franchisee or to Franchisor if directed by Franchisor all copies of the Confidential Information loaned or made available to Covenantor.

6. Franchisor shall be deemed a third party beneficiary of this Agreement and shall have the right to enforce this Agreement directly.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple counterparts as of the day and year first above written.

Covenantor:	**Franchisee**:
_____	_____
Print name of **Covenantor**	Print name of **Franchisee**
_____	By: _____
Signature of **Covenantor**	Print Name: _____
	Title: _____
Address: _____	Address: _____
_____	_____

YOUR EMPLOYMENT WITH

_____

_____ ("Franchisee") is an independently owned and operated franchised location of the [Allegra / American Speedy Printing / Insty-Prints] franchise system. As an independent business owner, Franchisee is solely responsible for the daily operation of its [Allegra / American Speedy Printing / Insty-Prints] center, including the terms and conditions of your employment and compliance with federal, provincial and municipal employment laws.

As an employee of Franchisee, you understand and agree that only Franchisee is responsible for your employment, including, without limitation, your recruitment, hiring, training, work hours and scheduling, work assignments, safety and security, compensation, benefits, discipline, and supervision. You acknowledge and agree that Allegra Network LLC, the franchisor of the [Allegra / American Speedy Printing / Insty-Prints] franchise system, and its affiliates have no authority or control over the terms and conditions of your employment with Franchisee. By signing the acknowledgment below, you agree that the above statements are true and correct.

ACKNOWLEDGMENT

I understand and agree that I am employed by _____ ("Franchisee") and that only Franchisee is responsible for the terms and conditions of my employment, including my recruitment, hiring, training, work hours and scheduling, work assignments, safety and security, compensation, benefits, discipline, and supervision. I also understand and agree that Franchisee operates an [Allegra / American Speedy Printing / Insty-Prints] center and that while Allegra Network LLC is the franchisor of the [Allegra / American Speedy Printing / Insty-Prints] franchise system, Franchisee is my sole employer and the sole owner and operator of its [Allegra / American Speedy Printing / Insty-Prints] center. I further acknowledge that the recruitment, hiring, training, work hours and scheduling, work assignments, safety and security, compensation, benefits, discipline, and supervision for my employment with Franchisee has been done, and is done, only by Franchisee and that neither Allegra Network LLC nor any of its affiliates had or have any involvement in any of these functions or had or have any control or authority over my employment with Franchisee.

_____	_____
Print Name of Employee	Franchisee
Signature:_____	By:_____
Date:_____	Print Name:_____
	Title:_____
	Date:_____

EXHIBIT F

REPRESENTATIONS AND ACKNOWLEDGEMENT STATEMENT

REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT

The purpose of this Statement is to demonstrate to Allegra Network LLC ("Franchisor") that the person(s) signing below ("I," "me" or "my"), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of an Allegra franchise to operate as an Allegra Center, an American Speedy Printing Center or an Insty-Prints Center is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor's Franchise Disclosure Document and Exhibits (collectively, the "FDD") in deciding to purchase the franchise.

In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the market place generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD, including the Franchise Agreement, at least 14 calendar days (10 business days in Michigan and New York) before I executed the Franchise Agreement. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these documents and only in these documents. I acknowledge that I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Neither the Franchisor nor any of its officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.	INITIAL:
My decision to purchase the franchise has not been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise.	INITIAL:
I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.	INITIAL:

PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED.	INITIAL:
Have you received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success) other than information contained in the FDD? ☐ Yes ☐ No (Initial Here: ____) If you selected "Yes," please describe the information you received on the lines below: _____ _____.	

Prohibited Parties Clause. I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department's List of Specially Designated Nationals;

2. the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List, or General Orders;

3. the U.S. State Department's Debarred List or Nonproliferation Sanctions; or

4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

If the Allegra Center, American Speedy Printing Center or Insty-Prints Center franchise that you will purchase is located in Maryland or if you are a resident of Maryland, the following shall apply:

The representations made in this Representations and Acknowledgment Statement are not intended to, nor shall they, act as a release, estoppel, or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

FRANCHISEE:

Sign here if you are taking the franchise as an
INDIVIDUAL(S)
(Note: use these blocks if you are an individual or a partnership but the partnership is not a separate legal entity)

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a
CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

_____
Print Name of Legal Entity

By: _____
Signature

Print Name: _____
Title: _____
Date: _____

EXHIBIT G

ADVANTAGE ADDENDUM TO FRANCHISE AGREEMENT

ADVANTAGE PROGRAM ADDENDUM TO
ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT

THIS ADDENDUM (this "Addendum") is entered into as of this ____ day of _____ _____ 20____, by and between ALLEGRA NETWORK LLC, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us" or "our"), and _____ _____, whose principal business address is _____ _____ (together referred to as "you" or "your").

RECITALS

A. You operate an existing printing and copying business, or marketing and business communication services business, located at _____ (the "Premises").

B. You and we have entered into a franchise agreement on the same date as this Addendum (the "Franchise Agreement").

C. You desire to transition your existing business to an ***Allegra***® Center under our Advantage program.

D. The parties agree to certain modifications of the Franchise Agreement to reflect their participation in the Advantage program as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and such other and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

1. **Grant of Franchise**. The first paragraph of Section 1.D is hereby deleted in its entirety and amended and restated as follows:

> You have applied for a franchise to transition your existing business located at the Premises to a Center. Subject to this Agreement's terms, we grant you a franchise (the "Franchise") to operate a Center ("your Center") at the Premises and to use the Franchise System in its operation, for a term beginning on the Effective Date and expiring five years after the Effective Date (the "Initial Term"), unless renewed or sooner terminated under Section 14. Notwithstanding the foregoing, if subsequent to your execution of this Agreement you sign another franchise agreement with either us or an affiliate to operate another brand concept at the Premises such that the Premises will operate as a dual brand center, then you may be required to sign an agreement extending the term of this Agreement so that its term expires on the same date as such franchise agreement.

2. **Site Transition.** Article 2 of the Franchise Agreement is hereby deleted in its entirety and restated as follows:

> **2. SITE, LEASE OF PREMISES, AND REMODELING OF YOUR CENTER.**
>
> A. **SITE**. You may operate your Center only at the Premises. You must receive our permission to relocate; if we approve of a relocation, we may change the Protected Territory. Our acceptance of the Premises indicates only that we believe that the site of the Premises meets our

current acceptable criteria. You acknowledge and agree that our acceptance of the Premises is not a representation or warranty of any kind, express or implied, of the site's or business's suitability for a Center or any other purpose. Applying criteria that have appeared effective with other sites, premises and/or businesses might not accurately reflect the potential for all sites and premises, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site, premises and/or business. You acknowledge that we are not responsible if the Premises fails to meet your expectations. You acknowledge and agree that your acceptance of the Franchise at the Premises is based on your own independent investigation of the suitability of the site or business for your Center.

B. **LEASE OF PREMISES**. You may not sign a new or renewal lease for the Premises (the "New Lease") without our prior written approval. The New Lease must contain certain terms and provisions which we require from time to time (although we will not directly negotiate your New Lease). If the existing Lease for the Premises expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, we will allow you to relocate your Center to a new site acceptable to us. Relocation requires our prior written approval. Any relocation will be at your sole expense, and we reserve the right to require you reimburse us for our administrative costs associated with our evaluation of a proposed site. We recommend that you engage professional advisors, including legal counsel, to assist with any Lease negotiation on your behalf.

C. **CENTER TRANSITION**. Within 180 days after the Effective Date (the "Transition Period"), you agree, at your expense, to do the following: (a) rebrand your business ***Allegra***® and remove any and all references to the existing business name; (b) obtain and submit to us for approval detailed remodeling plans and specifications and space plans for your Center that comply with any design specifications provided by us and all applicable ordinances, building codes, permit requirements, and lease requirements and restrictions; (c) remove any and all items containing trademarks of your existing business that have not been authorized by us; (d) use all reasonable efforts to modify and/or update any and all telephone directory listings and advertisements for your existing business with the ***Allegra***® name (provided that any such modifications and/or updates must occur at the first renewal or modification opportunity); (e) modify all domain names and e-mail addresses for your existing business as directed by us; (f) construct all required improvements in compliance with remodeling plans and specifications approved by us; (g) decorate your Center in compliance with plans and specifications approved by us; and (h) purchase, replace and/or install all required Operating Assets (as defined in Section 4.B) as required by us. You may continue to answer the phone using your existing business name during the Transition Period so long as you also use the ***Allegra***® name. After the Transition Period, you agree to (i) use in operating your Center only those Operating Assets that we approve for Centers as meeting our specifications and standards for quality, design, appearance, function, and performance and place or display at the Premises (interior and exterior) only the signs, emblems, lettering, logos, and display materials that we approve from time to time, and (ii) purchase or lease approved brands, types, or models of Operating Assets only from suppliers we designate or approve (which may include or be limited to us and/or our affiliates). If you do not complete the transition within the Transition Period, at our election we reserve the right to exclude your participation from programs and services we or our affiliates provide to you. Notwithstanding the previous sentence, your failure to transition your Center within the Transition Period is still a breach of the Agreement based on which we may exercise our termination rights under Section 14.B of the Agreement.

D. **COMPUTER SYSTEM**. You agree to obtain (if necessary to meet our System Standards) and use specified integrated computer hardware and/or software, including an

integrated computer-based order-entry system (the "Computer System"). We may require that you purchase part or all of the Computer System from the supplier we designate. We may modify specifications for, and components of, the Computer System. You also agree to maintain a functioning e-mail address and all specified points of high-speed Internet connection. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement's remaining term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support, including service agreements for ongoing support. We have no obligation to reimburse you for any Computer System costs. Within 60 days after you receive notice from us, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you a monthly or other fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during this Agreement's term.

Although you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces at our specified levels of connection speed with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

E. **CENTER OPERATIONS**. You agree to keep your Center open and operating during the Transition Period above unless we provide our prior written consent of your temporary closure. You must complete the transition of the Center to meet the System Standards by the conclusion of the Transition Period. At the end of the Transition Period, your Center must be operating under the Marks pursuant to the System Standards.

3. **Initial Franchise Fee.** Section 3.A of the Franchise Agreement is hereby deleted in its entirety and amended and restated as follows:

You agree to pay us a one-time, nonrefundable initial franchise fee in the amount of $10,000. The initial franchise fee is due in a lump sum and is fully earned by us when you sign this Agreement.

4. **Payments and Reporting.** Your first Royalty payment and Marketing Fund contribution shall be calculated based on your Center's Gross Sales commencing on the first day of the calendar month following the Effective Date. The first Royalty and Marketing Fund contribution shall be due on the 20th day of the subsequent month. Your first report of your Center's Gross Sales shall include Gross Sales commencing on the first day of the calendar month following the Effective Date.

5. **Introductory Royalty**. Notwithstanding Section 4 of this Addendum, from the Effective Date of the Franchise Agreement through the end of the calendar year in which the Franchise Agreement is signed, you will make Royalty payments to us in the amount of $500 per month; for the second calendar year in which you operate your Center, Royalty payments due to us from your Center shall be based on 1% of Gross Sales; and, for the third calendar year in which you operate your Center, Royalty payments due to us from your Center shall be based on 2% of Gross Sales. All Royalty payments after the third calendar year following the Effective Date shall be made in accordance with Section 3.B of the Franchise Agreement.

6. **Initial Marketing Fee**. Section 3.G of the Franchise Agreement is amended to state that your fee for the KickStart initial marketing package will be $7,500.

7. **Training**. The third sentence of the first paragraph of Section 4.A of the Franchise Agreement is hereby deleted in its entirety and amended and restated as follows:

> You (or your Managing Owner) must satisfactorily complete initial training within 45 days of the Effective Date.

The fourth paragraph of Section 4.A of the Franchise Agreement is hereby deleted in its entirety and amended and restated as follows:

> Within six months following the Effective Date, we will, at our own cost, send one of our representatives to your Center for up to five days (which may or may not be consecutive) to help you implement the action plan from your profit mastery assessment performed as part of the training course. You also must successfully complete this phase of the initial training program. If you request, and we agree to provide, additional or special guidance, assistance, or training during this transition phase, we may charge you the then applicable fee, including our personnel's per diem charges and travel and living expenses.

8. **Condition and Appearance of Your Center**. Section 8.A of the Franchise Agreement is hereby deleted in its entirety and amended and restated as follows:

> You agree that you will not use any part of the Premises for any purpose other than operating a Center in compliance with this Agreement. Commencing at the conclusion of the Transition Period, you will place or display at the Premises (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos and display and advertising materials that we approve from time to time. Also commencing at the conclusion of the Transition Period, you agree to maintain, at your own expense, the condition and appearance of your Center, its Operating Assets and the Premises in accordance with the System Standards and consistent with the image of a Center as an efficiently operated business offering high quality products and services and observing the highest standards of cleanliness and efficient, courteous service.

9. **Insurance**. Section 8.F of the Franchise Agreement is hereby amended so that if you do not have the required insurance policies containing the minimum liability coverage amounts required by us, you must update or obtain such policies within 30 days after the Effective Date.

10. **Renewal of Franchise**. Section 13.A of the Franchise Agreement is hereby deleted in its entirety and restated as follows:

> After the expiration of the Initial Term, this Agreement may be renewed for an additional ten years (the "Renewal Term") from the expiration of the Initial Term; provided that you may be

required to sign our then current form of renewal addendum. However, if you (and each of your owners) have not substantially complied with this Agreement during the Initial Term, then we may elect not to renew this Agreement. You may elect to not renew this Agreement after the Initial Term in accordance with Section 14.A of this Agreement. When this Agreement (including the Renewal Term) expires:

(1) provided that you (and each of your owners) have substantially complied with this Agreement during its Renewal Term;

(2) provided that (a) you maintain possession of and agree (regardless of cost) to remodel and/or expand your Center, add or replace improvements and Operating Assets, and otherwise modify your Center as we require to comply with System Standards then applicable for new Centers of your Designated Brand Concept, or (b) at your option, you secure a substitute premises that we approve and you develop those premises according to System Standards then applicable for Centers of your Designated Brand Concept; and

(3) provided that if we so require, you transition your Center into a different brand concept that either we or an affiliate offers, including remodeling the Center as necessary, adding or replacing improvements and Operating Assets, replacing the Marks wherever they appear (including without limitation signage, advertising materials and stationery) and complying with all of the then-current System Standards applicable to the new brand concept;

then you may acquire a successor franchise to operate your Center as a Center for an additional term of ten years.

11. **Termination Fee**. Section 14.A(2) of the Franchise Agreement is hereby deleted in its entirety and amended and restated as follows:

(2) Prior to the expiration of the term of this Agreement and if you have materially complied with all of your obligations under this Agreement, you may terminate this Agreement at any time upon 60 days prior written notice to us and upon the payment of a termination fee ("Termination Fee"). If you terminate during the Initial Term, the Termination Fee shall be $55,000 (as adjusted from time to time by us to reflect any changes in the Consumer Price Index). If you terminate during any renewal term, the Termination Fee shall be an amount equal to the greater of (a) $55,000 (as adjusted from time to time by us to reflect any changes in the Consumer Price Index) and (b) the aggregate of Royalties paid for your Center for the 12 months immediately preceding the effective date of your termination of this Agreement multiplied by five. The Termination Fee shall be due and payable to us as of the effective date of your termination of this Agreement. You shall comply with your post-termination obligations under this Agreement, including, without limitation, your obligations under Section 15 of this Agreement; provided, however, upon payment of the Termination Fee, you will not be required to comply with the covenant not to compete under Section 15.D. of this Agreement. You acknowledge and agree that the Termination Fee shall be reasonable compensation to us for our lost opportunity to benefit from the franchise relationship and is a reasonable reflection of the value of the loss of the franchise to us, including without limitation, lost profits from the Royalty and other fees. The Termination Fee shall be paid in addition to any other amounts owed us under this Agreement and there shall be no deduction or set–off of any kind with respect to the Termination Fee.

12. **Our Termination Rights**. The following is hereby added as a new Section 14.B(22) of the Franchise Agreement:

(22) you do not transition your existing business to a Center in accordance with our System Standards within the Transition Period.

13. **Miscellaneous**.

a. You and we agree that the recitals to this Addendum are true and correct, and are incorporated herein and made a part hereof by this reference.

b. Capitalized terms that are used but not defined in this Addendum will have the meanings ascribed to them in the Franchise Agreement, as amended.

c. The terms of this Addendum form an integral part, and are incorporated into and made a part, of the Franchise Agreement. In the event of a conflict between the terms contained in the Franchise Agreement and this Addendum, the terms and conditions of this Addendum shall govern, control, and supersede any inconsistent or conflicting terms of the Franchise Agreement.

d. Except as amended by this Addendum, the terms and conditions of the Franchise Agreement are hereby confirmed, ratified and approved in their entirety, and shall continue in full force and effect, as amended and modified by this Addendum.

e. This Addendum may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures. References to the Franchise Agreement shall mean the Franchise Agreement as amended and modified by this Addendum.

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum on the day and year first above written.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT H

MATCHMAKER ADDENDUM TO FRANCHISE AGREEMENT

MATCHMAKER PROGRAM ADDENDUM TO
ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT

THIS ADDENDUM (this "Addendum") is entered into as of this ____ day of _____ _____ 20____, by and between ALLEGRA NETWORK LLC, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us" or "our"), and _____ _____, whose principal business address is _____ _____ (together referred to as "you" or "your").

RECITALS

A. You and we have entered into a franchise agreement on the same date as this Addendum (the "Franchise Agreement").

B. You desire to acquire an independent business (the "Independent Business") for transition of such business into an ***Allegra*** Center under our MatchMaker® program.

C. The parties agree to certain modifications of the Franchise Agreement to reflect their participation in the MatchMaker program as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and such other and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

1. **Acquisition of Independent Business.** The heading of Article 2 and Section 2.A of the Franchise Agreement are hereby deleted in their entirety and amended and restated as follows:

2. INDEPENDENT BUSINESS SELECTION, LEASE OF PREMISES, AND TRANSITION OF YOUR CENTER.

A. **INDEPENDENT BUSINESS SELECTION.** We must approve the Independent Business and you may operate your Center only at the Premises of the Independent Business. You acknowledge and agree that, if we recommend or give you information regarding an Independent Business, it is not a representation or warranty of any kind, express or implied, of the business's suitability for a Center or any other purpose. Our recommendation indicates only that we believe that the business meets our then acceptable criteria. Applying criteria that have appeared effective with other businesses might not accurately reflect the potential for all businesses, and demographic and other factors included in or excluded from our criteria could change, altering the potential of a business. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a business we recommend fails to meet your expectations. You acknowledge and agree that your acceptance of the Franchise and selection of the Independent Business are based on your own independent investigation of the suitability of the business for your Center.

If we have not presented at least two qualified Independent Businesses to you within six months of the Effective Date, then you may terminate this Agreement and we will refund 50% of the deposit on the initial franchise fee (25% of the initial franchise fee

if you have paid the entire amount due) to you. If you do not provide us written notice of termination of the Franchise Agreement within 30 days following the expiration of the six month period, the deposit on the initial franchise fee is fully earned by us. However, if you do not acquire such Independent Business within one year after the Effective Date, either you or we may terminate this Agreement upon delivery of written notice within ten days after the one year anniversary of the Effective Date. Upon such termination, we will refund 50% of the initial franchise fee paid (if the entire initial franchise fee has been paid pursuant to Section 3.A hereof) if no seller has accepted a letter of intent from you for the acquisition of an Independent Business. As a condition to such refund, you and your owners must sign a general release, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors and assigns. If you elect to terminate this Agreement pursuant to this paragraph, you will not be obligated to pay the Termination Fee under Section 14.A(2). We recommend that you engage professional advisors, including an accountant and legal counsel, in connection with your acquisition of an Independent Business.

If neither you nor we terminate this Agreement pursuant to the paragraph above, we retain the entire initial franchise fee and you must, within 180 days after the one year anniversary of the Effective Date, acquire an Independent Business that we approve. This Agreement shall automatically terminate upon the expiration of such 180 day period if you do not acquire an Independent Business within such period.

2. **Lease of Premises**. Section 2.B of the Franchise Agreement is hereby amended so that the term "Lease" shall refer to any new or existing lease for the Premises. If you sign a new or renewal Lease after the acquisition of the Independent Business, you must obtain our prior written approval of the Lease before signing such Lease.

3. **Center Transition**. The following is added as a new Section 2.D to the Franchise Agreement:

D. **CENTER TRANSITION**. Within 180 days (the "Transition Period") from the date of the acquisition, you agree, at your expense, to do the following: (a) rebrand the Independent Business ***Allegra***® and remove any and all references to the existing business name; (b) obtain and submit to us for approval detailed remodeling plans and specifications and space plans for your Center that comply with any design specifications provided by us and all applicable ordinances, building codes, permit requirements, and lease requirements and restrictions; (c) remove any and all items containing trademarks of the Independent Business that have not been authorized by us; (d) use all reasonable efforts to modify and/or update any and all Contact Identifiers (as defined in Section 8.H) for the Independent Business with the ***Allegra***® name; (e) modify all Online Presences (as defined in Section 5.B) for the Independent Business as directed by us; (f) construct all required improvements in compliance with remodeling plans and specifications approved by us; (g) decorate your Center in compliance with plans and specifications approved by us; and (h) purchase, replace and/or install all required Operating Assets (as defined in Section 4.B) as required by us. After such Transition Period, you agree to (i) use in operating your Center only those Operating Assets that we approve for Centers as meeting our specifications and standards for quality, design, appearance, function, and performance and place or display at the Premises (interior and exterior) only the signs, emblems, lettering, logos, and display materials that we approve from time to time, and (ii) purchase or lease approved brands, types, or models of Operating Assets only from suppliers we designate or approve (which may include or be

limited to us and/or our affiliates). You must give us certificates for all required insurance policies within 30 days after your acquisition of the Independent Business. If you do not complete the transition within the Transition Period, at our election we reserve the right to exclude your participation from programs and services we provide to you. Notwithstanding the previous sentence, your failure to transition your Center within the Transition Period is still a breach of the Agreement based on which we may exercise our termination rights under Section 14.B of the Agreement.

4. **Initial Franchise Fee.** Section 3.A of the Franchise Agreement is hereby deleted in its entirety and restated as follows:

> You agree to pay us a one-time initial franchise fee of $45,000. The initial franchise fee is due in a lump sum when you sign this Agreement. The initial franchise fee is fully earned by us when you sign this Agreement and is not refundable under any circumstances.

5. **Payment of Amounts Due to Us**. Sections 3.B and 3.E of the Franchise Agreement are amended so that upon your acquisition of the Independent Business, you must immediately commence to pay Royalty, Marketing Fund contributions, and all other amounts due to us under this Agreement (even if you have not completed the transition process).

6. **Training**. Section 4.A of the Franchise Agreement is amended so that the initial training program must be completed before the closing date of your acquisition of an Independent Business.

7. **Termination by Us.** The following is hereby added as a new Section 14.B(22) of the Franchise Agreement:

> (22) you do not transition an Independent Business to a Center within the time frame set forth in Section 2.D.

8. **Miscellaneous**.

A. You and we agree that the recitals to this Addendum are true and correct, and are incorporated herein and made a part hereof by this reference.

B. Capitalized terms that are used but not defined in this Addendum will have the meanings ascribed to them in the Franchise Agreement, as amended.

C. The terms of this Addendum form an integral part, and are incorporated into and made a part, of the Franchise Agreement. In the event of a conflict between the terms contained in the Franchise Agreement and this Addendum, the terms and conditions of this Addendum shall govern, control, and supersede any inconsistent or conflicting terms of the Franchise Agreement.

D. Except as amended by this Addendum, the terms and conditions of the Franchise Agreement are hereby confirmed, ratified and approved in their entirety, and shall continue in full force and effect, as amended and modified by this Addendum.

E. This Addendum may be signed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be

relied upon in the same manner, as original signatures. References to the Franchise Agreement shall mean the Franchise Agreement as amended and modified by this Addendum.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum on the day and year first above written.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT I

TRANSITION ADDENDUM TO FRANCHISE AGREEMENT

TRANSITION ADDENDUM TO
ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT

THIS TRANSITION ADDENDUM TO FRANCHISE AGREEMENT ("**Addendum**") is made and entered into as of this _____ day of _____, 20__ ("**Effective Date**"), by and among **ALLEGRA NETWORK LLC**, a Michigan limited liability company ("**Allegra**" or "**us**"), and _____, a _____ ("**Franchisee**" or "**you**"), and _____, individuals ("**Guarantors**"; together with Franchisee referred to as the "**Franchisee Parties**").

RECITALS

A. You currently own and operate an [American Speedy Printing/Insty-Prints] center (the "**Existing Center**") pursuant to a franchise agreement with Allegra (as assigned), dated _____, as amended (the "**Prior Franchise Agreement**"), which grants you the right to operate the Existing Center located at _____ (the "**Premises**").

B. You desire to convert the Existing Center into an Allegra center (the "**Transition**"), which Transition must be completed within 90 days of the Effective Date (the "**Transition Period**").

C. You entered into a franchise agreement with Allegra simultaneously with this Addendum (the "**Franchise Agreement**"), which grants you the right to own and operate an Allegra center located at the Premises (the "**Allegra Center**"). Capitalized terms used but not defined in this Addendum have the same meanings as they are given in the Franchise Agreement.

AGREEMENT

FOR AND IN CONSIDERATION of the foregoing Recitals, which are incorporated herein by reference and made a part of this Addendum, the promises, covenants, releases, and agreements set forth into this Addendum, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Term**. Section 1.D of the Franchise Agreement shall be modified by deleting the phrase "expiring 20 years from that date" and replacing it in its entirety with the following phrase: "expiring on [INSERT DATE]". [NOTE: Franchisee can choose either their existing expiration date if greater than 10 years or a 10-year expiration date if their existing expiration date is less than 10 years. Alternatively, they can renew early and have an expiration date that is their existing expiration date plus 10 years.]

2. **Initial Franchise Fee**. Section 3.A of the Franchise Agreement is hereby deleted in its entirety.

3. **Royalty**. Section 3.B of the Franchise Agreement is hereby deleted and replaced in its entirety with the following:

> **ROYALTY FEE**. From the Effective Date through December 31st of the second full calendar year following the Effective Date (which period shall not exceed 35 months), you shall continue to pay Royalties pursuant to the schedule contained in the Prior Franchise Agreement, as amended. Effective as of January 1st of the third full calendar year following the Effective Date, and without requiring any further action by

you or us, you agree to pay us a monthly royalty (the "Royalty") on or before the 20th day of each month based on the following percentages:

a. 6% of Gross Sales in each calendar year up to and including $296,501 of aggregate Gross Sales for such calendar year;

b. 5.1% of Gross Sales in each calendar year in excess of $296,501 up to and including $592,997;

c. 4.5% of Gross Sales in each calendar year in excess of $592,997 up to and including $1,186,000;

d. 3.6% of Gross Sales in each calendar year in excess of $1,186,000 up to and including $1,778,992;

e. 3% of Gross Sales in each calendar year in excess of $1,778,992 up to and including $2,371,994;

f. 1% of Gross Sales in each calendar year in excess of $2,371,994 up to and including $5,313,264; and

g. 0% of Gross Sales in each calendar year in excess of $5,313,265.

If at any time you are not in compliance with this Agreement, or any other agreement between you or your affiliates and us or our affiliates, the calculation of the Royalty will be based on the highest rate described above.

4. **Initial Marketing Fee**. Section 3.G (Initial Marketing Fee) of the Franchise Agreement shall be deleted in its entirety.

5. **Training**. You and we acknowledge and agree that you are knowledgeable in the operation of an Allegra Center and therefore you are not required to attend the initial training described in Section 4.A of the Franchise Agreement. You may attend and you may send employees to our regularly scheduled training programs. You must pay our then-current training fees for this training. You must bear the cost of trainees' wages and benefits, and your and trainees' travel, lodging and meal expenses. If you request training for you or your employees during a time when training is not regularly scheduled, we may charge you additional fees.

6. **Trade Name**. We hereby grant you a limited, revocable, non-exclusive, non-assignable, non-transferable, non-delegable and non-sublicensable license ("**License**") to use the [American Speedy Printing/Insty-Prints] trade name for the sole purpose of communicating with customers of your Allegra Center for the period beginning on the Effective Date and expiring 6 months thereafter (the "**License Period**"). In connection with the offer and sale of marketing and business communication services and related products and services, you shall at all times identify yourself as an independently owned and operated Allegra Center and not as an [American Speedy Printing/Insty-Prints] center. The License permits the use of the [American Speedy Printing/Insty-Prints] trade name only as expressly provided by this Addendum and you shall not be permitted to use the [American Speedy Printing/Insty-Prints] trade name in any other capacity, including, without limitation, in advertising or interior or exterior signage at the Premises. Any and all written communication from you to customers of your Allegra Center that includes the [American Speedy Printing/Insty-Prints] trade name must be approved by us prior to use.

Following the expiration of the License Period, you shall not be permitted to use the [American Speedy Printing/Insty-Prints] trade name in any communications, including answering the telephone or otherwise.

7. **Obligation to Remodel**. You agree, at your sole cost and expense, to upgrade and remodel the Allegra Center, and complete any maintenance or repairs necessary, to bring the Allegra Center into compliance with our current standards and specifications for Allegra Centers by the expiration of the Transition Period. This requirement is not intended to limit your obligations under the Franchise Agreement in any way.

8. **Termination**. Your failure to complete the Transition within the Transition Period shall constitute a default of this Addendum and the Franchise Agreement, subject to termination at our discretion.

9. **Release**. Franchisee Parties, on behalf of themselves and their respective current and former parents, subsidiaries, and affiliates, and each of their respective current and former owners, officers, directors, employees, managers, agents, representatives, spouses, heirs, predecessors, successors, and assigns (collectively, the "**Releasing Parties**"), do hereby absolutely and irrevocably release and discharge Allegra and its current and former parents, subsidiaries, and affiliates, and their respective current and former owners, officers, directors, employees, managers, agents, representatives, predecessors, successors, and assigns (the "**Allegra Parties**"), of and from any and all claims, obligations, debts, proceedings, demands, causes of actions, rights to terminate and rescind, liabilities, losses, damages, and rights of every kind and nature whatsoever (collectively, "**Claims**"), whether known or unknown, suspected or unsuspected, at law or in equity, which any of them has, had or may have, from the beginning of time through the Effective Date, including, without limitation, those arising out of or relating in any way to the Prior Franchise Agreement, the relationship created by the Prior Franchise Agreement, or the development, ownership, or operation of your Existing Center or your Allegra Center. Franchisee Parties, on behalf of themselves and on behalf of the other Releasing Parties, further covenant not to sue any of the Allegra Parties on any of the Claims released by this Section, and warrant and represent that they have not assigned or otherwise transferred any Claims released by this Section.

IF THE EXISTING CENTER YOU OPERATE UNDER THE PRIOR FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF YOU ARE A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. It is Franchisee Parties' intention, on their own behalf and on behalf of the Releasing Parties, in executing this release that this instrument be and is a general release which shall be effective as a bar to each and every claim, demand, or cause of action released by Franchisee Parties or the Releasing Parties. Franchisee Parties recognize that they or the Releasing Parties may have some claim, demand, or cause of action against the Allegra Parties of which you, he, she, or it is totally unaware and unsuspecting, which you, he, she, or it is giving up by executing this release. It is Franchisee Parties' intention, on their own behalf and on behalf of the Releasing Parties, in executing this instrument that it will deprive you, him, her, or it of each such claim, demand, or cause of action and prevent you, him, her, or it from asserting it against the Allegra Parties. In furtherance of this intention, Franchisee Parties, on their own behalf and on behalf of the Releasing Parties, expressly waive any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her would have materially affected his or her settlement with the debtor or released party."

Franchisee Parties acknowledge and represent that they have consulted with legal counsel before executing this release and that they understand its meaning, including the effect of Section 1542 of the California Civil Code, and expressly consent that this release shall be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands, and causes of action.

IF THE EXISTING CENTER IS LOCATED IN MARYLAND OR IF YOU ARE A RESIDENT OF MARYLAND, THE FOLLOWING SHALL APPLY:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

IF THE EXISTING CENTER IS LOCATED IN MINNESOTA OR IF YOU ARE A RESIDENT OF MINNESOTA, THE FOLLOWING SHALL APPLY:

Any release required as a condition of renewal will not apply to the extent prohibited by the Minnesota Franchises Law.

IF THE EXISTING CENTER IS LOCATED IN NEW YORK OR IF YOU ARE A RESIDENT OF NEW YORK, THE FOLLOWING SHALL APPLY:

Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

IF THE EXISTING CENTER IS LOCATED IN NORTH DAKOTA OR IF YOU ARE A RESIDENT OF NORTH DAKOTA, THE FOLLOWING SHALL APPLY:

Any release required as a condition of renewal will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

10. **Entire Agreement**. This Addendum constitutes the entire understanding between the parties with respect to the subject matter of this Addendum. If there is any conflict between the provisions of this Addendum and any of the provisions of the Franchise Agreement, the provisions of this Addendum will prevail. This Addendum shall be deemed a part of and is hereby incorporated into the Franchise Agreement and all terms and conditions of the Franchise Agreement not modified by this Addendum shall remain in full force and effect as written.

11. **Counterparts**. This Addendum may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

[Signature page follows]

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

ALLEGRA:

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE:

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

GUARANTORS:

_____, individuals

_____
_____, individually

_____
_____, individually

EXHIBIT J

DUAL-BRAND ADDENDUM TO FRANCHISE AGREEMENTS

DUAL-BRAND ADDENDUM TO FRANCHISE AGREEMENTS

THIS DUAL-BRAND ADDENDUM TO FRANCHISE AGREEMENTS ("**Addendum**") is entered into on _____ (the "**Effective Date**"), by and among **ALLEGRA NETWORK LLC**, a Michigan limited liability company ("**Allegra**"), **SIGN & GRAPHICS OPERATIONS LLC**, a Michigan limited liability company ("**SGO**"), and _____, a _____ ("**Franchisee**").

RECITALS

A. SGO and Franchisee are party to a franchise agreement dated _____ (the "**SGO Franchise Agreement**") for the ownership and operation of an [Image360] center located at _____ (the "**SGO Center**").

B. Allegra and Franchisee are party to a franchise agreement of even date herewith (the "**Allegra Franchise Agreement**;" together with the SGO Franchise Agreement, the "**Franchise Agreements**") for the ownership and operation of an Allegra center located at _____ (the "**Allegra Center**").

C. Allegra and SGO will provide dual-brand marketing materials and support to Franchisee, subject to the following terms and conditions.

AGREEMENT

FOR AND IN CONSIDERATION of the foregoing Recitals, which are incorporated herein by reference and made a part of this Addendum, the promises, covenants, releases, and agreements set forth into this Addendum, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Amendments to the SGO Franchise Agreement**.

a. **Term**. The term of the SGO Franchise Agreement is extended to the 10th anniversary of the Effective Date.

b. **Protected Territory**. SGO and its affiliates will not operate or grant a franchise for the operation of another Image360 Center, Signs By Tomorrow center or Signs Now center, the physical premises of which is located within the area described on Exhibit A attached hereto (the "Protected Territory"). If the aggregate business count for the Protected Territory increases by more than 50%, SGO may reduce the Protected Territory, provided that the business count in the new Protected Territory will be at least 4,000. Franchisee acknowledges and agrees that other Centers and centers of other brands SGO franchises may market and solicit customers in Franchisee's Protected Territory and, likewise, Franchisee may market and solicit customers in the protected territory of the other Centers and such other businesses; provided, however, that SGO may from time to time prohibit Franchisee from marketing and soliciting customers in certain areas outside Franchisee's Protected Territory. Except as expressly limited above, Franchisee acknowledges that SGO (and its affiliates) retains the right at all times during the SGO Franchise Agreement's term and any renewal term to engage in any and all activities that SGO (and they) deems appropriate and are not expressly prohibited under the SGO Franchise Agreement, wherever and whenever SGO (and they) desires, and whether or not such activities compete with Franchisee's Center, including, without limitation, the right to:

i. acquire and operate, and allow others to acquire and operate, one or more businesses offering products and services which are identical or similar to products and services offered by the Centers, and/or franchising, licensing or creating similar arrangements with respect to these businesses, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Protected Territory);

ii. offer and sell products and services offered by Centers to national, regional and governmental accounts or SGO's affiliates (including customers or accounts located within the Protected Territory);

iii. establish, and allow others to establish, other distribution channels (including, but not limited to, the internet), wherever located or operating and regardless of the nature or location of the customers with whom such other distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from the Centers, and that sell products and/or services that are identical or similar to, and/or competitive with, those that the Centers customarily sell under any terms and conditions SGO deems appropriate;

iv. be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Territory; and

v. engage in all other activities not expressly prohibited by the SGO Franchise Agreement.

2. **Reporting and Payment Amendment to Allegra Franchise Agreement**. Franchisee shall report Gross Sales to Allegra beginning with the first month following the expiration of 60 days after the Effective Date ("**Accrual Date**"). Franchisee's first payment of Royalty and Marketing Fund contributions as detailed in Sections 3.B and 3.E of the Allegra Franchise Agreement shall be made to Allegra in the month following the Accrual Date.

3. **Dual-Brand Marketing Fee**. Franchisee agrees to pay Allegra a dual-brand marketing fee for the dual-brand marketing materials, programs and support Allegra and SGO provide to promote and support dual-brand franchisees. Franchisee must pay the dual-brand marketing fee at the time, and in the manner, designated by Allegra. Currently, this fee is $100 per month, but it is subject to change in Allegra and SGO's discretion.

4. **Completion of Training; Suspension of Services**. Franchisee acknowledges and agrees that it must complete the requisite training under both Franchise Agreements no later than [*insert date*] (the "Training Deadline"). Franchisee's failure to complete the initial training by the Training Deadline may result in Allegra and/or SGO: not activating the link to Franchisee's Local Website on the Allegra Franchise System Website, or Franchisee's webpage on the SGO Franchise System Website, respectively; or if already activated, removing the link or webpage from the applicable Franchise System Website; or otherwise suspending their obligations and support services to Franchisee, as permitted by Section 14.D of the Franchise Agreements. Franchisee further acknowledges and agrees that the foregoing shall not constitute a waiver of Allegra and SGO's right to terminate the Franchise Agreements in accordance with Section 14 of the respective Franchise Agreements.

5. **Transition of Center**. If the Center that Franchisee operates under the Allegra Franchise Agreement is an American Speedy Printing Center or an Insty-Prints Center, Franchisee acknowledges

and agrees that it will transition such Center into an Allegra Center no later than the one-year anniversary of the Effective Date. If the Center that Franchisee operates under the SGO Franchise Agreement is a Signs Now Center or a Signs By Tomorrow Center, Franchisee acknowledges and agrees that it will transition such Center into an Image360 Center no later than the one-year anniversary of the Effective Date. Franchisee further agrees to upgrade and remodel the Center and its Operating Assets, sign such agreements and take such other actions requested by Allegra or SGO to complete and document such transition.

6. **Competitive Business Waiver**. Allegra and SGO understand that Franchisee's SGO Center may provide certain services that Franchisee's Allegra Center currently provides. However, under the Allegra Franchise Agreement, Franchisee is prohibited from having any direct or indirect interest as an owner of record or a beneficial owner in any similar business. Notwithstanding the foregoing restriction, Allegra agrees that Franchisee's operation of the SGO Center pursuant to the SGO Franchise Agreement will not constitute a violation of Franchisee's non-compete obligations under Section [7] of the Allegra Franchise Agreement.

Similarly, under the SGO Franchise Agreement, Franchisee is prohibited from having any direct or indirect interest as an owner of record or a beneficial owner in a Competitive Business, as that term is defined in the SGO Franchise Agreement. Notwithstanding the foregoing restriction, SGO agrees that Franchisee's operation of the Allegra Center pursuant to the Allegra Franchise Agreement will not constitute a violation of Franchisee's non-compete obligations under Section 7 of the SGO Franchise Agreement.

Except as provided in this Addendum, the non-compete provision contained in each Franchise Agreement shall remain in full force and effect.

7. **Miscellaneous**. Capitalized terms not defined herein shall have the meanings ascribed to them in the Franchise Agreements. Except as amended by this Addendum, the Franchise Agreements shall remain in full force and effect. In the event of any conflict between the terms of the Franchise Agreements and the terms of this Addendum, the terms of this Addendum shall control. This Addendum may be executed in one or more counterparts, each of which shall be deemed a duplicate original of one and the same agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum on the day and year first above written.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

SIGN & GRAPHICS OPERATIONS LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____

[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____

[Signature]

_____

[Print Name]

_____

[Signature]

_____

[Print Name]

EXHIBIT A

PROTECTED TERRITORY

EXHIBIT K

SECURED PROMISSORY NOTE

Plymouth, Michigan
Principal Amount: $7,000.00 **Issue Date: _____**

SECURED PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, _____, a _____ ("**Debtor**"), hereby promises to pay to the order of **ALLEGRA NETWORK LLC**, a Michigan limited liability company ("**Payee**"), or any successor holder of this promissory note (the "**Note**"), in lawful money of the United States of America, the principal sum of $7,000.00.

This Note is issued for monies owed by Debtor to Payee due under that certain franchise agreement of even date herewith between Debtor and Payee (the "**Franchise Agreement**"), specifically, the second installment of the initial marketing fee as detailed in Section 3.G of the Franchise Agreement. Debtor acknowledges that it has granted a security interest to Payee in all of its assets to secure Debtor's obligations under the Franchise Agreement, including this Note. The principal indebtedness evidenced by this Note shall be payable by Debtor making one payment in the amount of $7,000.00 via electronic funds transfer on or before **90 days after the Issue Date** (the "**Note Payment**"). Capitalized terms used herein, but not defined, shall have the meanings assigned to them in the Franchise Agreement.

Upon the occurrence of an Event of Default or a Transfer Event (both as defined below), without notice by Payee to, or demand by Payee of, Debtor, all outstanding payments due hereunder shall be immediately due and payable forthwith and the outstanding principal balance hereof shall accrue interest at the annual rate of 18% or the highest legal rate of interest, whichever is lower.

This Note may be prepaid in whole or in part at any time. All payments on this Note shall be applied first to the payment of all costs, fees or other charges incurred in connection with the indebtedness evidenced hereby, next to the payment of accrued interest, then to the reduction of the principal amount.

Debtor shall remain liable for the payment of this Note, including interest, notwithstanding any extension of time of payment or any indulgence of any kind or nature that Payee may grant to Debtor, whether with or without notice to Debtor, and Debtor hereby expressly waives such notice. No release of any or all of the security given for this obligation shall release any other maker, co-maker, surety, guarantor or other party hereto in any capacity. Payee shall not be required to look first to any collateral for payment of this Note but may proceed against Debtor in such a manner as it deems desirable.

All of Payee's rights and remedies under this Note are cumulative and non-exclusive. The terms of this Note may be waived only by a written instrument signed by Payee. No waiver by Payee of any breach hereof or default hereunder shall be deemed a waiver of any preceding or succeeding breach or default and no failure by Payee to exercise any right or privilege hereunder shall be deemed a waiver of Payee's rights to exercise the same or any other right or privilege at any subsequent time.

The occurrence of any one or more following events (regardless of the reason therefor) shall constitute an "**Event of Default**" hereunder:

(a) Debtor fails to make any Note Payment or any other payment due under this Note when due and payable or declared due and payable;

(b) Debtor fails to comply with the covenants contained herein;

(c) Debtor files a bankruptcy petition, a bankruptcy petition is filed against Debtor, or Debtor makes a general assignment for the benefit of creditors;

(d) Any default occurs under the Franchise Agreement or any other agreement between Debtor and Payee; or

(e) The Franchise Agreement is terminated or expires.

A "**Transfer Event**" under this Note shall mean a voluntary, involuntary, direct, or indirect assignment, sale, pledge, gift or other disposition of any interest in this Note, the Franchise Agreement, Debtor, any of Debtor's owners or substantially all of the assets of Debtor's Center operated pursuant to the Franchise Agreement.

Debtor hereby irrevocably waives diligence, presentment and demand for payment, protest, notice, notice of protest and nonpayment, dishonor and notice of dishonor and all other demands or notices of any and every kind whatsoever.

Debtor agrees to pay, upon Payee's request, any and all costs, fees and expenses (including reasonable attorneys' fees) incurred by Payee in enforcing any of Payee's rights hereunder, whether or not a legal proceeding is commenced, and including in any appeal or bankruptcy.

Should this Note be signed by more than one person, firm or corporation or combination thereof, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof. In such case the liability of each such person shall be absolute, unconditional and without regard to the liability of any other party hereto.

This Note is not negotiable nor is it assignable, provided, however, Payee may assign this Note upon a sale of substantially all of its assets or to an affiliate at any time.

In the event any one or more of the provisions of this Note shall for any reason be held invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then, and in either of such events, such provision or provisions only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect.

The validity, construction and enforceability of this Note shall be governed in all respects by the laws of the State of Michigan, without regard to its conflicts of laws rules. Any dispute relating to this Note shall be governed by the dispute resolution provisions of the Franchise Agreement.

Time is of the essence with respect to all Debtor's obligations and agreements under this Note.

Signature page follows

DEBTOR:

_____, a _____

_____

By: _____

Its: _____

Each of the undersigned acknowledges and agrees that the loan represented by this Note is for payment of amounts due to Payee under the Franchise Agreement and, therefore, Debtor's obligations under this Note are personally and unconditionally guaranteed by the undersigned under that certain Guaranty and Assumption of Obligations executed concurrently herewith by the undersigned for Debtor's obligations under the Franchise Agreement.

_____

_____, individually

_____

_____, individually

EXHIBIT L

OFFICE365 ENROLLMENT FORM

FOR HOME OFFICE USE:
- ☐ DOMAIN COMPLIANT
- ☐ ADMIN ACCESS

ALLIANCE FRANCHISE BRANDSSM
MARKETING & PRINT DIVISION

Office 365 Enrollment Form

This form is to be completed by Franchise Members who would like to enroll in Office365. Exchange Online includes 50GB of mailbox storage, web-based access to email, calendar and contacts and supports all connection types for email clients. Please provide information about the email addresses you would like to migrate or add. A first and last name is required for all users. Please keep in mind that we do not allow generic email accounts like sales@mydomain.com. These accounts are required to be set up as a pre-determined distribution list or shared mailbox. The packages differ based on the number of emails requested.

Center Information

Franchise Owner	City/Center Location	Brand	Phone Number

Domain Information

Domain Name: _____

Email Information

Please provide information about the email addresses you would like to migrate or add and indicate the type of account you would like. A first and last name is required for all users. Please keep in mind that we do not allow generic email accounts, like sales@mydomain.com. These accounts are required to be set up as a distribution list or shared mailbox.

Exchange Online $4/month/user (Recommended)
Includes 50GB of mailbox storage. Web and mobile access to email, calendar and contacts. Supports all connection types for email clients.

Office365 Enterprise E1 $8/month/user
Includes Exchange Email Account with Mobile & Web access to Outlook, Excel, PowerPoint, Word, and OneNote. Also includes OneDrive with 1TB of storage and Teams access.

Office 365 Enterprise E3 $16/month/license
Includes 100GB of mailbox storage. Desktop, Mobile and Web access to all Office applications including Outlook, Excel, PowerPoint, Word, and OneNote. Also includes OneDrive with up to 5TB of storage and Teams access.

	First Name	Last Name	Email Address	Account Type
1.				☐ Exchange ☐ E1 ☐ E3
2.				☐ Exchange ☐ E1 ☐ E3
3.				☐ Exchange ☐ E1 ☐ E3
4.				☐ Exchange ☐ E1 ☐ E3
5.				☐ Exchange ☐ E1 ☐ E3
6.				☐ Exchange ☐ E1 ☐ E3
7.				☐ Exchange ☐ E1 ☐ E3
8.				☐ Exchange ☐ E1 ☐ E3
9.				☐ Exchange ☐ E1 ☐ E3
10.				☐ Exchange ☐ E1 ☐ E3
11.				☐ Exchange ☐ E1 ☐ E3
12.				☐ Exchange ☐ E1 ☐ E3
13.				☐ Exchange ☐ E1 ☐ E3
14.				☐ Exchange ☐ E1 ☐ E3
15.				☐ Exchange ☐ E1 ☐ E3
16.				☐ Exchange ☐ E1 ☐ E3
17.				☐ Exchange ☐ E1 ☐ E3
18.				☐ Exchange ☐ E1 ☐ E3
19.				☐ Exchange ☐ E1 ☐ E3
20.				☐ Exchange ☐ E1 ☐ E3

Distribution Lists and Shared Mailboxes

Distribution lists and Shared Mailboxes are available at no extra charge. Distribution lists forward a copy of an email to one or multiple user accounts. A shared mailbox is a separate inbox that authorized user accounts can access. Outlook or Outlook Web is required to access shared mailboxes. Additionally, a shared mailbox is limited to 5GB of storage.

The eight prelisted below are standard for all centers. It is recommended to select a distribution type.

Name	Email	Users	Type
Info	info@		▣ Distribution ☐ Shared
Sales	sales@		▣ Distribution ☐ Shared
Design	design@		▣ Distribution ☐ Shared
Orders	orders@		▬ Distribution ☐ Shared
Service	service@		▬ Distribution ☐ Shared
Careers	careers@		▬ Distribution ☐ Shared
Files	files@		▬ Distribution ☐ Shared
Website	website@		▬ Distribution ☐ Shared
			▬ Distribution ☐ Shared
			▬ Distribution ☐ Shared
			▬ Distribution ☐ Shared
			▬ Distribution ☐ Shared

Enrollment

The rates below are calculated from the number of the account type selections from the previous page.

Quantity	Item	Monthly Price	Your Cost
0	Exchange Online	$4.00	$0.00
0	Office365 Enterprise E1	$8.00	$0.00
0	Office365 Enterprise E3	$16.00	$0.00
		Monthly Rate	$0.00

Enrollment in the Office 365 program is also subject to the Terms and Conditions attached hereto. The initial payment is due prior to email account activation. This payment is a prorated amount in monthly increments to the next scheduled quarterly billing. Payments are processed on Wednesdays prior to the scheduled activation. All activations completed on Fridays at close of business Eastern Time to minimize interruptions. All activations require DNS changes that will take effect within 15 minutes and may take up to 48 hours to propagate fully.

Section 7: Payment

Payment will be made on a quarterly basis via credit card or electronic funds transfer ("EFT")/pre-authorized debit ("PAD"). Please select one option.

☐ I authorize payment via EFT/PAD using my information on file with the Home Office.

☐ I authorize payment using the credit card information currently on file with the Home Office.

☐ Please contact me so that I can securely provide credit card payment information.

_____ _____

Franchise Member Signature Date

_____

Franchise Member Printed Name

_____ Initials of Regional Director completing form

Form Submission

Please email this completed form to enrollment@alliancefranchisebrands.com.

TERMS AND CONDITIONS

Please read these Terms and Conditions carefully as they are incorporated into and made a part of the Office365 Enrollment Form (the "Form"). If you do not accept these Terms and Conditions, do not execute this Form. Your execution of this Form confirms your acceptance of these Terms and Conditions. Capitalized terms not defined under these Terms and Conditions shall have the meaning provided in the Form.

1. Franchise Member acknowledges that neither Allegra Network LLC ("Allegra") or its affiliates provide any minimum service level commitment.
2. "Services" refers to any and all of the services and software required or offered under this Form.
3. Franchise Member shall at all times maintain sufficient operating systems and web browsers to meet the minimum specifications of the Services then in effect.
4. Franchise Member acknowledges that it is not permitted to register a domain name that includes Allegra's trade names or trademarks.
5. Allegra retains all rights, title and interest, including all intellectual property rights, in and to its trademarks and trade names, and all marketing and other materials using such intellectual property, and all domain names and website templates used for any location or Center.
6. Franchise Member acknowledges that it has no expectation of privacy in the email addresses and that Allegra may access and search the email account and their contents. Allegra's current policy is to access email accounts only: a) for technical support purposes; b) as required by law; c) to enforce your franchise agreement; and/or d) to protect the rights and/or property of Allegra; however, that policy is subject to change by Allegra at any time without advance notice to Franchise Member.
7. Franchise Member further acknowledges that Allegra is not obligated to monitor Franchise Member's or its employees' or consultants' email activity. In the event Allegra does access the email addresses, Franchise Member acknowledges that it shall be for Allegra's sole benefit and not for the purpose of benefitting Franchise Member or assisting Franchise Member with its operations.
8. Franchise Member shall include a notification in all email correspondence it sends using the email addresses disclosing that it is an independently owned and operated business.
9. Unauthorized use of the email addresses is expressly prohibited. The email addresses may be used by Franchise Member and its employees and consultants only and may only be used in connection with the ownership and operation of Franchise Member's center under a franchise agreement with either Allegra and its affiliates.
10. Franchise Member and its employees and consultants will not use any email addresses in connection with the ownership and operation of Franchise Member's center under a franchise agreement with either Allegra or one of its affiliates other than the email addresses designated in the Form, as may be supplemented by the parties from time to time.
11. Allegra does not collect any personally identifiable information from individuals unless specifically provided by the individual. Please visit www.allegranetwork.com/privacy-policy to view our detailed Privacy Policy.
12. Franchise Member is and will remain responsible for maintaining the confidentiality of its passwords and for all activities conducted using the Services and other login information assigned by Allegra, including any use that Franchise Member subsequently contends was not authorized by Franchise Member. Any information accessed online on the Hub must be properly maintained offline if printed or downloaded. Such information is intended only for the Franchise Member and is subject to the confidentiality policies in the franchise agreement.
13. If Franchise Member requests custom work from Allegra, Allegra will issue Franchise Member a Statement of Work ("SOW") identifying the services, the duration of time required to perform the services and the applicable fee structure. Allegra will perform the services in accordance with these terms and conditions and those contained in the SOW.
14. Franchise Member shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all correspondence sent using the email addresses. Allegra shall not be responsible or liable for the deletion, correction, destruction, damage, loss or failure to store any email correspondence.

15. Franchise Member may not use the Services in violation of applicable law. Franchise Member shall indemnify and hold harmless Allegra and its parents, subsidiaries, affiliates, successors and assigns (and its and their owners, officers, directors, employees, licensees and representatives) (collectively, the "Indemnified Parties") from and against any and all claims, demands, suits, actions, judgments, damages, costs, losses, expenses (including reasonable attorneys' fees and expenses), settlement amounts and other liabilities arising from any allegation of a breach of law in connection with Franchise Member's use of the email accounts.
16. To the fullest extent permitted by applicable law, Allegra disclaims all warranties, express or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose of the Services. Neither Allegra nor its licensors warrant that the Services are free of viruses or other harmful components. The Indemnified Parties will not be liable to Franchise Member or to any other person under any circumstances and under no legal or equitable theory, in tort (including negligence), contract, strict liability, or otherwise, for any direct, indirect, incidental, special, punitive, consequential or exemplary damages arising out of or in any way related to these Terms and Conditions or the use of or any aspect of the Services, including, without limitation, damages for loss of profits, goodwill, use, data, work stoppage, accuracy of results, computer failure or malfunction, or other intangible losses (even if Allegra has been advised or should have known of the possibility of such damages).
17. Upon cancellation of Franchise Member's enrollment in any of the Services for any reason, or termination or expiration of Franchise Member's franchise agreement, Franchise Member will no longer have any rights to use the designated Services or access such Services. Additionally, if Franchise Member is in default under its franchise agreement with Allegra or an affiliate or is not compliant with the mandatory system standards periodically established by Allegra, then Allegra may suspend the Services until such time as Franchise Member has cured all defaults under the franchise agreement and is compliant with the mandatory system standards.
18. For quality assurance, Allegra or certain of its third-party software licensors (including Yodle Web.com, Inc.) (the "Software Providers") may record and/or monitor calls and e-mails between you, your Center, or your Center's agents, employees, and/or affiliates and (i) the Software Providers, and the employees, agents and affiliates of the Software Providers, and/or (ii) people who contact your Center through the tracking telephone numbers or contact forms provided by such Software Providers (together, "Call Recording and Monitoring"). You hereby consent to any and all Call Recording and Monitoring performed by any Software Providers.
19. Some of the Services may be provided through third-party websites. Such websites are not under Allegra's control and Allegra explicitly disclaims any responsibility for the accuracy, content or availability of the information, products, and/or services found on or through such websites. Allegra cannot guarantee that such websites will be available or operate in an uninterrupted, delay or error-free manner. Allegra does not endorse and has not taken any steps to confirm the accuracy or reliability of any of the information, products or services contained on or through such websites. Allegra does not make any representations or warranties as to the security or use of any information Franchise Member might provide on or through any such websites. Franchise Member should review the third parties' terms of use and privacy policies before using their services.
20. If Franchise Member fails to timely make payments when due as provided in the Form, including as a result of insufficient funds in the account Franchise Member designated for EFT / PAD or denial of payment from the credit card Franchise Member authorized, Franchise Member will pay interest on such late payments at the rate of one and one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less.
21. Franchise Member acknowledges that if Franchise Member is an entity, the individual signing on behalf of Franchise Member has all necessary power and authority to execute and deliver this Form on behalf of Franchise Member.

EXHIBIT M

FRANCHISEES

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Auburn	Alabama	Allegra	Doyle DePriest	(334) 887-3180	1625 East University Drive	Suite 112	36830
Decatur	Alabama	Allegra	Scott Fuller	(256) 351-9525	804 Beltline Road		35601
Cottonwood	Arizona	Allegra	Stephen R. Clark	(928) 634-8600	11 N. Main Street	Suite C	86326
Prescott	Arizona	Allegra	Shawn Powers	(928) 445-6262	1026 Spire Drive		86305
Show Low	Arizona	Allegra	Clyde & Mandy Moses	(928) 537-5252	1300 E. Malapai		85901
Tucson	Arizona	Allegra	Dave & Nancy Haase	(520) 886-3119	2200 N. Wilmot Road	Suite 100	85712
Tucson	Arizona	Allegra	Peter Marcus	(520) 325-5770	1300 S. Park Ave.	Suite 110	85713
Tucson	Arizona	Insty-Prints	Gary Kojo	(520) 888-0000	3963 North Oracle Road		85705
Little Rock	Arkansas	Allegra	Darwin, Lisa & Amanda Buehler	(501) 225-6645	5610 W. 65th Street		72209
Corona	California	Allegra	Eugene & Paula Montanez	(951) 734-8181	127 Radio Road		92879
El Segundo	California	Allegra	Adam Wodka	(310) 563-3642	363 Coral Circle		90245
San Diego	California	Allegra	John Ferrari	(619) 295-8307	7515 Metropolitan Dr.	Suite 405	92108
San Francisco	California	Allegra	Takashi Yoshimatsu	(415) 824-9610	434 Ninth Street		94103
Signal Hill	California	Allegra	Michael & Connie Buchs	(562) 432-2931	1390 E. Burnett Street	Suite L	90755
Aurora	Colorado	Allegra	Joseph & Patrice Mullan	(303) 360-0733	2200 Chambers Road	Suite A	80011
Boulder	Colorado	Allegra	Joseph & Patrice Mullan	(303) 360-0733	2595 Canyon Blvd.	Suite 150	80302
Shelton	Connecticut	Allegra	Gary & Jennifer Beane	(203) 926-9599	1000 Bridgeport		06484-4602
Altamonte Springs	Florida	Allegra	Michael, Daniel & Nitza Broniewski	(407) 869-9955	620 Douglas Avenue	Suite 1308	32714
Boca Raton	Florida	Allegra	Jose Segnini & Maria Sandia Saldivia	(561) 368-5470	2284 North Dixie Highway		33431
Bradenton	Florida	Allegra	David Hassall	(941) 758-6500	4230 26th Street West		34210

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Fort Myers	Florida	Allegra	Don & Sheila Fortney	(239) 275-5797	12140 Metro Parkway	Suite C	33966
Fort Pierce	Florida	American Speedy Printing	Mike Purcell	(772) 461-2266	800 Virginia Avenue	Suite 50	34982-5892
Gainesville	Florida	Allegra	Don & Karen Bailey	(352) 373-7547	327 NW 23rd Avenue	Suite 1 - 4	32609
Hollywood	Florida	Allegra	Jose & Barbara Sanchez	(954) 963-3886	5846 Stirling Road		33021
Naples	Florida	Allegra	Paul & Pamela Kessen	(239) 643-2442	3930 Domestic Avenue		34104
Orlando	Florida	Allegra	Don Snyder; Ken & Lorraine Stoecker	(407) 246-1567	4498 South Vineland Road		32811
Pompano Beach	Florida	Allegra	Denis & Deborah White	(954) 974-9511	1280 S. Powerline Road	Suite 17	33069
Rockledge	Florida	Allegra	Brian & Carrie Birkholz	(321) 632-7272	2040 Murrell Road		32955
Stuart	Florida	American Speedy Printing	Roy & Norma Saykay	(772) 286-3316	2420 Southeast Federal Highway		34994-4530
Tampa	Florida	Allegra	Joel, Jason & Jeffrey Routman	(813) 228-8800	107 North Jefferson Street		33602
Tampa	Florida	Allegra	Sam & Linda Manci	(813) 664-1129	2705 N. Falkenburg Road		33619
Atlanta	Georgia	Allegra	Rebecca Roy	(770) 455-4086	2255 Button Gwinnett Drive	Suite 140	30340
Atlanta	Georgia	Allegra	Srdjan & Ivana Gavrilovic	(404) 324-7541	6160 Peachtree Dunwoody Road	Suite A-125	30328
Columbus	Georgia	Allegra	Francis Hargarten	(706) 322-2860	4900 Hamilton Road		31904
Douglasville	Georgia	Allegra	Edward Dickinson, James Pollard & Ray Strickland	(770) 942-4242	7447 Douglas Blvd.	Suite 101	30135
Kennesaw	Georgia	Allegra	Abe George	(770) 422-8766	1935 Vaughn Road	Suite 106	30144
Martinez	Georgia	Allegra	Larry & Rosemary Lynn	(706) 860-7366	128 Commercial Blvd		30907
Norcross	Georgia	Allegra	Sim Weeks	(770) 446-6657	5172 A Brook Hollow Parkway		30071

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Boise	Idaho	Allegra	Robert & Laura Rule	(208) 375-2679	298 N. Maple Grove Road		83704
Coeur d'Alene	Idaho	Allegra	Bill & Rebecca Ellefloot	(208) 664-3531	3917 North Schreiber Way		83815
Moscow	Idaho	Allegra	Trent & Jodi Bice	(208) 882-5449	507 South Main Street		83843
Alsip	Illinois	Allegra	Helen, James & Steven Makina; Eileen Moran	(708) 385-0200	12549 South Holiday Drive		60803
Belvidere	Illinois	Allegra	John & Donna Kay Bates	(815) 877-3400	1982 Belford North Drive		61008
Champaign	Illinois	Insty-Prints	Rich & Roxanne Bishop	(217) 356-6166	1822 Glenn Park Drive		61821
Coal City	Illinois	Allegra	Todd Garcia	(815) 592-4160	273 S. Broadway		60416
East Peoria	Illinois	American Speedy Printing	Keith Hopkins	(309) 699-3977	240 Farmdale Road		61611-1859
Elgin	Illinois	Allegra	Robert & Virginia Hanson	(847) 697-1434	909 Davis Road		60123
Elk Grove Village	Illinois	Allegra	Joe Smith & Jim Smith	(847) 806-1160	859 E. Oakton Street		60007
Evanston	Illinois	Allegra	Kyle Kurz & Frank Muns	(847) 864-9797	1255 Hartrey Ave.		60202
Galesburg	Illinois	Allegra	M. J. Eberle	(309) 343-1418	439 North Henderson		61401
Harwood Heights	Illinois	American Speedy Printing	Joseph Harrison III & Joseph Harrison IV	(708) 867-7189	4830 N. Harlem Avenue		60706
Joliet	Illinois	Allegra	Todd Garcia	(815) 592-4160	370 Houbolt Road	Suite 203	60431
Lisle	Illinois	Allegra	Matthew Minnerick	(630) 963-9100	2200 Ogden Ave.	Suite 550	60532
Macomb	Illinois	Allegra	M. J. Eberle	(309) 833-5250	1120 East Jackson Street		61455
Mount Prospect	Illinois	American Speedy Printing	Jed & Donna Wing	(847) 803-6633	350 W. Kensington Road	Suite 111	60056
Palatine	Illinois	Allegra	Brian Walsh	(847) 963-0000	453 South Vermont Street	Unit A	60067

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Pekin	Illinois	Allegra	M. J. Eberle	(309) 353-8801	1107 N. Eighth Street		61554-2817
Rolling Meadows	Illinois	Allegra	Michael Tarpinian	(847) 398-2500	5100 Newport Drive	Suite 4	60008
Romeoville	Illinois	Allegra	Thomas & Linda Wilhelm	(815) 886-0353	1340 Enterprise Drive		60446
Schaumburg	Illinois	Allegra	Gary & Cindy Blaski	(630) 790-0444	1945 Wright Blvd.		60193
Waukegan	Illinois	Insty-Prints	Jim & Lora Bush	(847) 336-5599	1711 Grand Avenue		60085
Elkhart	Indiana	Allegra	Chet Nunan	(574) 295-0024	131 West Marion		46516
Indianapolis	Indiana	Allegra	Chip & Karyn Smitson	(317) 876-8916	3500 DePauw Blvd.	LL 1000	46268
Indianapolis	Indiana	Allegra	Sarah Cross	(317) 351-9477	8025 Castleway Drive	Suite 103	46250
Jeffersonville	Indiana	Insty-Prints	Carlitta Simpson, Mike Rich & Denise Freville	(812) 282-9442	590 Missouri Avenue, Suite 102		47130
South Bend	Indiana	Insty-Prints	Cosimo Rulli	(574) 289-6977	129 South Lafayette Blvd.		46601
Warsaw	Indiana	Allegra	Gregory Houlton	(574) 269-5411	201 W. Center Street		46580
Cedar Rapids	Iowa	Allegra	Bruce, Cheryl, Eric & Ben Van Kerckhove	(319) 396-7626	3939 16th Avenue SW		52404
Clinton	Iowa	American Speedy Printing	Dan & Teresa Waters	(563) 242-8200	301 North 2nd Street	Suite A	52732
Coralville	Iowa	Allegra	Chad & Celeste Hutchinson	(319) 351-7100	411 2nd Street, Suite C		52241
Urbandale	Iowa	Allegra	Kevin & Phoelisa McGuire; Terri Morrow	(515) 274-4707	4149 120th Street		50323
Lexington	Kentucky	Allegra	Julia Harrison	(859) 277-7468	198 Moore Drive		40503
Lexington	Kentucky	Allegra	Howard Stovall	(859) 260-1048	114 Lisle Industrial Ave.		40511
London	Kentucky	Allegra	Christopher Corum	(606) 878-1423	1661 South Main Street		40741
Shreveport	Louisiana	Allegra	James & Tina Breedlove	(318) 222-6111	1115 Pierremont Road		71106

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Rockville	Maryland	Allegra	Nathan & Caroline Snelson	(301) 977-0500	1300 Piccard Drive	Suite L10	20850
Boston	Massachusetts	Allegra	Jonathan Hostage & Jeffrey Hostage	(617) 742-7900	8 Faneuil Hall Marketplace, 3rd Floor		02109
Brockton	Massachusetts	Allegra	Anthony & Janet Ward	(508) 588-9961	195 Liberty Street		02301
Franklin	Massachusetts	Allegra	James Barton	(508) 528-5339	317 Union Street		02038
Mansfield	Massachusetts	Allegra	Anthony & Janet Ward	(508) 339-3555	1 Fowler Street	Unit 3	02048
Allen Park	Michigan	Allegra	Jeffrey Reynolds	(313) 382-8033	7307 Allen Road		48101
Alpena	Michigan	Allegra	Edward Klimczak	(989) 356-0834	829 W. Chisholm Street		49707
Auburn Hills	Michigan	Allegra	Mike Wysocki	(248) 377-4060	2285 N. Opdyke Road	Suite G	48326
Battle Creek	Michigan	Allegra	Jeff McConville & Rick Bird	(269) 968-2403	1514 W. Columbia Avenue		49015
Cadillac	Michigan	Allegra	Roger Leask	(231) 775-2732	1215 North Mitchell		49601
Clinton Township	Michigan	Allegra	Charles & Christine Warczinsky	(586) 263-0060	42120 Garfield Road		48038
Dearborn Heights	Michigan	Allegra	A. Michael Hurite	(313) 561-8000	22250 Ford Road		48127
Detroit	Michigan	Allegra	Norma Eschenburg	(313) 963-3600	400 Renaissance Center	Suite 1407	48243
Fort Gratiot	Michigan	Allegra	Charles & Christine Warczinsky	(810) 385-9100	4137 24th Avenue		48059
Grand Rapids	Michigan	Allegra	Eric Vetter & Craig Vetter	(616) 248-4110	3983 Linden Avenue, S.E.		49548-3431
Highland	Michigan	Allegra	Charles Hoover & Patrick Hoover	(248) 887-2400	1100 South Milford Road		48357
Jackson	Michigan	Allegra	Amy Lienhard	(517) 784-8800	1232 S. West Avenue		49203
Lansing	Michigan	Allegra	Brad & Shirley A. Naghtin	(517) 394-2995	5731 Enterprise Drive		48911
Lansing	Michigan	Insty-Prints	Bob Porter	(517) 321-7091	3121 West Saginaw		48917
Lansing	Michigan	Insty-Prints	Mike & Annette Bruce	(517) 371-5205	209 South Washington Square		48933

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Livonia	Michigan	American Speedy Printing	Vickie Bosley	(734) 261-8390	16329 Middlebelt Road		48154-3360
Okemos	Michigan	Allegra	Dave Muhleck	(517) 333-0713	2863 Jolly Road		48864
Owosso	Michigan	American Speedy Printing	John Bennett	(989) 723-5196	111 S. Washington Avenue		48867-2921
Plymouth	Michigan	Allegra	Brian Tyll, Laura Pierce-Marutz & Michael Marcantonio	(800) 726-9050	47583 Galleon Drive		48170
Portage	Michigan	Allegra	Brian Kaufman	(269) 324-0040	6054 Lovers Lane		49002
Rochester	Michigan	American Speedy Printing	Bill Davies	(248) 652-8855	917 N. Main Street		48307
Saline	Michigan	Allegra	Patrick & Therese Mahoney; Joseph DiMauro; Kelly Parkinson	(734) 944-1404	1283 Industrial Drive		48176
Shelby Township	Michigan	American Speedy Printing	Holly Alcock	(586) 731-4366	46723 Van Dyke Road		48317-4376
Southfield	Michigan	Allegra	Jerry Christensen & Giancarlo Martinico	(248) 354-1313	28810 Northwestern Hwy		48034-1831
St. Clair Shores	Michigan	Allegra	Don & Sandra Girodat	(586) 774-8880	27413 Harper Avenue		48081-1921
Taylor	Michigan	American Speedy Printing	Jeffrey Reynolds	(313) 928-5820	20320 Ecorse Road		48180
Traverse City	Michigan	Allegra	Roger Leask	(231) 941-5770	1224 Centre Street		49686
Troy	Michigan	Allegra	Brian Tyll, Laura Pierce-Marutz & Michael Marcantonio	(248) 528-2990	3480 Rochester Road		48083
West Bloomfield	Michigan	Allegra	Tim & Karen Venus	(248) 360-1290	7015 Cooley Lake Road		48324
Wyandotte	Michigan	Allegra	Gregory Kowalsky	(734) 284-5330	3557 Fort Street		48192-6315
Alexandria	Minnesota	Insty-Prints	Daniel Thompson	(320) 763-0333	1300 Broadway		56308
Arden Hills	Minnesota	Allegra	Nicholas & Jennifer Beane	(651) 484-5000	1207 W County Rd E		55112

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Blaine	Minnesota	Allegra	Tom Newland	(763) 780-0792	8575 Highway 65 NE		55434
Brainerd	Minnesota	Allegra	Ronald Morris	(218) 828-4248	220 Washington		56401
Columbia Heights	Minnesota	Insty-Prints	Dick Nelsen	(763) 571-3511	4929 Central Ave NE		55421
Eagan	Minnesota	Allegra	Art Miller	(651) 688-3385	2020 Silver Bell Road, Suite 4		55122
Eden Prairie	Minnesota	Allegra	Tim & Karen Wiens; Ginger & Lynn Timgren	(952) 835-2720	7141 Shady Oak Road		55344
Eden Prairie	Minnesota	Insty-Prints	John & Jill Zalesky	(952) 937-1544	9715 Valley View Road		55344
Edina	Minnesota	Insty-Prints	Jolene Ferrell	(952) 835-1119	5201 West 73rd St		55439
Faribault	Minnesota	Insty-Prints	Pete Ostlund	(507) 332-6727	2921 Lavender Parkway	Suite 500	55021
Mankato	Minnesota	Insty-Prints	Benjamin Findley	(507) 388-7009	1402 North Riverfront Drive		56001
Minneapolis	Minnesota	Allegra	Deborah Temple	(612) 332-8669	618 2nd Ave South		55402
Owatonna	Minnesota	Insty-Prints	Jackie & Pete Ostlund	(507) 451-6004	306 North Cedar		55060
Red Wing	Minnesota	Allegra	Robert & Ilaya Hopkins	(651) 388-1111	214 Jackson Street		55066
Rochester	Minnesota	MPD	Robert & Ilaya Hopkins	(507) 282-6112	2410 North Broadway		55906
St. Paul	Minnesota	Allegra	Art Miller	(651) 645-1224	635 Prior Ave. N		55104
St. Paul	Minnesota	Allegra	John & Nicole Atkinson	(651) 222-8004	55 East 5th Street	Suite 201 D	55101
St. Paul	Minnesota	Insty-Prints	Jim Elm & Michelle Bastian	(651) 690-4462	1396 West 7th St.		55102
Winona	Minnesota	Insty-Prints	Stacey Stellpflug; Troy, Gerald & Joan Beier	(507) 452-6080	101 West Second Street		55987
St. Louis	Missouri	Allegra	Jim, Peggy & Bill Elder	(314) 429-4848	2116 Schuetz Road		63146
Belgrade	Montana	Insty-Prints	Kris Killorn	(406) 388-7516	104 West Madison Ave.		59715

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Billings	Montana	Allegra	Brian McGovern	(406) 248-6811	2620 Overland Avenue		59102
Bozeman	Montana	Allegra	David Dickey	(863) 287-9898	39 South Tracy Avenue		59715
Butte	Montana	Insty-Prints	Jim & Rose Sladek	(406) 723-3363	120 West Park Street		59701
Great Falls	Montana	Allegra	Bruce & Kathryn Poitra	(406) 727-3291	300 5th Avenue South		59405
Hamilton	Montana	Allegra	Brian & Michelle Mendenall	(406) 363-7645	1151 N. First St	Suite C	59840
Helena	Montana	Allegra	Kyle & Jonette Spencer	(406) 449-2847	40 West Lawrence	Suite E	59601
Kalispell	Montana	Insty-Prints	Tamara Williams	(406) 752-8812	131 Main Street		59901
Livingston	Montana	Insty-Prints	Julie Killorn	(406) 222-8740	108 North Main Street		59047
Missoula	Montana	Allegra	Brian & Michelle Mendenall	(406) 721-7663	1200 S. Reserve	Suite G	59801
Polson	Montana	Insty-Prints	Tamara Williams	(406) 883-3778	49504 US Highway 93		59860
Reno	Nevada	Allegra	J. C. Weir	(775) 829-7768	5301 Longley Lane	Suite 47	89511
Bedford	New Hampshire	Allegra	Steve Chaisson & Cary Chaisson	(603) 669-0005	128 S. River Rd.	Suite 2	03110
Portsmouth	New Hampshire	Allegra	Steve Chaisson & Cary Chaisson	(603) 433-4680	195 New Hampshire Ave	Suite 105	03801-4292
Salem	New Hampshire	Allegra	John & LeeAnn York	(603) 898-4260	1 North Broadway		03079-2103
Cranbury	New Jersey	Allegra	David Kovacs	(609) 802-7660	6 Corporate Drive		08512
Marmora	New Jersey	Allegra	Nick & Denise Wieand	(609) 390-1400	533 South Shore Rd	Suite 1	08223
Santa Fe	New Mexico	Allegra	Victor & Susan Perry	(505) 982-0122	1907 St. Michaels Drive		87505
Buffalo	New York	Insty-Prints	Thomas Metz & David Metz	(716) 853-6483	265 Franklin Street		14202
Cheektowaga	New York	Allegra	Richard & Joyce DeLong	(716) 634-5966	3959 Union Road	Suite 1	14225
Kenmore	New York	Insty-Prints	Thomas Metz & David Metz	(716) 873-9103	2385 Elmwood Avenue		14217

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Schenectady	New York	Allegra	Glenn Read	(518) 456-6773	2075 Central Avenue		12304
Asheville	North Carolina	Allegra	Dave Campbell	(828) 273-0311	191 Charlotte Street		28801
Asheville	North Carolina	Allegra	Dave Campbell	(828) 236-0076	88 Roberts Street		28801
Asheville	North Carolina	Allegra	Dave Campbell	(828) 252-3082	1304 Patton Avenue	Suite C	28806
Asheville	North Carolina	Allegra	Dave Campbell	(828) 259-9020	231 Biltmore Ave.		28801
Charlotte	North Carolina	Allegra	Clive Wilson	(704) 708-5818	9311-D Monroe Road		28270
Charlotte	North Carolina	Allegra	Matthew Kinser	(704) 376-0938	2526 Tryon Street		28203
Fayetteville	North Carolina	Allegra	Bruce & Kathryn Sykes	(910) 864-8100	3724 Sycamore Dairy Rd	Suite 100	28303
Greenville	North Carolina	Allegra	Thomas F. O'Brien	(252) 321-5805	1055 Greenville Blvd. SW		27834
Hendersonville	North Carolina	Allegra	Dave Campbell	(828) 698-7622	348 7th Avenue E		28792
Hickory	North Carolina	Allegra	Marcus & Susan Woodie	(828) 322-3981	337 Main Avenue NE		28601
Knightdale	North Carolina	Allegra	Herbert Steward	(919) 373-0531	1009 Steeple Square Court		27545
Rocky Mount	North Carolina	Allegra	Todd Hinson & Henry Hinson	(252) 937-7171	109 Zebulon Court		27804
Winston-Salem	North Carolina	Allegra	Perry & Kelli Clark	(336) 777-8615	8017 North Point Blvd.		27106
Cambridge	Ohio	Allegra	Thomas, Katherin & Jason Heins	(740) 435-0200	1224 Southgate Parkway		43725
Cincinnati	Ohio	Allegra	Stephen Kapuscinski	(513) 554-1797	6839 Ashfield Drive		45242
Columbus	Ohio	Allegra	David & Cynthia Erickson	(614) 236-2948	4279 East Main Street		43213
Findlay	Ohio	Allegra	Karl Heminger	(419) 422-5151	701 W. Sandusky Street	PO Box 609	45840
North Olmsted	Ohio	Allegra	David Jones	(440) 777-7375	23545 Lorain Road		44070
Zanesville	Ohio	Allegra	Thomas, Katherin & Jason Heins	(740) 452-6006	1326 Brandywine Boulevard		43701

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Tulsa	Oklahoma	Allegra	Martin & Donna Hanna	(918) 665-0944	7497 E. 46th Place		74145
Newberg	Oregon	Allegra	Karl & Nancy Hughes	(503) 538-7345	2401 East Hancock St.	Suite C1	97132
Allentown	Pennsylvania	Allegra	Edward Kelchner	(610) 442-7684	709 Roble Road		18109
Conshohocken	Pennsylvania	Allegra	David Kovacs	(609) 771-4000	6 Union Hill Road		19428
Harrisburg	Pennsylvania	Allegra	Andrew Orons	(717) 839-6390	6951 Allentown Blvd.	Suite D	17112
Lancaster	Pennsylvania	Allegra	Stephen & Joyce Morris	(717) 397-3440	1770 Hempstead Road	P.O. Box 11027	17601
Philadelphia	Pennsylvania	Allegra	Michael & Aileen Logan	(215) 969-0500	12285 McNulty Road	Suite 101	19154
Pittsburgh	Pennsylvania	Allegra	Michael & Eileen Philips; David Barringer	(412) 922-0422	18 W. Steuben St.		15205
East Greenwich	Rhode Island	Allegra	Stan & Joan Reuter	(401) 884-9280	41 Rocky Hollow Road		02818
Providence	Rhode Island	Allegra	Robert J. McCann	(860) 794-4592	102 Waterman Street		02906
Aiken	South Carolina	Allegra	Tom & Sandra Meesseman	(803) 648-3821	987 Pine Log Road		29803-7330
Columbia	South Carolina	Allegra	Joseph & Nancy Schaefer	(803) 798-0098	1629 B Broad River Road		29210
Greenwood	South Carolina	Allegra	Donna Lawson-Adams	(864) 223-5700	805-E Montague Avenue		29649
Greer	South Carolina	Allegra	Cecil Mason, Jr.	(864) 879-3851	1309 West Poinsett		29650
Mount Pleasant	South Carolina	Allegra	Richard & Jennifer Van Brunt	(843) 884-0354	1205 Two Island Court	Suite 202	29466
Myrtle Beach	South Carolina	Allegra	David T. Williamson, III	(843) 448-1065	1501 Mercantile Place	Unit A	29577
Spartanburg	South Carolina	Allegra	George Nixon	(864) 585-2598	460 A. Marion Ave		29306
Summerville	South Carolina	Allegra	Charles Edens, Jr.	(843) 875-0056	320-A Old Trolley Road		29485
Brookings	South Dakota	Allegra	David & Angela Roden	(605) 697-5170	301 Main Avenue		57006
Brentwood	Tennessee	Allegra	Burt & Lydia Bradford	(615) 373-5145	350 Wilson Pike Circle	Suite 200	37027

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Chattanooga	Tennessee	Allegra	John Phildius	(423) 855-1777	6242 Perimeter Drive	Suite 101	37421
Dickson	Tennessee	Allegra	Mike & Lisa Akins	(615) 441-3173	523 Highway 46 South		37055
Jackson	Tennessee	Allegra	Mike & Karen Ashley	(731) 664-1676	1029 Old Hickory Boulevard		38305-2565
Knoxville	Tennessee	Allegra	James & Cheri Bruce	(865) 525-3291	112 17th Street SW		37916
Kodak	Tennessee	Allegra	James & Cheri Bruce	(865) 428-2301	231 West Mount Road		37764
Nashville	Tennessee	Allegra	Jerome & Lee Herbert	(615) 360-6314	601 Grassmere Park	Suite 19	37211
Springfield	Tennessee	Allegra	Connie Melvin	(615) 382-8118	1504 Memorial Boulevard		37172
Addison	Texas	Allegra	Jim LaRue, Jr.	(972) 404-0155	14131 Midway Road	Suite 119	75001
Arlington	Texas	Allegra	Stan & Victoria Ehresmann	(817) 274-1815	1021 W. Abram St		76013-6955
Austin	Texas	Insty-Prints	Jay Eller & Kenton Eller	(512) 447-9001	4360 South Congress Avenue	Suite 104	78745
Brownsville	Texas	Allegra	Don Ely	(956) 548-1301	1273 E. Alton Gloor	Suite A	78526-3918
El Paso	Texas	Allegra	Elizabeth Lopez	(915) 875-1439	340 N. Nevarez Road		79927
Harlingen	Texas	Allegra	Don Ely	(956) 421-3669	1801 South 77 Sunshine Strip		78550
Houston	Texas	Allegra	John & Kim Dawson, Jr.	(281) 893-3366	15020 Mintz Lane		77014
Irving	Texas	Insty-Prints	Vinod & Amita Amin	(972) 790-0179	1236 North Beltline Road		75061
San Antonio	Texas	Allegra	Chuck & Petra McCann	(210) 340-1841	11811 Warfield Street		78216
Dulles	Virginia	Allegra	John & Holly Flynn	(703) 444-5555	45668 Terminal Drive		20166
Fairfax	Virginia	Allegra	Brian Culbertson & Oanh Henry	(703) 698-7820	2812 Merrilee Drive	Suite E	22031
Fredericksburg	Virginia	Allegra	Jeffrey Halperin	(540) 891-1885	125 Olde Greenwich Dr.	Suite 250	22408
Norfolk	Virginia	Allegra	Curtis & Robin Hoessly	(757) 489-7290	879 Poplar Hall Drive		23502

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Richmond	Virginia	Allegra	John Fergusson	(804) 355-8621	4109 Jacque Street		23230
Springfield	Virginia	Allegra	Anna Kaviani	(703) 455-3000	5417 Backlick Road	Suite B	22151
Pullman	Washington	Allegra	Trent & Jodi Bice	(509) 334-4275	205 NW Whitman St.		99163
Appleton	Wisconsin	Allegra	Terrance & June Schuelke	(920) 734-4700	100 South Memorial Drive		54911
De Pere	Wisconsin	Allegra	Michael Hansen	(920) 544-9969	582 Redbird Circle		54115
Eau Claire	Wisconsin	Allegra	Robert & Phyllis Meier	(715) 835-1959	2429 East Clairemont Avenue		54701
Green Bay	Wisconsin	Allegra	John & Emelina Bebeau	(920) 337-6330	903 Waube Lane		54304
LaCrosse	Wisconsin	Insty-Prints	Troy, Kristine, & Joan Beier	(608) 788-5005	2704 South Avenue		54601
Madison	Wisconsin	Allegra	Craig Weddle & James Walsh	(608) 255-0046	2 East Mifflin Street		53703
Menomonie	Wisconsin	Allegra	Robert & Phyllis Meier	(715) 235-1920	3120 Schneider Avenue SE	Suite 8	54751
Monona	Wisconsin	Insty-Prints	William Ayres, Sr.	(608) 222-3232	5401 Monona Drive		53716
Pleasant Prairie	Wisconsin	Allegra	Brian Walsh	(262) 658-1303	10505 Corporate Drive	Suite 105C	53158

LIST OF FRANCHISE AGREEMENTS SIGNED BUT CENTERS NOT YET OPEN AS OF 12/31/18

City	State	Brand	Owners	Phone	Address 1	Address 2	Zip Code
Johnson City	Tennessee	Allegra	Dave Campbell	(423) 283-7772	3213 Hanover Road		37604

EXHIBIT N

FRANCHISEES CEASING TO OPERATE AS OF 12/31/2018

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

FRANCHISEES CEASING TO OPERATE AS OF 12/31/2018

Former Franchisee	City	State	Phone	Reason
Edward Raymond, Jr. & Eileen Rogers	Scottsdale	Arizona	(480) 941-4842	Non-Renewal
Scott Beals & Catherine Morales	El Segundo	California	(310) 563-3642	Resale
Bart & Julie Troyer	Aurora	Illinois	(630) 801-9335	Consolidation
David & Karen Wise	Indianapolis	Indiana	(317) 351-9477	Resale
Pat & Jane Rhoades; Jim & Sandra Eaton	Urbandale	Iowa	(515) 645-6060	Resale
Jennifer Eberle, Denise Spalding & Gary Owen	Louisville	Kentucky	(502) 895-1530	Termination
Whitfield & Natalie Whylie	Columbia	Maryland	(410) 267-1200	Abandonment
Doug & Darlene Lawver	Rockville	Maryland	(301) 977-0500	Resale
Timothy Hostage & Thomas Hostage	Framingham	Massachusetts	(508) 879-3336	Non-Renewal
Bruce & Deborah Reed	Franklin	Massachusetts	(508) 528-5339	Resale
Ruth Cretella	Waltham	Massachusetts	(781) 893-6221	Abandonment
Jeffrey L. Reynolds	Romulus	Michigan	(734) 728-0250	Consolidation
Dale & Carol Beane	Arden Hills	Minnesota	(651) 484-5000	Resale
Jerry & Susan Low	Brooklyn Park	Minnesota	(763) 276-9185	Consolidation
Ted & Suzanne Mikle	St. Cloud	Minnesota	(320) 253-7445	Abandonment
Choxie Paige Brown Brooks & Benjiman Davis Brown	Meridian	Mississippi	(601) 693-6184	Abandonment
Eric & Andrea Tronson	Great Falls	Montana	(406) 727-3291	Resale
Herbert Steward	Knightdale	North Carolina	(919) 556-9943	Termination[1]

1. This center was terminated in 2019 prior to the issuance date of the FDD.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Herbert Steward	Knightdale	North Carolina	(919) 266-5280	Consolidation
Edward & Theresa Scully	North Olmsted	Ohio	(440) 777-7375	Resale
Chuck & Connie Melvin	Clarksville	Tennessee	(931) 552-3618	Consolidation
Curtis Hoessly	Norfolk	Virginia	757-461-5300	Consolidation
Rob & Phyllis Meier	Chippewa Falls	Wisconsin	(715) 723-1915	Consolidation

EXHIBIT O

FINANCIAL STATEMENTS

Allegra Network LLC and Subsidiaries

(a wholly owned subsidiary of Allegra Holdings LLC)

Consolidated Financial Report

December 31, 2018

Allegra Network LLC and Subsidiaries

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Detroit, MI 48226-1906
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Independent Auditor's Report

To the Member
Allegra Network LLC and Subsidiaries

We have audited the accompanying consolidated financial statements of Allegra Network LLC and Subsidiaries, a wholly owned subsidiary of Allegra Holdings LLC (the "Company"), which comprise the consolidated balance sheet as of December 31, 2018 and 2017 and the related consolidated statements of operations and comprehensive income, member's interest, and cash flows for the years ended December 31, 2018, 2017, and 2016, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Allegra Network LLC and Subsidiaries as of December 31, 2018 and 2017 and the results of their operations and their cash flows for the years ended December 31, 2018, 2017, and 2016 in accordance with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

March 18, 2019

PRAXITY™
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Allegra Network LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash	$ 2,262,412	$ 1,517,860
Restricted cash	-	80,000
Accounts receivable:		
Trade	1,212,844	1,222,763
Related parties (Note 9)	1,206,851	954,478
Inventory	1,557	1,649
Current portion of notes receivable	2,760	38,923
Notes receivable from related party (Note 9)	20,374	-
Prepaid expenses and other current assets	342,611	434,594
Total current assets	5,049,409	4,250,267
Property and Equipment - Net (Note 4)	4,788,709	4,688,108
Goodwill - Net (Note 5)	652,239	213,022
Franchise Rights - Net (Note 5)	4,161,317	3,091,724
Other Assets		
Notes receivable - Net of current portion	39,133	80,545
Notes receivable from a related party - Net of current portion (Note 9)	-	40,000
Total assets	**$ 14,690,807**	**$ 12,363,666**
Liabilities and Member's Interest		
Current Liabilities		
Accounts payable:		
Accounts payable	$ 352,475	$ 301,586
Accounts payable to related parties (Note 9)	-	9,867
Current portion of notes payable (Note 7)	907,559	619,473
Capital lease obligation	10,691	8,998
Accrued and other current liabilities (Note 8)	1,316,604	1,328,682
Total current liabilities	2,587,329	2,268,606
Notes Payable - Net of current portion (Note 7)	8,078,739	6,086,304
Capital Lease Obligation - Net of current portion	17,526	18,360
Member's Interest	4,007,213	3,990,396
Total liabilities and member's interest	**$ 14,690,807**	**$ 12,363,666**

Allegra Network LLC and Subsidiaries

Consolidated Statement of Operations and Comprehensive Income

Years Ended December 31, 2018, 2017, and 2016

	2018	2017	2016
Revenue			
Royalty fees	$ 9,526,105	$ 9,399,316	$ 11,217,049
Franchise, technology, and marketing fees	1,768,916	1,618,703	1,441,377
Other operating revenue	370,417	233,009	425,347
Total net revenue	11,665,438	11,251,028	13,083,773
Operating Expenses			
General and administrative	8,923,738	8,701,435	11,031,613
Cost of goods and supplies sold	323,589	235,845	240,351
Amortization of intangibles and goodwill	570,261	536,223	607,742
Total operating expenses	9,817,588	9,473,503	11,879,706
Operating Income	1,847,850	1,777,525	1,204,067
Nonoperating Income (Expense)			
Interest income	42,973	26,926	25,382
(Loss) gain on foreign exchange	(231,433)	65,706	8,377
Other income (expense)	107,572	22,847	(84,687)
Interest expense	(300,880)	(311,087)	(242,543)
Total nonoperating expense	(381,768)	(195,608)	(293,471)
Consolidated Net Income	1,466,082	1,581,917	910,596
Foreign Currency Translation	(44,592)	36,013	(687)
Comprehensive Income	**$ 1,421,490**	**$ 1,617,930**	**$ 909,909**

See notes to consolidated financial statements.

Allegra Network LLC and Subsidiaries

Consolidated Statement of Member's Interest

Years Ended December 31, 2018, 2017, and 2016

	Member's Interests and Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
Balance - January 1, 2016	$ 3,681,989	$ (24,041)	$ 3,657,948
Consolidated net income	910,596	-	910,596
Foreign currency translation adjustment	-	(687)	(687)
Distributions	(1,260,391)	-	(1,260,391)
Balance - December 31, 2016	3,332,194	(24,728)	3,307,466
Consolidated net income	1,581,917	-	1,581,917
Contributions	200,000	-	200,000
Foreign currency translation adjustment	-	36,013	36,013
Distributions	(1,135,000)	-	(1,135,000)
Balance - December 31, 2017	3,979,111	11,285	3,990,396
Consolidated net income	1,466,082	-	1,466,082
Contributions	3,025,000	-	3,025,000
Foreign currency translation adjustment	-	(44,592)	(44,592)
Distributions	(4,429,673)	-	(4,429,673)
Balance - December 31, 2018	**$ 4,040,520**	**$ (33,307)**	**$ 4,007,213**

See notes to consolidated financial statements.

Allegra Network LLC and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2018, 2017, and 2016

	2018	2017	2016
Cash Flows from Operating Activities			
Consolidated net income	$ 1,466,082	$ 1,581,917	$ 910,596
Adjustments to reconcile consolidated net income to net cash from operating activities:			
Depreciation and amortization	903,075	844,019	1,001,927
Loss (gain) on disposal of property and equipment	47,769	(1,085)	117,819
Bad debt expense	(5,139)	251,985	123,621
Changes in operating assets and liabilities that provided (used) cash:			
Accounts receivable	31,982	(592,591)	(322,450)
Inventory	92	37,740	(10,194)
Prepaid expenses and other assets	114,830	(170,094)	165,706
Accounts payable	41,022	(62,722)	(211,823)
Accrued and other liabilities	(137,003)	244,127	187,843
Net cash provided by operating activities	2,462,710	2,133,296	1,963,045
Cash Flows from Investing Activities			
Purchase of property and equipment	(416,459)	(125,784)	(509,547)
Proceeds from disposition of property and equipment	2,500	1,339	1,799
Payments for business acquisition	-	-	(2,299,906)
Issuance of notes receivable	(73,500)	(116,104)	(55,000)
Collections on notes receivable	153,482	180,901	357,165
Cash paid for franchise rights	(60,348)	(37,416)	(1,804,614)
Net cash used in investing activities	(394,325)	(97,064)	(4,310,103)
Cash Flows from Financing Activities			
Change in restricted cash	80,000	(6,000)	(2,043)
Proceeds from debt	2,900,000	3,356,793	3,910,000
Payments on debt	(619,479)	(3,571,051)	(978,969)
Net (payments on) proceeds from line of credit facility	-	(299,008)	299,008
Distributions	(4,429,673)	(1,135,000)	(775,000)
Repayment of capital lease obligations	(8,998)	(10,971)	(12,414)
Contributions	653,000	200,000	-
Net cash (used in) provided by financing activities	(1,425,150)	(1,465,237)	2,440,582
Effect of Exchange Rate Changes on Cash	101,317	(120,812)	23,868
Net Increase in Cash	744,552	450,183	117,392
Cash - Beginning of year	1,517,860	1,067,677	950,285
Cash - End of year	**$ 2,262,412**	**$ 1,517,860**	**$ 1,067,677**
Supplemental Cash Flow Information - Cash paid for interest	$ 298,729	$ 309,907	$ 229,813
Significant Noncash Transactions			
Conversion of accounts receivable to notes receivable	$ 95,033	$ 372,668	$ 193,852
Net assets distributed in Signs Now transfer	-	-	408,287
Transfer of KKP trade name	-	-	77,104
Assets acquired under capital leases	9,857	29,408	-
Assignment of assets and liabilities from Allegra Holdings LLC (Note 3)	2,372,000	-	-

See notes to consolidated financial statements.

Note 1 - Nature of Business

Allegra Network LLC and Subsidiaries (the "Company") is a wholly owned subsidiary of Allegra Holdings LLC. Allegra Network LLC and its subsidiaries, Allegra Corporation of Canada ULC and KK Printing Canada ULC, are engaged in the business of franchising printing and marketing services centers. KK Printing Canada ULC was created as a wholly owned subsidiary of Allegra Network LLC in 2016. At December 31, 2018, the Company had 287 franchised centers and two corporate-owned centers. On November 1, 2018, the Company acquired assets from U.S. Postcard Systems, Inc. and RSVP Development Corp. At December 31, 2018, the Company had 67 franchised businesses operating under the RSVP brand name.

Allegra Real Estate Holdings LLC was created as a wholly owned subsidiary of Allegra Network LLC in 2010. The purpose of the entity is to lease space to the Company, as well as outside tenants.

Effective December 31, 2016, the assets and liabilities related to the Signs Now brand were contributed to Sign & Graphics Operations LLC and Subsidiary, an entity related through common control, by the Company. Due to the common ownership, the transfer of the net assets has been accounted for at historical cost. The contribution included franchise and license agreements, agreements relating to and used in the operation of the Signs Now brand and franchise system, and other assets and liabilities related to the Signs Now brand and franchise system. The net contribution of assets and liabilities totaled $408,287, which included net intangible assets of $459,031. Activity during 2016 for the Signs Now brand was recorded by Allegra Network LLC and Subsidiaries, except for royalty revenue of $204,506 for the month of December 2016, which was reported by Sign & Graphics Operations LLC and Subsidiary. Total net revenue related to the Signs Now brand was $2,939,152 for 2016. Total operating expense related to the Signs Now brand was $2,733,682 for 2016.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Allegra Network LLC and its wholly owned subsidiaries, Allegra Real Estate Holdings LLC, Allegra Corporation of Canada ULC, and KK Printing Canada ULC. All material intercompany accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies, as developed by the Private Company Council, including the accounting alternative for goodwill and intangibles.

During 2018, the Company changed its accounting policy for recognizing intangible assets in business combination transactions, adopting the accounting alternatives for private companies, as developed by the Private Company Council. Under the accounting alternative, certain acquired customer related intangible assets and noncompetition agreements are not separately recognized apart from goodwill. Previously, all intangible assets that met the criteria to be recognized apart from goodwill were separately recognized. The change in accounting principle was applied prospectively beginning January 1, 2018.

Restricted Cash

Under the terms of a line of credit agreement between an entity related through common ownership and a bank, Allegra Corporation of Canada ULC has agreed to maintain a compensating balance equal to $100,000 Canadian dollars. At December 31, 2017, $80,000 of cash (in U.S. dollars) was restricted for that purpose. During 2018, the restriction was removed, and a compensating balance is no longer required.

Note 2 - Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable consist of amounts due from franchisees and customers and are stated at invoice amounts. The carrying amount of the accounts receivable is reduced by an allowance for doubtful accounts for all balances greater than 90 days past due. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The recorded allowance for doubtful accounts receivable was $404,104 and $274,222 as of December 31, 2018 and 2017, respectively.

Inventory

Inventory is stated at the lower of cost or net realizable value, with cost determined on the first-in, first-out (FIFO) method. At December 31, 2018 and 2017, inventory is comprised solely of work in progress.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation and amortization. Assets are depreciated over their estimated useful lives. The cost of leasehold improvements is depreciated over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Goodwill

The recorded amount of goodwill from the business combination described in Note 3 is based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company has elected to apply the private company accounting alternative for goodwill, as developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. No impairment charge was recognized during the year ended December 31, 2018.

Intangible Assets

Franchise rights are amortized over the estimated average remaining life of the franchise contracts.

On January 1, 2016, the Company repurchased and terminated an area distributor agreement for $1,700,000. The termination of the agreement eliminates future obligations to pay out a percentage of royalty income to certain parties.

The Company has elected to apply the private company accounting alternative for intangible assets acquired in a business combination, as developed by the Private Company Council. Under the accounting alternative, certain acquired customer related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Notes Receivable

During the normal course of business, the Company may provide financing to franchisees in the form of notes.

Notes receivable are reported at original issue amount plus accrued interest, less principal repaid. Interest is recognized according to terms of the specific notes. An allowance for loan losses is determined based on a specific assessment of all notes that are delinquent or determined to be doubtful to be collected. All amounts deemed to be uncollectible are charged against the allowance for loan losses in the period that determination is made. The Company has recorded an allowance for loan losses of $533,517 and $657,755 as of December 31, 2018 and 2017, respectively.

Note 2 - Significant Accounting Policies (Continued)

Notes receivable consist of various loans, with the majority of the loans bearing interest at 5.25 percent. The notes are generally personally guaranteed by the franchisee. Notes receivable generally require monthly payments of principal and interest. The notes are classified as current or long term on the accompanying consolidated balance sheet depending on their maturity dates.

Royalty Fees

Royalties are based on a percentage of gross sales or cash receipts of each franchise, depending on the franchise agreement, and are recognized at the end of each month based upon that month's sales or cash receipts. Certain franchisees of the Company are contractually eligible to receive a rebate on the royalties paid to the Company. These rebates are based on volume and compliance with contractual provisions, including timely payment of amounts owed to the Company. Royalty fees are shown net of royalty rebates.

Initial Franchise Fees

The initial franchise fees represent consideration received for establishing the franchise relationship with the franchisee. Such fees are initially recorded as a liability and recognized as income by the Company when the store has opened for business.

Advertising Expense

Advertising expense is charged to income during the year in which it is incurred. Advertising expense for 2018, 2017, and 2016 was $82,660, $68,891, and $64,075, respectively.

Foreign Currency Exchange

The expression of assets and liabilities in a foreign currency amount gives rise to exchange gains and losses when such obligations are paid in United States dollars. Foreign currency exchange rate adjustments (i.e., differences between amounts recorded and actual amounts owed or paid) are reported in the consolidated statement of operations and comprehensive income as the foreign currency fluctuations occur. Foreign currency exchange rate adjustments are reported in the consolidated statement of cash flows using the exchange rates in effect at the time of the cash flows. To the extent there is a fluctuation in the exchange rate, the amount of U.S. dollars to be paid to satisfy this foreign currency obligation in 2018, 2017, and 2016 may increase or decrease.

Foreign Currency Translation

Consolidated balance sheet items of foreign operations are translated to U.S. dollars at the exchange rate in effect at year end. Income and expense items and cash flows are translated at the average exchange rate for each year.

Other Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. Certain changes in assets and liabilities, however, such as foreign currency translation adjustments, are reported as a direct adjustment to the equity section of the consolidated balance sheet. Such items, along with net income (loss), are considered components of comprehensive income (loss).

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The Company's ultimate parent company files income tax returns in U.S. federal and various state jurisdictions.

Note 2 - Significant Accounting Policies (Continued)

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The allowance for doubtful accounts and loan losses is a significant estimate.

Upcoming Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Company's year ending December 31, 2019. The ASU permits application of the new revenue recognition guidance using one of two retrospective application methods. The Company has not yet determined which application method it will use. While the Company is continuing to assess all potential impacts of the standard, it currently believes the most significant impact relates to accounting for franchise fees, broker fees, and advertising funds. The Company expects revenue related to royalties to remain substantially unchanged.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments*. The ASU includes changes to the accounting and measurement of financial assets, including the Company's accounts receivable and notes receivable, by requiring the Company to recognize an allowance for all expected losses over the life of the financial asset at origination. This is different from the current practice where an allowance is not recognized until the losses are considered probable. The ASU also changes the way credit losses are recognized for available-for-sale debt securities. Credit losses are recognized through the recording of an allowance rather than as a write-down of the carrying value. The new guidance will be effective for the Company's year ending December 31, 2021. Upon adoption, the ASU will be applied using a modified retrospective transition method to the beginning of the earliest period presented. A prospective transition approach is required for debt securities for which an other-than-temporary impairment had been recognized before the effective date. Early adoption for all institutions is permitted for fiscal years beginning after December 15, 2018. The Company is currently evaluating the impact this standard will have on the financial statements.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including March 18, 2019, which is the date the consolidated financial statements were available to be issued.

Note 3 - Business Combinations

During November 2018, the Company acquired assets from U.S. Postcard Systems, Inc. and RSVP Development Corp. The acquisition was facilitated by Allegra Holdings LLC. The primary reason for the acquisition was to expand the Company's franchise network and offer additional lines of service. Allegra Holdings LLC purchased the assets and immediately assigned the assets, with the exception of the trade name, to the Company. In conjunction with this transaction, the Company distributed $2,500,000 to Allegra Holdings LLC.

Note 3 - Business Combinations (Continued)

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	$	2,372,000

The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed:

Financial assets	$	274,925
Property, plant, and equipment		10,000
Identifiable intangible assets		1,724,000
Financial liabilities		(124,925)
Total identifiable net assets		1,884,000
Goodwill		488,000
Total	$	2,372,000

The fair value of financial assets includes accounts receivable with a fair value of $252,078. The gross amount due totals $437,853, of which $185,775 is expected to be uncollectible.

The goodwill of $488,000 arising from the acquisition results mainly from the opportunity for growth of sales through the expansion of services provided to franchisees and the opportunity to grow the business through future sales of new franchises. Goodwill also includes certain acquired customer related intangible assets and noncompetition agreements, which are not separately recognized apart from goodwill.

The intangible assets acquired consist of franchise rights, which have a useful life of 10 years.

The Company did not incur significant transaction costs as a result of the acquisition.

On October 31, 2016, the Company acquired all of the issued and outstanding shares of B.G. Harding Management ULC, which owned all of the issued and outstanding shares of Kwik-Kopy Printing Canada ULC. The primary reason for the acquisition was to expand the Company's printing franchise network in Canada.

The following table summarizes the fair value of the consideration transferred as part of the acquisition of Kwik-Kopy Printing Canada ULC:

Cash	$	2,421,807
Working capital adjustment to be paid		20,850
Fair value of total consideration transferred	$	2,442,657

The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed:

Cash	$	142,751
Accounts receivable		225,966
Notes receivable		42,087
Property, plant, and equipment		4,049
Prepaid and other assets		168,150
Identifiable intangible assets		1,948,791
Payables and other accrued liabilities		(256,413)
Income taxes payable		(58,392)
Total identifiable net assets		2,216,989
Goodwill		225,668
Total	$	2,442,657

Note 3 - Business Combinations (Continued)

The goodwill of $225,668 arising from the acquisition results mainly from the opportunity for growth of sales within the existing franchise base through expansion of services provided to the franchisees and the opportunity to grow the business through future sales of new franchises.

The Company contributed the KKP trade name, which had a fair value of $77,104, to its parent, Allegra Holdings LLC on October 31, 2016, immediately following the closing of the acquisition. The remaining intangible assets acquired consist of franchise rights, which have a useful life of 10 years.

The Company did not incur significant transaction costs as a result of the acquisition.

Note 4 - Property and Equipment

Property and equipment as of December 31 are summarized as follows:

	2018	2017	Depreciable Life - Years
Land	$ 250,000	$ 250,000	-
Land improvements	561,357	561,357	10-15
Buildings	4,147,136	4,147,136	39
Building improvements	484,137	432,032	3-10
Machinery and equipment	304,383	308,403	2-10
Transportation equipment	16,474	16,474	5
Furniture and fixtures	1,108,625	1,126,802	3-5
Computer equipment and software	1,214,856	1,066,806	3-5
Leasehold improvements	106,937	117,589	3-6
Total cost	8,193,905	8,026,599	
Accumulated depreciation	3,405,196	3,338,491	
Net property and equipment	$ 4,788,709	$ 4,688,108	

Depreciation expense for 2018, 2017, and 2016 was $332,814, $307,796, and $394,185, respectively.

Note 5 - Acquired Intangible Assets and Goodwill

Intangible assets of the Company at December 31, 2018 and 2017 are summarized as follows:

	2018		2017	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Franchise rights	$ 16,674,529	$ 12,513,212	$ 15,648,441	$ 12,556,717

Amortization expense for intangible assets totaled $538,912, $512,157, and $604,025 for the years ended December 31, 2018, 2017, and 2016, respectively. The effect of the foreign currency translation on the net carrying value of the franchise rights was $(128,096) and $149,940 in 2018 and 2017, respectively.

Note 5 - Acquired Intangible Assets and Goodwill (Continued)

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2019	$ 654,990
2020	642,291
2021	633,267
2022	402,924
2023	397,049
Thereafter	1,430,796
Total	$ 4,161,317

Goodwill totaling $488,000 was added during 2018 as a result of the acquisition disclosed in Note 3. Goodwill amortization totaled $31,349, $24,066, and $3,717 for the years ended December 31, 2018, 2017, and 2016 respectively.

The recorded amount of goodwill at December 31, 2018 and 2017 is as follows:

	2018	2017
Beginning balance	$ 225,668	$ 225,668
Goodwill resulting from business combination (Note 3)	488,000	-
Accumulated amortization	(55,816)	(28,135)
Effect of foreign currency translation	(5,613)	15,489
Net carrying value	$ 652,239	$ 213,022

Note 6 - Line of Credit

At December 31, 2018, the Company was subject to a $1,000,000 line of credit agreement with a bank that is due in August 2019, with interest payable monthly at the prime rate (an effective rate of 5.50 and 4.50 percent at December 31, 2018 and 2017, respectively). There were no outstanding borrowings on the line of credit at December 31, 2018 and 2017. The line of credit is under a master agreement with the bank. Under the agreement with the bank, the Company's ultimate parent was subject to various financial covenants, including a funded debt to EBITDA ratio and a debt service coverage ratio. The line of credit was collateralized by substantially all assets and had a limited guarantee by the majority owner.

Note 7 - Long-term Debt

Long-term debt at December 31 is as follows:

	2018	2017
Note payable to a bank in monthly installments of $18,787, including interest at 4.25 percent. The note is collateralized by all of the Company's assets, as well as a limited personal guarantee by the majority owner, and is due on May 6, 2023	$ 905,141	$ 1,087,308
Note payable to a bank, in monthly installments of $21,373, including interest at 4.50 percent. The note is due on September 5, 2030	3,227,134	3,333,719
Note payable to related party through common ownership in monthly installments of $6,892, including interest at 4.25 percent, commencing on March 31, 2017. Interest-only payments were due monthly until February 28, 2017. The note is due in full on February 29, 2024	383,041	447,963
Note payable to a bank, in monthly installments of $28,311, including interest at 4.25 percent, commencing on March 31, 2017. Interest-only payments were due monthly until February 28, 2017. The note is collateralized by all of the Company's assets, as well as a limited personal guarantee by the majority owner, and is due on February 28, 2024	1,570,982	1,836,787
Note payable to a bank, in monthly installments of $33,266, including interest at 5.35 percent, commencing on April 27, 2019. Interest-only payments are due monthly until April 2019. The note is collateralized by all of the Company's assets, as well as a limited personal guarantee by the majority owner, and is due on March 27, 2026	2,320,000	-
Note payable to related party through common ownership in monthly installments of $8,293, including interest at 5.35 percent, commencing on April 30, 2019. Interest-only payments are due monthly until March 2019. The note is due in full on March 31, 2026	580,000	-
Total	8,986,298	6,705,777
Less current portion	907,559	619,473
Long-term portion	$ 8,078,739	$ 6,086,304

The balance of the above debt matures as follows:

Years Ending	Amount
2019	$ 907,559
2020	1,039,578
2021	1,090,682
2022	1,143,328
2023	1,065,606
Thereafter	3,739,545
Total	$ 8,986,298

Interest expense for 2018, 2017, and 2016 was $300,880, $311,087, and $242,543, respectively.

Substantially all assets of the Company are collateral for the long-term debt. Under the master agreement with the bank, the Company is subject to various financial covenants, including a debt to EBITDA ratio and a debt service coverage ratio.

Note 8 - Accrued Liabilities

The following is the detail of accrued liabilities:

	2018	2017
Accrued compensation expense	$ 595,356	$ 462,352
Customer deposits	155,003	174,122
Accrued interest	17,164	15,013
Master royalties payable	37,455	39,391
Taxes payable	74,662	61,037
Accrued legal fees	-	3,910
Accrued convention expense	215,875	364,609
Other accrued liabilities	221,089	208,248
Total accrued and other liabilities	$ 1,316,604	$ 1,328,682

Note 9 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Accounts Receivable

At December 31, 2018 and 2017, the Company had accounts receivable from companies related through common management and ownership totaling $1,206,851 and $954,478, respectively.

Accounts Payable

At December 31, 2018 and 2017, the Company had accounts payable to companies related through common management and ownership totaling $0 and $9,867, respectively.

Prepaid

At December 31, 2018 and 2017, the Company had prepaid payroll of $76,274 and $80,442, respectively, to a staffing company related through common management and ownership.

Shared Services

The Company entered into a shared services agreement with an affiliate related through common ownership. The Company provided the affiliate with support in the form of compliance, legal, executive management, franchise financial analysis, financial reporting and budgeting, accounting and collections, risk management, training, operations, technology, and other services in exchange for $175,950, $160,090, and $150,200 per month in 2018, 2017, and 2016, respectively. Under the same agreement, the affiliate provided the Company with support in the form of accounting, development, technology, executive management, training, operations, and other services in exchange for $197,550 per month in 2016. The Company's revenue related to this agreement was $2,111,400, $1,921,080, and $1,802,400 for the years ended December 31, 2018, 2017, and 2016, respectively. The Company's expenses related to this agreement were $2,374,080 for the year ended 2016. The affiliate did not provide support for the Company in 2018 or 2017.

The Company entered into a second shared services agreement with an affiliate related through common ownership. The Company provided the affiliate with support in the form of executive management, financial reporting and budgeting, accounting, risk management services, technology, and other services in exchange for $34,683, $34,240, and $25,560 per month in 2018, 2017, and 2016, respectively. The Company's revenue related to this agreement was $405,400, $410,880, and $426,720 for the years ended December 31, 2018, 2017, and 2016, respectively.

Note 9 - Related Party Transactions (Continued)

The Company entered into a third shared services agreement with an affiliate related through common ownership. The Company provided the affiliate with support in the form of executive management, payroll and benefits, accounting, and other services in exchange for a range of fees between $6,330 and $8,030 in 2017. The fees were $7,242 per month and $7,930 per month in 2018 and 2016, respectively. The Company's revenue related to this agreement was $86,900, $89,518, and $95,160 for the years ended December 31, 2018, 2017, and 2016, respectively.

The Company's shared service revenue and expenses are included in operating expenses on the accompanying consolidated statement of operations and comprehensive income.

Notes Receivable

The Company has a note receivable due from an entity related through common control totaling $20,374 and $40,000 at December 31, 2018 and 2017, respectively. The interest rate on the note is 3.75 percent. Payments of $1,733 are due monthly, with a final payment of all outstanding principal and accrued interest due in December 2019.

Revenue

For the years ended December 31, 2018, 2017, and 2016, the Company had revenue from affiliates totaling $277,648, $434,212, and $499,807, respectively, related to royalties, production sales, and franchise, technology, and marketing fees. For the years ended December 31, 2018, 2017, and 2016, the Company had rent revenue from related parties totaling $196,037, $192,584, and $189,122, respectively.

Note 10 - Retirement Plans

The Company sponsors a 401(k) plan, which includes a profit-sharing feature, for substantially all employees. The plan provides for the Company to make a matching contribution. Contributions to the plan totaled $160,662, $146,973, and $133,526 for the years ended December 31, 2018, 2017, and 2016, respectively.

Note 11 - Contingencies

The Company is involved in legal proceedings arising from the normal course of business. In the opinion of management, any adverse outcome of the litigation will not have a material effect on the Company's consolidated financial statements.

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EXHIBIT Q

SAMPLE GENERAL RELEASE

ALLEGRA NETWORK LLC

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

Allegra Network LLC ("we," "us," or "our") and the undersigned franchisee, _____

_____

("you" or "your"), currently are parties to a certain Franchise Agreement (the "Franchise Agreement") dated _____, 20___. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal situation]_____

_____

_____

_____

_____

_____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge us and our current and former officers, directors, owners, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the "Allegra Parties") from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "Claims") that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Allegra Parties, including without limitation, Claims (1) arising out of or related to the Allegra Parties' obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties' relationship, from the beginning of time to the date of your signature below, with any of the Allegra Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Allegra Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

IF THE CENTER YOU OPERATE UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF YOU ARE A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE ALLEGRA PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE ALLEGRA PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Center is located in Maryland or if you are a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this release on the date stated on the first page hereof.

ALLEGRA NETWORK LLC

Print Name:_____

Title:_____

By:_____ Date:_____

FRANCHISEE

_____

Print Name:_____

Title:_____

By:_____ Date:_____

GUARANTOR

Print Name:_____

Title:_____

By:_____ Date:_____

Print Name:_____

Title:_____

By:_____ Date:_____

EXHIBIT R

STATE ADDENDA AND AGREEMENT RIDERS

ADDITIONAL DISCLOSURES FOR THE FRANCHISE DISCLOSURE DOCUMENT OF ALLEGRA NETWORK LLC

The following are additional disclosures for the Franchise Disclosure Document of ALLEGRA NETWORK LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

CALIFORNIA

1. The following paragraph is added as a risk factor to the state cover page of the Franchise Disclosure Document:

> ALTHOUGH YOU WILL HAVE AN EXCLUSIVE TERRITORY WITHIN WHICH WE WILL NOT OPERATE OR GRANT FRANCHISES FOR THE OPERATION OF OTHER CENTERS IN YOUR PROTECTED TERRITORY, OTHER CENTERS MAY MARKET AND SOLICIT CUSTOMERS IN YOUR PROTECTED TERRITORY.

2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

3. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A FRANCHISE DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

4. OUR WEBSITE, www.alliancefranchisebrands.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

5. The following statement is added to the end of Item 3:

> Neither we, our parent, predecessor or affiliate nor any person in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. Sections 78a et seq., suspending or expelling such persons from membership in that association or exchange.

6. The following statement is added to the remarks column of Item 6 for the rows entitled **Interest** and **Audit**:

The highest rate of interest allowed by California law is 10% annually.

7. The following paragraphs are added to the end of Item 17:

The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, and the law applies, the law will control.

The Franchise Agreement contains a covenant not to compete that extends beyond termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement requires binding arbitration. The arbitration will be conducted at a suitable location chosen by the arbitrator that is within a 50 mile radius of our then current principal place of business (currently Plymouth, Michigan) with the costs being borne as provided in the Franchise Agreement. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 et seq.).

The Franchise Agreement requires application of the laws of the State of Michigan. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code, Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires you to sign a general release of claims on renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

8. The following paragraph is added at the end of Item 19:

The earnings claims figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Center. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

ILLINOIS

1. The "Summary" section of Item 17(v), entitled **Choice of forum**, is deleted in its entirety.

2. The "Summary" section of Item 17(w), entitled **Choice of law**, is deleted and replaced with the following:

Except for U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the state of Illinois apply.

MARYLAND

1. The following is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, under COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the "Summary" section of Item 17(h), entitled "**Cause" defined – non-curable defaults**:

The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The "Summary" sections of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of law**, are amended to add the following:

, except that you may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following language is added to the end of the chart in Item 17:

Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

MINNESOTA

1. The disclosure in the Item 6 chart, entitled "**Termination Fee**," is deleted in its entirety.

2. **Renewal, Termination, Transfer and Dispute Resolution**. The following is added to the end of the chart in Item 17:

Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement will in any way abrogate or reduce any of your rights under the Minnesota Franchises Law, including, if applicable, the right to submit matters to the jurisdiction of the courts of Minnesota.

Any release as a condition of renewal and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

NEW YORK

1. The following paragraphs are added to the state cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES

NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

WE MAY, IF WE CHOOSE, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, WE CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to us, our predecessor, our parent, affiliates, the persons identified in Item 2, or an affiliate offering franchises under our *principal trademark*:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations. In addition, no such party has civil actions pending against that party, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

B. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices; or comparable allegations.

C. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined

in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Except as provided above, with regard to us, our affiliate, our predecessor, officers or general partners, or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this Disclosure Document, no such party, has during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; or (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

5. The following is added to the end of the "Summary" section of Item 17(j), entitled **Assignment of contract by franchisor**:

No assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement.

6. The following is added to the end of the "Summary" sections of Item 17(v), entitled **Choice of forum**, and Item 17(w), entitled **Choice of law**:

> However, the governing choice of law and choice of forum should not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

1. The section of the Item 6 chart, entitled **Termination Fee**, is deleted in its entirety.

2. The following is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

> However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The following is added to the end of the "Summary" section of Item 17(r), entitled **Non-competition covenants after the franchise is terminated or expires**:

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

4. The following is added to the end of the "Summary" section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**:

> To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

5. The "Summary" section of Item 17(v), entitled **Choice of forum**, is deleted and replaced with the following:

> Litigation must be exclusively in the state or federal court which is closest to our then current principal place of business is located (currently Plymouth, Michigan), except that, subject to your arbitration obligation, and to the extent required by North Dakota Franchise Investment Law you may bring an action in North Dakota.

6. The "Summary" section of Item 17(w), entitled **Choice of law**, is deleted and replaced with the following:

> Except as otherwise required by North Dakota law, the laws of the State of Michigan will apply.

RHODE ISLAND

1. The following language is added to the end of the "Summary" sections of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of law**:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

VIRGINIA

1. The following language is added to the end of the "Summary" section of Item 17(e), entitled **Termination by franchisor without cause**:

> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON

1. The following statement is added to Item 5 at the end of the paragraph under the section heading **Referral Fee**:

> Persons who receive financial incentives to refer franchise prospects to us may be required to register as franchise brokers under the laws of some states.

2. The following paragraph is added at the end of Item 17:

> If any of the provisions in this Franchise Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of Revised Code of Washington Section 19.100.180 or any other requirements of the Washington Franchise Investment Protection Act (the "Act"), the provisions of the Act will prevail over the inconsistent terms of the Franchise Disclosure Document or Franchise Agreement.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

RIDER TO THE ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located in Illinois, and/or (b) you are domiciled in Illinois.

2. **GOVERNING LAW**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

> H. **GOVERNING LAW. ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES.**

3. **CONSENT TO JURISDICTION**. Section 17.I of the Franchise Agreement is deleted in its entirety.

4. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. The following language is added to the end of Section 17.J of the Franchise Agreement:

> **HOWEVER, THIS SECTION SHALL NOT ACT AS A CONDITION, STIPULATION OR PROVISION PURPORTING TO BIND ANY PERSON ACQUIRING ANY FRANCHISE TO WAIVE COMPLIANCE WITH ANY PROVISION OF THE ILLINOIS FRANCHISE DISCLOSURE ACT AT SECTION 705/41 OR ILLINOIS REGULATIONS AT SECTION 200.609.**

5. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. Section 17.N of the Franchise Agreement is deleted and replaced with the following:

> **N. CLASS ACTION BAR AND LIMITATIONS OF CLAIMS. WE AND YOU AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT. EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US OR ANY OF OUR AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS. HOWEVER, NOTHING CONTAINED IN THIS SECTION SHALL CONSTITUTE A CONDITION, STIPULATION, OR PROVISION PURPORTING TO BIND ANY PERSON TO WAIVE COMPLIANCE WITH ANY PROVISION OF THE ILLINOIS FRANCHISE DISCLOSURE ACT OR ANY OTHER LAW OF THE STATE OF ILLINOIS, TO THE EXTENT APPLICABLE.**

6. **CONSTRUCTION.** The first paragraph of Section 17.O of the Franchise Agreement is deleted and replaced with the following:

> O. **CONSTRUCTION**. The preambles and exhibits are a part of this Agreement which, together with the System Standards (which may be periodically modified, as provided in Sections 4.C., 8.G., and 17.M. above), constitutes our and your entire agreement. Other than our representations in the Franchise Disclosure Document you received from us, there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your Center (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us. Except as provided in Sections 16.D. and 17.G., nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

7. **ILLINOIS FRANCHISE DISCLOSURE ACT**. The following language is added as Section 17.P of the Franchise Agreement:

P. **ILLINOIS FRANCHISE DISCLOSURE ACT**. Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of Illinois is void.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Maryland, and/or (b) the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located in Maryland.

2. **NON-WAIVER**. The following is added to the end of Section 1.B of the Franchise Agreement:

> To the extent so required by applicable law, these acknowledgments are not intended to act, nor shall they act, as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. **RELEASES.** The following is added to the end of Sections 12.C(11), 12.D, 13.C and 15.E of the Franchise Agreement:

> Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **INSOLVENCY**. The following is added to the end of Sections 14.B(16) and 14.B(17) of the Franchise Agreement:

> ; however, we and you acknowledge that certain aspects of this provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

5. **GOVERNING LAW**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

> H. **GOVERNING LAW**. **ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES**

FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) TO THE EXTENT REQUIRED BY APPLICABLE LAW, MARYLAND LAW WILL APPLY TO CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

6. **CONSENT TO JURISDICTION**. Section 17.I of the Franchise Agreement is deleted and replaced with the following:

I. **CONSENT TO JURISDICTION**. **SUBJECT TO SECTION 17.G. ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NOTWITHSTANDING THE FOREGOING, YOU MAY BRING AN ACTION IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.**

7. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.N of the Franchise Agreement:

; PROVIDED, HOWEVER, THAT THIS LIMITATION OF CLAIMS SHALL NOT ACT TO REDUCE THE 3 YEAR STATUTE OF LIMITATIONS AFFORDED YOU FOR BRINGING A CLAIM UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RELEASES.** The following is added to the end of Sections 12.C(11), 12.D, 13.C and 15.E of the Franchise Agreement:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **RENEWAL AND TERMINATION**. The following is added to the end of Sections 13 and 14.B of the Franchise Agreement:

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

4. **TERMINATION FEE**. Section 14.A(2) of the Franchise Agreement is deleted in its entirety.

5. **GOVERNING LAW**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

> H. **GOVERNING LAW**. **ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND**

YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF YOUR RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR YOUR RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

6. **CONSENT TO JURISDICTION**. Section 17.I of the Franchise Agreement is deleted and replaced with the following:

I. **CONSENT TO JURISDICTION**. **SUBJECT TO SECTION 17.G. ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT US, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY OF YOUR RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR YOUR RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.**

7. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. If and then only to the extent required by the Minnesota Franchises Law, Section 17.J of the Franchise Agreement is deleted.

8. **DAMAGES**. The following language is added to the end of Section 17.K of the Franchise Agreement:

> We and you acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, we and you agree to enforce the provision to the extent the law allows.

9. **INJUNCTIVE RELIEF**. Section 17.L of the Franchise Agreement is deleted and replaced with the following:

> L. **INJUNCTIVE RELIEF**. Nothing in this Agreement, including the provisions of Section 17.G, bars our right to seek specific performance of the provisions of this Agreement and injunctive relief against threatened or actual conduct that will cause us, the Marks and/or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions (subject to our obligation to arbitrate the underlying claim if required by Section 17.G). You agree that we may seek such injunctive relief in addition to such further or other relief as may be available at law or in equity. You agree that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

10. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.N of the Franchise Agreement:

> **; PROVIDED, HOWEVER, THAT MINNESOTA LAW PROVIDES THAT NO ACTION MAY BE COMMENCED UNDER MINN. STAT. SEC. 80C.17 MORE THAN 3 YEARS AFTER THE CAUSE OF ACTION ACCRUES.**

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE
ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT FOR USE IN THE
STATE OF NEW YORK

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___, (the "Franchise Agreement") that has been signed concurrently with this Rider. This Rider is being signed because (a) your are domiciled in the State of New York and the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located in New York, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in New York.

2. **TRANSFER BY US**. The following language is added to the end of Section 12.A of the Franchise Agreement:

> However, to the extent required by applicable law, no transfer will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. **RELEASES**. The following language is added to the end of Sections 12.C(11), 12.D, 13.C and 15.E of the Franchise Agreement:

> Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

4. **TERMINATION OF AGREEMENT - BY YOU**. The following language is added to the end of Section 14.A of the Franchise Agreement:

> You also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

5. **GOVERNING LAW**. The following statement is added to the end of Section 17.H of the Franchise Agreement:

THIS SECTION SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON YOU BY THE PROVISIONS OF ARTICLE 33 OF THE NEW YORK STATE GENERAL BUSINESS LAW, AS AMENDED, AND THE REGULATIONS ISSUED THEREUNDER.

6. **CONSENT TO JURISDICTION**. The following is added to the end of Section 17.I of the Franchise Agreement:

THIS SECTION SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON YOU BY THE PROVISIONS OF ARTICLE 33 OF THE NEW YORK STATE GENERAL BUSINESS LAW, AS AMENDED, AND THE REGULATIONS ISSUED THEREUNDER.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of North Dakota and the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located or operated in North Dakota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in North Dakota.

2. **RELEASES**. The following is added to the end of Sections 12.C(11), 12.D, 13.C and 15.E of the Franchise Agreement:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. **TERMINATION FEE**. Section 14.A(2) of the Franchise Agreement is deleted in its entirety.

4. **COVENANT NOT TO COMPETE**. The following is added to the end of Section 15.D of the Franchise Agreement:

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

5. **ARBITRATION**. The first paragraph of Section 17.G of the Franchise Agreement is amended to read as follows:

> G. **ARBITRATION**. We and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective owners, officers, directors, agents, and employees on the one hand, and you (and your owners, guarantors, affiliates, and/or employees), on the other hand, arising out of or related to:
>
> (1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates);

(2) our relationship with you;

(3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any such agreements (including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or

(4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our then-current principal place of business (currently, Plymouth, Michigan); provided, however, that to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which we and you mutually agree. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

6. **GOVERNING LAW**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

H. **GOVERNING LAW**. **ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW AND EXCEPT AS OTHERWISE REQUIRED BY NORTH DAKOTA LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.**

7. **CONSENT TO JURISDICTION**. Section 17.I of the Franchise Agreement is deleted and replaced with the following:

> I. **CONSENT TO JURISDICTION**. **SUBJECT TO SECTION 17.G. ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, AND SUBJECT TO YOUR ARBITRATION OBLIGATIONS, YOU MAY BRING AN ACTION IN NORTH DAKOTA FOR CLAIMS ARISING UNDER THE NORTH DAKOTA FRANCHISE INVESTMENT LAW.**

8. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. To the extent required by the North Dakota Franchise Investment Law, Section 17.J of the Franchise Agreement is deleted.

9. **DAMAGES**. The following language is added to the end of Section 17.K of the Franchise Agreement:

> We and you acknowledge that certain parts of this provision might not be enforceable under the North Dakota Franchise Investment Law. However, we and you agree to enforce the provision to the extent the law allows.

10. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.N of the Franchise Agreement:

> **THE STATUTES OF LIMITATIONS UNDER NORTH DAKOTA LAW APPLIES WITH RESPECT TO CLAIMS ARISING UNDER THE NORTH DAKOTA FRANCHISE INVESTMENT LAW.**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Rhode Island and the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.

2. **GOVERNING LAW/CONSENT TO JURISDICTION**. The following language is added to Section 17.H and 17.I of the Franchise Agreement:

> **SECTION 19-28.1-14 OF THE RHODE ISLAND FRANCHISE INVESTMENT ACT PROVIDES THAT "A PROVISION IN A FRANCHISE AGREEMENT RESTRICTING JURISDICTION OR VENUE TO A FORUM OUTSIDE THIS STATE OR REQUIRING THE APPLICATION OF THE LAWS OF ANOTHER STATE IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THIS ACT."**

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLEGRA NETWORK LLC
FRANCHISE AGREEMENT
FOR USE IN WASHINGTON

THIS RIDER is by and between **ALLEGRA NETWORK LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Washington; and/or (b) the ***Allegra***® Center, ***American Speedy***® ***Printing*** Center or ***Insty-Prints***® Center that you will operate under the Franchise Agreement will be located or operated in Washington; and/or (c) you accepted the offer for the sale of the ***Allegra***®, ***American Speedy***® ***Printing*** or ***Insty-Prints***® franchise in Washington.

2. **WASHINGTON LAW**. The following paragraphs are added to the end of the Franchise Agreement:

In recognition of the requirements of the Washington Franchise Investment Protection Act (the "Act") and the rules and regulations promulgated thereunder, this Agreement shall be modified as follows:

The State of Washington has a statute, RCW 19.100.180, which might supersede this Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There might also be court decisions which supersede this Agreement in your relationship with us, including termination and renewal of your franchise.

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

In the event of a conflict of laws, to the extent required by the Act, the provisions of the Act, Chapter 19.100 RCW, shall prevail.

To the extent required by the Act, a release or waiver of rights executed by you shall not include rights under the Act, except when executed pursuant to a negotiated settlement after this Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act, such as a right to a jury trial, might not be enforceable.

To the extent required by the Act, transfer fees are collectable to the extent that they reflect our reasonable estimate or actual costs in effecting a transfer.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLEGRA NETWORK LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

NEW YORK REPRESENTATIONS PAGE

FRANCHISOR REPRESENTS THAT THIS FRANCHISE DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

EXHIBIT S

RECEIPTS

RECEIPT
(OUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Allegra Network LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Allegra Network LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Under New York law, we must provide this disclosure document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Allegra Network LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is Allegra Network LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466. Tel: (248) 596-8600. The franchise seller for this offering is:

❑ Anne Nemer
Allegra Network LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ _____
Allegra Network LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ Name of Franchise Seller: _____
Principal Business Address: _____
_____
Telephone No.: _____

Issuance Date: March 28, 2019, as amended July 2, 2019.

See Exhibit A for Allegra Network LLC's registered agents authorized to receive service of process.

I have received a disclosure document dated March 28, 2019, as amended July 2, 2019 that included the following Exhibits:

Exhibit "A" -	State Administrators/Agents for Service of Process	Exhibit "K" -	Secured Promissory Note
Exhibit "B" -	Franchise Agreement	Exhibit "L" -	Office365 Enrollment Form
Exhibit "C" -	Application for Franchise	Exhibit "M" -	Franchisees
Exhibit "D" -	Guaranty and Assumption of Obligations	Exhibit "N" -	Franchisees Ceasing to Operate
Exhibit "E" -	Confidentiality and Non-Solicitation Agreement	Exhibit "O" -	Financial Statements
Exhibit "F" -	Representations and Acknowledgement Statement	Exhibit "P" -	Table of Contents to Operations Materials
Exhibit "G" -	Advantage Addendum to Franchise Agreement	Exhibit "Q" -	Sample General Release
Exhibit "H" -	MatchMaker Addendum to Franchise Agreement	Exhibit "R" -	State Addenda and Agreement Riders
Exhibit "I" -	Transition Addendum to Franchise Agreement	Exhibit "S" -	Receipts
Exhibit "J" -	Dual-Brand Addendum to Franchise Agreements		

_____	_____	_____
Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name

Please sign this copy of the receipt, print the date on which you received this disclosure document, and return it, by mail or facsimile, to Legal Department, Allegra Network LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466. Phone: (800) 726-9050, Facsimile: (800) 669-1228.

RECEIPT
(YOUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Allegra Network LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Allegra Network LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Under New York law, we must provide this disclosure document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Allegra Network LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is Allegra Network LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466. Tel: (248) 596-8600. The franchise seller for this offering is:

❑ Anne Nemer
Allegra Network LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ _____
Allegra Network LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ Name of Franchise Seller: _____
Principal Business Address: _____
_____
Telephone No.: _____

Issuance Date: March 28, 2019, as amended July 2, 2019.

See Exhibit A for Allegra Network LLC's registered agents authorized to receive service of process.

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Exhibit "I" -	Transition Addendum to Franchise Agreement	Exhibit "S" -	Receipts
Exhibit "J" -	Dual-Brand Addendum to Franchise Agreements		

_____	_____	_____
Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name

PLEASE SIGN THIS COPY OF THE RECEIPT, PRINT THE DATE ON WHICH YOU RECEIVED THIS DISCLOSURE DOCUMENT AND KEEP IT FOR YOUR RECORDS.