FRANCHISE DISCLOSURE DOCUMENT

CELLAIRIS®

Cellairis Franchise, Inc
6485 Shiloh Road
Building B, Unit # 100
Alpharetta, GA 30005
(678) 513-4020
franchiseinfo@cellairis com
www cellairis com

The franchisee will sell wireless device accessories including cellular telephone accessories and related services such as cell phone and wireless device repair from one of three types of outlets The three types of outlets are (1) a Retail Merchandising Unit (an **"RMU"**), (2) an Interactive Kiosk, or (3) a Full Store

The total investment necessary to begin operation of (1) a Cellairis RMU franchise ranges from $58,110 to $149,970, (2) an Interactive Kiosk franchise ranges from $102,310 to $221,470, and (3) a Full Store franchise ranges from $204,440 to $389,925 This includes (1) $25,760 to $87,920 that must be paid to the franchisor or its affiliate for an RMU, (2) $63,460 to $146,920 that must be paid to the franchisor or its affiliate for an Interactive Kiosk, and (3) $142,560 to $272,920 that must be paid to the franchisor or its affiliate for a Full Store

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English Read this Disclosure Document and all accompanying agreements carefully You must receive this Disclosure Document 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 governmental agency has verified the information contained in this document**

The terms of your contract will govern your franchise relationship Do not rely on the Disclosure Document alone to understand your contract Read all of your contract carefully Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant

Buying a franchise is a complex investment The information in this Disclosure Document can help you make up your mind More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D C 20580 You can also visit the FTC's home page at www ftc gov 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 April 14, 2017

STATE COVER PAGE

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

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

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

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE CERTAIN DISPUTES WITH US BY ARBITRATION ONLY AT A SUITABLE LOCATION WITHIN THE BOUNDARIES OF THE CITY OF ATLANTA OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES WE HAVE THE RIGHT TO BRING CERTAIN ACTIONS, CLAIMS, AND SUITS IN THE FEDERAL OR STATE COURT IN GEORGIA IT MAY COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN GEORGIA THAN IN YOUR OWN STATE

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

3 AT THE FRANCHISOR'S DISCRETION, YOUR SPOUSE AND EACH SPOUSE OF THE FRANCHISE OWNERS/PARTNERS/MEMBERS MAY BE REQUIRED TO SIGN A PERSONAL GUARANTY TO THE FRANCHISE AGREEMENT AND SUB-LICENSE AGREEMENT MAKING THEM JOINTLY AND SEVERALLY LIABLE FOR ALL DEBTS AND OBLIGATIONS OF THE FRANCHISE WHETHER THEY ARE INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS THIS REQUIREMENT PLACES THE PERSONAL AND MARITAL ASSETS OF YOU, YOUR SPOUSE, AND YOUR OWNERS AT RISK

4 YOU MUST OPERATE THE FRANCHISE ONLY AT THE LOCATION SPECIFIED WHEN THE FRANCHISE IS PURCHASED IF YOU

SUBSEQUENTLY LOSE THE RIGHT TO OPERATE AT THE ORIGINAL LOCATION, WE HAVE THE RIGHT TO TERMINATE YOUR FRANCHISE

5 YOU DO NOT RECEIVE AN EXCLUSIVE TERRITORY WE MAY ESTABLISH COMPANY OWNED AND FRANCHISED OR LICENSED OUTLETS ANYWHERE, AND MAY ESTABLISH OTHER CHANNELS OF DISTRIBUTION AND SELL OR DISTRIBUTE ANY PRODUCT OR SERVICE TO THE GENERAL PUBLIC, UNDER THE SAME AND/OR DIFFERENT TRADEMARK, IN COMPETITION WITH YOU

6 YOU MUST PAY ROYALTY FEES OF AT LEAST $1,000 PER MONTH FOR YOUR FIRST YEAR, $1,050 PER MONTH FOR YOUR SECOND YEAR, $1,100 PER MONTH FOR YOUR THIRD YEAR, $1,150 PER MONTH FOR YOUR FOURTH YEAR, AND $1,200 PER MONTH FOR YOUR FIFTH YEAR, EVEN IF THE FRANCHISE HAS NO REVENUE

7 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We use the service 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 make sure to do your own investigation of the franchise

Effective Date See the next page for state effective dates

ATTACHMENT "1"
STATE EFFECTIVE DATES

The effective dates of registration of this Disclosure Document or exemption in the states listed below are

California	________, 2017
Connecticut	April 2, 2008
Florida	________, 2017
Hawaii	________, 2017
Illinois	________, 2017
Indiana	________, 2017
Kentucky	May 19, 2006
Maryland	________, 2017
Michigan	________, 2017
Minnesota	________, 2017
Nebraska	May 16, 2006
New York	________, 2017
North Dakota	________, 2017
Rhode Island	________, 2017
South Carolina	April 11, 2008
South Dakota	________, 2017
Texas	June 5, 2006
Utah	________, 2017
Virginia	________, 2017
Washington	________, 2017
Wisconsin	________, 2017

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of April 14, 2017

FOR TRANSACTIONS REGULATED 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 MAY BE VOID AND MAY NOT BE ENFORCEABLE AGAINST YOU

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

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

(C) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause Good cause shall include the failure of the franchisee to comply with any lawful provisions of the franchise agreement and to comply with any lawful provisions 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 franchised 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 franchise 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 franchisors 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

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EXHIBITS

Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

THE FRANCHISOR, ITS AFFILIATES AND THE FRANCHISE

The franchisor is Cellairis Franchise, Inc and is referred to in this Disclosure Document as "we", "us", or "Cellairis" The person who buys a Cellairis® franchise is referred to as "you" in this Disclosure Document If you are a corporation, limited liability company, or other legal entity that affords protection from liability, certain provisions in the agreements described in this Disclosure Document also apply to your owners by virtue of our requirement that owners personally guarantee your obligations under the agreements

We are the owner of a system (the "**System**") for the operation of Cellairis® branded retail merchandise units (**"Cellairis Business Units"**) Cellairis Business Units have multiple business formats which we may add to, delete and modify from time to time The current formats of Cellairis Business Units include (i) movable display centers which hold and display Products (defined below) on all four sides, where an employee who operates the cart is free to move around all four sides of the unit and is not confined behind a counter (each an "**RMU**" and also referred to as "**cart**"), (ii) Cellairis® retail interactive kiosks with four sides of products in display cases operated with an employee behind a counter with storage space behind the counter, thereby allowing this type of unit to hold and display approximately 50% more Products than the RMU (each an "**Interactive Kiosk**"), (iii) Cellairis® branded traditional full retail stores which may be in-line with other stores and are likely to be operated in a shopping mall, freestanding building, or in an in-line retail plaza such as a lifestyle center or strip center, as opposed to being located in the common area or middle of the mall, and such unit will offer a larger assortment of wireless device accessories and will offer the Services including wireless device repair (each a "**Full Store Unit**"), and (iv) Cellairis® branded retail units, which are operated within the building of, and/or on the premises of, another retailer which will often be a "big box" or mass market retail store, selected by us (each a **"Store-in-Store Outlet"** or **"Store-in-Store Business Unit"**) We have developed the System for the operation of the Store-in-Store Outlets, but an affiliate of ours, Cellairis SNS, LLC, will operate as the "franchisor" for the Store-in-Store Outlets Interactive Kiosks and RMUs are collectively referred to as **"Mall Units"** and Mall Units and Full Store Units are collectively referred to in this Disclosure Document as "**Business Units**"

We offer franchises for the operation of Mall Units and Full Store Units under this Disclosure Document Our affiliate, Cellairis SNS (defined below), offers franchises for Store-in-Store Outlets under a separate Disclosure Document Cellairis SNS also uses a different form of franchise agreement to grant Store-in-Store Outlet franchises (If we refer to the other types of Cellairis Business Units we will refer to the specific type, or we will refer to all types, including Store-in-Store Outlets, collectively as "**Cellairis Business Units** ")

The **Business Units** specialize in the sale of wireless device accessories including cellular telephone accessories, Parts (defined below) and other related products (the **"Products"**) and specified services including cellular telephone and wireless device repair, warranties, product guaranties, and replacement services (collectively the "**Services**"), as well as the use and sale of parts and equipment necessary to perform the Services (collectively the "**Parts**") under marks licensed and authorized for use in the Business Units, including the "Cellairis" ® mark (the **"Marks"**)

As of December 31, 2016 we had 62 Store-in-Store Outlets in operation As of December 31, 2016 we had 431 franchised Full Store Units and Mall Units in operation, and we had 13 company-owned or affiliate-owned Full Store Units and Mall Units in operation

We were organized as an S-corporation in Georgia on August 9, 2005 We do not do business under any other name Our principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 The name and address of our agent for service of process is stated on **Exhibit "C"** to this Disclosure Document We have a parent company, JJT Holdings, LLC and we have no predecessor but we have an affiliated distributor of products See the description of Global Cellular, Inc below We have never offered any other franchise and we do not operate any Business Units for this franchise We have been offering franchises for Mall Units since April 27, 2006, Full Store Units since March 28, 2013, and Store-in-Store Outlets since October 31, 2014

Our parent company is JJT Holdings, LLC ("**JJT**"), which is a Georgia limited liability company, formed on March 29, 2013 JJT's principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 JJT has never offered franchises in any line of business, and does not and has not operated Cellairis Business Units JJT does not do business under any name other than its entity name

We have an affiliate called Global Cellular, Inc (**"Global Cellular"**) and it is an S-corporation that was formed in the year 2000 in Georgia Global Cellular will sell Products and Parts needed to perform the Services to the individual franchisees Sometimes, Global Cellular obtains the locations for our franchisees Business Units and sub-licenses the locations for the Business Units to our franchisees Global Cellular's principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 Global Cellular may also sell the same or similar Products and Parts to other retailers Global Cellular has owned and operated Cellairis Business Units of the type to be operated by franchisees since 2006 and as of December 31, 2016 owned and operated 3 Business Units Global Cellular has not offered franchises for this business or any other type of business

We have a second affiliate called Cellairis WM, LLC ("**Cellairis WM**") and it is a limited liability company that was formed in 2014 in Georgia Cellairis WM's principal purpose is to obtain the locations for our Store-in-Store Outlet franchisees and then sub-license the locations to the Store-in-Store Outlet franchisees Cellairis WM's principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 Cellairis WM has not offered franchises for this business or any other type of business

We have a third affiliate called CPT Merchant Provider, Inc ("**CPT**") and it is an S-corporation that was formed in April 2015 in Georgia CPT is in the business of payment processing and related services CPT's principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 CPT will facilitate payment processing and related services for our franchisees CPT has not offered franchises for this business or any other type of business

We have a fourth affiliate called Vendor DP, LLC ("**Vendor DP**"), and it is a limited liability company that was formed in June 2015 in Georgia Vendor DP's principal role is to manage and administer our and Global Cellular's relationships with third-party manufacturers and suppliers of Products, Parts, and other products that may be utilized in, or sold at, Cellairis Business Units Vendor DP may function as a broker in the sale of products to our franchisees Vendor DP may also negotiate supply arrangements with the third-party manufacturers and suppliers for the sale and distribution of products to franchisees, and may sell products to our franchisees Vendor DP's principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 Vendor DP has not offered franchisees for this business or any other type of business

We have a fifth affiliate called Recycle Trader, LLC (**"Recycle Trader"**), and it is a limited liability company that was formed in June 2015 in Georgia Recycle Trader is an entity that will purchase and sell used, recycled, and refurbished communications, technology, audio and video products, such as cellular telephones, other wireless devices, tablets, laptops and accessories, as well as the parts and components We expect that some of our franchisees will sell products or parts to Recycle Trader, and/or will engage in barter or exchange transactions with Recycle Trader involving the furnishing of broken or used equipment and the receipt of credits for future transactions or repaired or refurbished products Recycle Trader's principal place of business is 6485 Shiloh Road, Building B, Unit #100, Alpharetta, Georgia 30005 Recycle Trader has not offered franchises for this business or any other type of business

Our affiliates through common ownership that offer franchises are the following

We have a sixth affiliate called Cellairis SNS, LLC ("**Cellairis SNS**") Cellairis SNS is a Georgia limited liability company that was formed in March 2015 with its principal place of business at 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005 Cellairis SNS was formed to be the franchisor of the Cellairis Store-in-Store Outlets in the United States As of December 31, 2016, there were 62 Store-in-Store Outlets Cellairis SNS has not offered any franchises in any other type of business Cellairis SNS has not operated this or any other type of business

We have a seventh affiliate called Cellairis Franchise Canada, Inc ("**Cellairis Canada**") Cellairis Canada is a Georgia Corporation that was formed in March 2010 with its principal place of business at 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005 Cellairis Canada was formed to be the franchisor of the Cellairis System in Canada As of December 31, 2016, there were 2 franchisee-owned Business Units open and operating in Canada Cellairis Canada has not offered any franchises in any other type of business Cellairis Canada has not operated this or any other type of business

We have an eighth affiliate called Cellairis Franchise México, S de R L de C V (**"Cellairis Mexico"**) and it is a Mexican Corporation that was formed in 2012 Cellairis Mexico's principal place of business is 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005 Cellairis Mexico was formed to be the master franchisor of the Cellairis System in Mexico to offer master franchise rights As of December 31, 2016, Cellairis Mexico has 2 master franchise agreements in Mexico Cellairis Mexico has not offered any franchises in any other type of business Cellairis Mexico has not operated this or any other type of business

We have a ninth affiliate called Cellairis Franchise International, Inc (**"Cellairis International"**) and it is a Georgia Corporation that was formed in September 2012 Cellairis International's principal place of business is 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005 Cellairis International was formed to be the master franchisor of the Cellairis System throughout the world to offer master franchise rights and to be the franchisor in countries where master franchise rights are not being granted As of December 31, 2016, Cellairis International entered a master franchise agreement for multiple countries in the Middle East (UAE, Qatar, Bahrain, Kuwait, Saudi Arabia, Lebanon, and Oman), for multiple malls located in the State of Rio de Janerio in Brazil, for the country of Ecuador, and a master franchise agreement for the country of Chile As of December 31, 2016, Cellairis International entered into 3 franchise agreements for the operation of Business Units in the country of Jamaica Cellairis International has not offered any franchises in any other type of business Cellairis International has not operated this or any other type of business

Except as described above, we have no parents, predecessors, or affiliates required to be included in this Item

The business you will operate under the franchise agreement (**Exhibit "D"**) is a retail Business Unit that sells an assortment of wireless device accessories and replacement parts, including premium faceplates, batteries, antennas, travel chargers, home chargers, holsters, hands free units, leather cases and other products that fit or work with a variety of wireless devices as well as wireless device repair services and related services A Mall Unit may also be able to offer Services such as wireless device repair in full or on a limited basis depending on the size of the unit and the terms of the lease or license for the premises In exchange for the operation of a Mall Unit or Full Store Unit, you agree to pay certain royalties and to operate the franchise in strict compliance with our standards and procedures

COMPETITION AND THE MARKET

The market served will be the general public Your primary competition will be kiosks and inline businesses that are selling products and services that are similar to the Products and Services These competitive businesses may be located in various locations including strip centers, mall kiosks and mall inline businesses, as well as stores operated by or on behalf of local and long distance carriers, retail stores selling telephone accessories and/or wireless device repair services, big box retailers (such as Best Buy, Office Max, *etc*), mass market stores (such as Wal-Mart, Target, *etc*) (which may include stores owned or franchised and operating as a Store-in-Store Outlet as described above), and other such outlets, such as pharmacies and grocery stores which incidentally sell wireless device accessories, department stores, clothing stores that also sell wireless device accessories, and e-commerce websites Additionally, as the primary location of your franchise may be in a shopping mall, the ebb and flow of mall traffic will likely have an effect on sales Also, depending on the location of your Business Unit, including whether it is located in a strip center, lifestyle center, or other location, the ebb and flow of customer traffic will likely have an effect on sales A lifestyle center may have more customer traffic throughout the center due to a diverse selection of stores including clothing stores, boutiques, restaurants, specialty retail shops, and sometimes movie theatres A strip center may have less customer traffic as adjacent stores are more likely to include grocery stores, small restaurants, pharmacies, and big-box retailers that are one-stop customer destinations that do not create the same level of customer browsing and traffic amongst the adjacent stores Further, in the recent past, it has been shown that changes in technology occur swiftly, as does changes in consumer demand and such factors may affect inventory and sales

INDUSTRY-SPECIFIC REGULATIONS

In addition to laws and regulations that apply to businesses generally such as workers' compensation, corporate, tax, you may be subject to various federal, state and local government regulations including those relating to construction, site location, and the repair of electronic devices For instance, in California, wireless device repair businesses are required to register as electronic service dealers with the California Bureau of Electronic and Appliance Repair (BEAR) In some states, consumer protection statutes may impose requirements on businesses that repair electronic products, including cellular telephones Some states may impose requirements on the use, disposal or recycling of products There may be similar registration or licensing requirements, consumer protection restrictions or rules (such as invoice, notice and/or estimate requirements) within the state and locality where your franchise will be located To the best of our knowledge, we are not aware of any uniform nationwide laws and regulations that are specific to the industry in which our franchised business operates or that address all of the aspects of the franchised business It is your responsibility to further investigate and comply with all laws and regulations within the state and locality where your franchise will be located

Item 2

BUSINESS EXPERIENCE

Kostantinos R Skouras, Chief Executive Officer

Mr Skouras became our President when we organized in August of 2005, and for the next nine years Mr Skouras has held a number of offices, becoming CEO in January 2014 In April of 2000, Mr Skouras founded Global Cellular, located in Alpharetta, Georgia, along with Mr Joseph D Brown and Mr Jaime R Brown Since its founding, Mr Skouras has been the President of Global Cellular, was named Chief Executive Officer and Chief Financial Officer in March 2010, and in October 2014 he returned to his role as the CEO Mr Skouras is also a founder of JJT, and has been a Manager of JJT since April 2013

Joseph D Brown, Chief Product Officer

Mr Brown became our Executive Vice President and Treasurer when we organized in August of 2005, and for the next nine years Mr Brown has held a number of offices, becoming the Chief Product Officer in October 2014 In April of 2000, Mr Brown founded Global Cellular, located in Alpharetta, Georgia, along with Mr Kostantinos Skouras and Mr Jaime R Brown Since its founding, Mr Brown has been the Vice President and Secretary of Global Cellular, was named President in March 2010, and in October 2014 he was named Chief Product Officer Mr Joseph Brown is the brother of Mr Jaime Brown Mr Brown is also a founder of JJT, and has been a Manager of JJT since April 2013

Jaime R Brown, Chief Franchise Officer

Mr Brown became our Executive Vice President and Secretary when we organized in August of 2005, and for the next nine years Mr Brown has held a number of offices, becoming the Chief Franchise Officer in October 2014 In April of 2000, Mr Brown founded Global Cellular, located in Alpharetta, Georgia, along with Mr Kostantinos Skouras and Mr Joseph D Brown Since its founding, Mr Brown has been the Vice-President and Treasurer of Global Cellular, was named Chief Operating Officer in March 2010, and in October 2014 he was named Chief Real Estate Officer Mr Joseph Brown is the brother of Mr Jaime Brown Mr Brown is also a founder of JJT, and has been a Manager of JJT since April 2013

Robert Jackness, Chief Technical Officer

Mr Jackness became our Chief Technical Officer and Global Cellular's Chief Technical Officer in May 2009

Kenneth Taylor, Chief Financial Officer and Chief Operating Officer

Mr Taylor became our Chief Financial Officer and Chief Operating Officer in January 2017 Since February 2009, he has also served as a board member for Thanks Again, Inc , located in Tyrone, Georgia From June 2012 to June 2013, he also served as Acting Chief Financial Officer for Thanks Again, Inc , in Tyrone, Georgia Mr Taylor was our Chief Financial Officer from July 2013 to August 2015, whereby he also held other offices, but always maintaining his role as Chief Financial Officer From November 2009 to May 2012, he served as Chief Financial Officer and Chief Operations Officer for Anisa International, Inc , located in Atlanta, Georgia

Jeffrey Nestinger, Vice President of Franchising

Mr Nestinger started working for us in August 2005 as Retail Operations Manager and in June 2011 he became the Vice President of Franchising In August 2000, he started working for Global Cellular and in June 2011 he became the Vice President of Franchising

Marinos, Stamoules, Director of Franchise Operations

Mr Stamoules started working for us in July 2010 and he became our Director of Franchise Operations in August 2014, and prior to that, he has held a number of different positions including Director of Franchise Support, Franchise Support Manager, Franchise Support Representative, and Account Representative

Joseph Ciardullo, Chief Marketing Officer

Mr Ciardullo has been our Vice President of Marketing and Sales since January 2016, and starting in January 2017, Mr Ciardullo became our Chief Marketing Officer From August 2015 until December 2015, Mr Ciardullo was a self-employed consultant in Atlanta, Georgia From November 2013 until July 2015, Mr Ciardullo was the Director of Customer Marketing for Yellow Pages in Atlanta, Georgia From August 2010 until October 2013, Mr Ciardullo was our Chief Marketing Officer

Jason Adler, Esq , Vice President, Secretary, and General Counsel

Mr Adler has served as our Vice President and General Counsel since July 2010 and in January 2014 he was also named Secretary

Item 3

LITIGATION

Pending Action - Other

Samaca, LLC v Cellairis Franchise, Inc , Global Cellular, Inc , and Cell Phone Mania, LLC, Superior Court of Fulton County, State of Georgia, Case No 2016-CV-276036, filed June 3, 2016

This lawsuit was filed against Cellairis, Global Cellular, and an unrelated party by a former franchisee, whereby the Complaint asserted the following causes of action (i) Rescission of Agreements Due to Indefiniteness and Lack of Meeting of the Minds, (ii) Money Had and Received, (iii) Action Under Florida's Deceptive and Unfair Trade Practices Act, Fla §§ 501 201 to 501 213 – Alternatively, Action for Breach of Legal Duty Under O C G A § 51-1-6 – for Violation of FTC Franchise Rule, (iv) Violation of Florida Franchise Act, Fla Stat § 817 416(2)(A)1 (Intentional Misrepresentation of Prospects for Success), (v) Violation of Florida Franchise Act, Fla Stat § 817 416(2)(A)2 (Misrepresentation and Failure to Disclose the Required Total Investment), (vi) Rescission for Fraudulent Inducement, and (vii) Rescission for Negligent Misrepresentation On August 5, 2016, Defendants Global Cellular, Inc and Cellairis Franchise, Inc filed a Motion to Dismiss Complaint and to Compel Arbitration and on February 7, 2017 the Court Granted Cellairis and Global Cellular's Motion to Dismiss Complaint and Compel Arbitration On February 27, 2017, the former franchisee filed a Notice of Appeal with the Court of Appeals for the State of Georgia, and the appeal is pending

Affiliate Pending Actions – Other

Young Accessories, Inc v Cellairis Franchise Canada, Inc , Ontario (Canada) Superior Court of Justice, Court File No CV-16-6634, filed November 1, 2016

A Cellairis franchisee brought an action against Cellairis Canada requesting a return of a deposit, lost profits, expenses in removing its forces and equipment for a franchised location in Alberta, Ontario, Canada As of February 15, 2017, the lawsuit has not been served upon Cellairis Canada

Katelyn Falchetta and Brittany Trujillo v Global Cellular, Inc dba Cellairis, Sierra Cellairis, LLC, and Does 1-10 , Superior Court of the State of California in and for the County of Alameda, Civil Action No HG16836063, filed October 20, 2016

Two former employees of Global Cellular sued alleging failure to pay for all hours worked – minimum wages, failure to pay for all hours worked – overtime wages, failure to pay for all hours worked – straight time and all other wages and pay, failure to furnish accurate itemized wage statements, failure to timely pay all wages due at termination – waiting time penalties, failure to provide meals, failure to provide rest periods, failure to reimburse for business expenses, and unfair business practices On December 21, 2016, an Global Cellular filed an Answer The case is still pending

Scott Riley v Global Cellular, Inc and Kostantinos R Skouras a/k/a Taki Skouras, Superior Court of Fulton County, State of Georgia, Case No 2015-CV-261509, filed June 1, 2015

A former employee of Global Cellular sued Global Cellular and Mr Skouras, alleging breach of contract, an action for commissions owed pursuant to Georgia law O C G A § 10-1-702, fraud, exemplary damages, and stubborn litigiousness On July 31, 2015, Global Cellular and Mr Skouras filed an Answer and Counterclaim, and asserted a claim for unjust enrichment On September 29, 2016 the Plaintiff filed an amended complaint adding a sixth cause of action for promissory estoppel On January 20, 2017, the Court granted Summary Judgment in favor of Global Cellular and Mr Skouras as to the first five causes of action The case is still pending as to the final count asserted by Plaintiff and Defendant Global Cellular's counterclaim

Concluded Actions

Cellairis Franchise, Inc and Global Cellular, Inc v Michael Duarte, U S District Court for the Northern District of Georgia, Case No 2 15-cv-00101-WCO, filed May 15, 2015

Cellairis and Global Cellular filed this action against Mr Duarte, who is both a guarantor of multiple Cellairis franchise agreements and a former employee of Global Cellular, alleging violations of Mr Duarte's non-competition and non-disclosure covenants and other contractual covenants (**"Duarte Federal Action"**) Cellairis and Global Cellular sought an injunction to stop Mr Duarte's ongoing and threatened breaches of his contractual obligations The Amended Complaint included allegations of (1) breach of the non-competition covenants, (2) breach of the non-disclosure covenants, (3) breach of contract for a failure to return property, (4) breach of contract for a failure to provide best efforts and fulltime commitment to Cellairis Business Units, (5) injunctive relief, and (6) contractual attorney's fees After the resolution of a demand for arbitration (as discussed below), the matter continued in Federal Court, and on October 21, 2015, the Court granted Plaintiffs' Motion for Preliminary Injunction On October 26, 2015 the defendant filed a Motion for Reconsideration, and on March 2, 2016, the Court denied Mr Duarte's Motion for Reconsideration On April 10, 2017, the Court entered its Consent Final Order and Permanent Injunction, in which the Court stated, among other things, that Mr Duarte did not contest that he had violated his non-competition obligations to Cellairis and Global Cellular The Court upheld Cellairis' right to enforce its non-competition covenants, and prohibited Mr Duarte from engaging in commercial activities related to the sale of cellular telephone accessories, wireless device accessories, and/or cellular telephone and wireless device repair through October 31, 2017, anywhere in the United States In addition, the parties entered into a Settlement Agreement, dated February 10, 2017, in which Mr Duarte agreed to pay $87,143 09 in total attorneys' fees, and Global Cellular was entitled to retain $35,440 19 of garnished funds to partially satisfy the attorneys' fees Also, Mr Duarte agreed to comply with the non-disclosure and non-use restrictions under the Franchise Agreement through April 26, 2020, and Mr Duarte agreed not to tortiously interfere with Cellairis' contracts with its franchisees or cause a Cellairis franchisee to breach any enforceable non-competition covenants owed to Cellairis As part of the settlement, Cellairis agreed to release its claim to a portion of the attorneys' fees owed to it, and accept the $35,440 19 and certain other consideration in satisfaction of the monies owed to Cellairis and Global Cellular

Cellairis Franchise, Inc and Global Cellular, Inc v Michael Duarte, Superior Court of Fulton County, State of Georgia, Case No 2015-CV-261509, filed June 6, 2016

As a result of the ruling by the arbitrator in the Duarte Arbitration Action (described below) that the litigation asserted against Mr Duarte proceed in Federal Court (see the Duarte Federal Action described above), and as a result of non-payment of the attorney's fees which were awarded to Cellairis and Global Cellular, Cellairis and Global Cellular filed the above Confirmation Action On December 6, 2016, the Superior Court entered an Order awarding Plaintiffs its attorney fees under the Duarte Arbitration Action as well as attorney fees for filing and defending the Confirmation Action in the total amount of $40,166 68 plus post-judgment interest

Cellairis Franchise, Inc and Global Cellular, Inc v DKD Novelties of Texas, LLC, Dustan Costine, Individually, and David Costine, Individually, in the Superior Court of Fulton County, State of Georgia, Case No 2016-cv-273614, filed on April 5, 2016

Cellairis and Global Cellular brought an action against a franchisee and two of the franchisee entity's guarantors in order to seek the recovery of monies owed for past due royalties, fees, rents, and other monies due and owing under two separate promissory notes Six causes of action were asserted against the defendants (i) Breach of Franchise Agreement Against Defendant DKD, (ii) Breach of Sub-License and Sublease Agreements Against Defendant DKD, (iii) Breach of Note 1 Against Defendants DKD and Dustan Costine, (iv) Breach of Note 2 Against Defendants DKD and Dustan Costine, (v) Breach of Personal Guaranties against Defendants David Costine and Dustan Costine, (vi) Litigation Expenses Against all Defendants No answer was filed by Defendant DKD and Defendant Dustan Costine and as such on August 30, 2016, the Superior Court entered an Order against Defendant DKD and Dustan Costine, jointly and severally, in favor of Global Cellular and Cellairis in the amount of $580,931 45 plus prejudgment and post-judgment interest Additionally, no answer was filed by Defendant David Costine, and as such, on October 31, 2016, the Superior Court entered an Order against Defendant David Costine, jointly and severally with Defendants DKD and Defendants Dustan Costine

Cellairis Franchise, Inc and Global Cellular, Inc v Michael Duarte, Arbitration Matter through the American Arbitration Association, Case No 01-15-0004-3188, filed on July 21, 2015

As a result of a Motion to Dismiss due to an arbitration provision contained with the franchise agreement, the Duarte Federal Action was stayed until an arbitrator determined whether a carve out provided for within the arbitration provision within the franchise agreement applied and whether Cellairis and Global Cellular could proceed in the claims in court versus arbitration As a result of the stay in the Duarte Federal Action, Cellairis and Global Cellular filed a Demand for Arbitration (**"Duarte Arbitration Action"**) On September 14, 2015, the Arbitrator ruled that the Duarte Federal Action should proceed in Court as opposed to arbitration and on January 26, 2016, the arbitrator awarded Cellairis and Global Cellular their attorney's fees for having to file the Duarte Arbitration Action in the amount of $38,238 32 plus post-judgment interest Upon the conclusion of the Duarte Arbitration Action, on October 21, 2015, the Duarte Federal Court granted the Preliminary Injunction

Cellairis Franchise, Inc and Global Cellular, Inc v Connor Enterprises, Inc NSF Investment Group, Inc , James Connor, Individually, Sara Connor, Individually, John O'Neill, Individually, David Curri, Individually, filed on February 5, 2015 in the Superior Court of Fulton County, State of Georgia, and removed to the United States District Court for the Northern District of Georgia, Atlanta Division, Case No 1 15-cv-00435-ELR

Cellairis and Global Cellular filed this action against a former franchisee and its owners, seeking to prohibit the defendants from engaging in a competing business, by closing down the competing outlets or converting them to the Cellairis brand On March 18, 2015, Cellairis and Global Cellular filed an arbitration action with the American Arbitration Association On September 18, 2015, the parties entered into a Settlement Agreement in which (1) Cellairis rescinded its termination of the franchise agreements and franchised Business Units, (2) the parties executed amendments to address expiring agreements and renewals, (3) the defendants agreed to various lease and kiosk building requirements, (4) Mr Connor's and Mrs Connor's respective non-competition obligations were clarified, and (5) defendants agreed to pay Cellairis $75,000

Cellairis Franchise, Inc and Global Cellular, Inc v GMD Silver, Inc and Golam Rahman, Individually, United States District Court for the Northern District of Georgia, Gainesville Division, Case No 2 14-cv-00306-WCO, filed December 19, 2014

Global Cellular, Inc and Cellairis Franchise Inc brought this action against a franchisee and its individual owner and guarantor for uncured defaults under the franchise agreements and the non-payment of monies owed On July 1, 2015, the parties entered into a Settlement Agreement, and (a) the defendant agreed to pay Cellairis and Global Cellular $250,000 over 78 months, (b) defendants were permitted to retain certain franchised Business Units, (c) certain franchised Business Units and franchise agreements were terminated, (d) the defendants entered into a vendor agreement with Global Cellular, and (e) Cellairis entered into a broker agreement with Mr Rahman to permit Mr Rahman to broker, or offer, certain Cellairis franchises for sale

Cellairis Franchise, Inc and Global Cellular, Inc v Rakshit Enterprises, LLC and Sanjoy Rakshit, Chancery Court for the State of Delaware, Case No 5135-VCN, filed on December 10, 2009

On December 10, 2009, Global Cellular and us ("Plaintiffs") filed a lawsuit against our former franchisee, Rakshit Enterprises, LLC and its personal guarantor, Sanjoy Rakshit ("Defendants") In the lawsuit, Plaintiffs sought temporary restraint as well as damages and attorneys' fees, and alleged violation of uniform deceptive trade practices act, breach of release, common law infringement, and common law unfair competition The parties settled the matter in principal in December 2010, prior to the hearing on Plaintiffs' Motion for Temporary Restraining Order Pursuant to the settlement agreement signed on January 12, 2010, Defendants agreed to vacate the two terminated business units, the parties signed mutual releases, and Global Cellular returned Defendants' security deposits and pro-rated rent Plaintiffs dismissed the action in February, 2010

Rajesh Sardessai v Cellairis Franchise, Inc and Global Cellular, Inc, Circuit Court of Chesterfield County, Virginia, Case No CL09002785-00, filed October 30, 2009

The lawsuit sought an injunction preventing us from terminating the Franchise Agreement and having the franchisee vacate the premises We filed our own action in the Superior Court of Fulton County, Georgia, Case No 2009-CV-177038, on October 29, 2009 Our lawsuit sought monies owed to us for the breach of the Franchise Agreement, an equitable accounting, and our own request for injunctive relief The parties were able to reach a settlement on November 9, 2009, before either litigation action had to be answered, pursuant to which we allowed the franchisee to remain in the franchised system, and the franchisee agreed to specifically follow certain material provisions of the Franchise Agreement The Virginia Action was dismissed on November 11, 2009 and our action was dismissed on November 12, 2009

Udi, LLC v Cellairis Franchise, Inc and Global Cellular, Inc, Circuit Court for Anne Arundel County, Maryland, Case No C09-146146, filed October 30, 2009

The lawsuit alleged a breach of the Franchise Agreement against us and a breach of the Sublease Agreement against our affiliate Global Cellular, Inc (Global Cellular was the tenant which then allegedly subleased the unit to the operator, UDI, LLC) ("Defendants") and sought injunctive relief On October 30, 2009, there was a hearing for a temporary injunction and the court entered a temporary restraining order which prevented both us and our affiliate from removing plaintiff, UDI, LLC ("UDI") from the premises, however, the underlying landlord (the mall developer) elected to remove UDI, on October 31, 2009, from the premises which made the court's order moot On March 29, 2010, UDI, amended its Complaint to add counts for violation of the Maryland Franchise Act and Intentional Misrepresentation UDI alleged that Defendants misrepresented to UDI that UDI had the right to operate its carts until December 31, 2009 so long as it did not violate the terms of its Subleases and Defendants did not violate the terms of the underlying lease UDI alleged that Defendants concealed that the Mall where UDI operated its carts could terminate the underlying agreement between the Mall and Global Cellular at any time without cause UDI sought alleged compensatory damages of $240,000, punitive damages of $720,000, interest and costs On November 12, 2010, Defendants filed their Answer to UDI's Amended Complaint denying all allegations On March 16, 2011, the parties settled the case in principal with terms to include Global Cellular to pay Plaintiff $25,000, mutual releases, and Plaintiff to voluntarily dismiss its case with prejudice

Dulal Khan v Cellairis Franchise, Inc , Superior Court of Allen County, Indiana, Case No 02D01-0910-PL-37C, filed October 1, 2009

The lawsuit sought an injunction to prevent the franchisee from having to vacate his unit due to the termination of his unit for carrying unlicensed product, and a claim for monetary damages in an unspecified amount The parties have settled the matter on October 9, 2009, and the franchisee has agreed to dismiss its claims against us and we agreed to pay the franchisee the sum of $4,483 representing rental concessions

Restrictive Orders

In the Matter of Global Cellular, Inc and Kostantinos R Skouras, Assurance of Discontinuance Pursuant To Executive Law § 63(15), entered and agreed to January 29, 2008

Mr Skouras entered into an Assurance of Discontinuance with the State of New York along with Global Cellular The State of New York stated that Global Cellular sold three franchises to two individuals while Global Cellular was not registered to sell franchises in the State of New York, but accepted that Global Cellular did not receive any up-front franchise fees for the franchise sales Global Cellular neither admitted nor denied that it violated any law, rule or regulation with respect to such facts, nevertheless voluntarily agreed to enter into the Assurance of Discontinuance Under the Assurance of Discontinuance Global Cellular agreed not to offer or sell franchises within or from the State of New York without a current registration, and Global Cellular paid the New York State Department of Law $3,500 for costs The Assurance of Discontinuance relates to Global Cellular and names Mr Skouras only in his role as the President of Global Cellular at the time the relevant events occurred

In the matter of Commonwealth of Virginia and Cellairis Franchise, Inc and Mr Skouras, case number SEC-2010-00006

A Settlement Order was signed on June 8, 2010 with an effective date of July 13, 2010 The Commonwealth of Virginia alleged that we violated the Virginia Retail Franchising Act ("Act") by (1) making untrue statements of material fact or omitting to state a material fact, and (2) failing to provide either directly or indirectly franchisees with such disclosure documents as may be required, however, we did not admit or deny either of these allegations The Settlement provides that we will provide a copy of the Settlement to former and current franchisees who operated a unit in the Commonwealth (no additional action is required to be taken by us after providing a copy of the Settlement), that we would not violate the Act in the future and that we would pay a penalty and the costs of the investigation totaling $20,000

Other than these actions, no litigation is required to be disclosed in this Item

Item 4

BANKRUPTCY

No bankruptcies are required to be disclosed in this Item

Item 5

INITIAL FEES

INITIAL FRANCHISE FEE

You must pay us an initial franchise fee of $7,500 for each Cellairis RMU franchise, an initial franchise fee of $20,000 for each Cellairis Interactive Kiosk franchise, and an initial franchise fee of $30,000 for each Cellairis Full Store Unit We will reduce the initial franchise fee by One Thousand Dollars ($1,000) if, in conjunction with your evaluation of this Cellairis franchise opportunity, you retained and were represented by an attorney knowledgeable and experienced in franchising and business transactions To obtain this reduction, you must sign the "Acknowledgment of Legal Representation," which is an exhibit to the Franchise Agreement You must pay the initial franchise fee to us by check or other immediately available funds upon signing the Franchise Agreement These fees, as described above, are uniform to all franchisees within the applicable franchise concept (RMU, Interactive Kiosk, or Full Store), and the initial franchise fees are not refundable under any circumstances Except as described in this Item 5, we have no intention, now or in the future, of reducing the initial franchise fee for any prospective franchisee, although we reserve the right to do so in our sole discretion on a case by case basis During the year ending on December 31, 2016, we reduced the franchise fee to certain franchisees, and charged franchise fees ranging from $0 to $7,500 for a RMU franchise, ranging from $0 to $20,000 for an Interactive Kiosk franchise, and ranging from $0 to $30,000 for a Full Store franchise We reserve the right to waive or reduce the initial franchise fee for our affiliates, employees, existing franchises or if we run a franchise marketing promotion As a member of the International Franchise Association ("**IFA**"), we participate in the IFA's VetFran program, offering a 20% discount on our initial franchise fee to veterans of the US armed forces who meet the requirements of the VetFran program So if you meet the VetFran program requirements, you would pay us an initial franchise fee of (1) $6,000 for an RMU, (2) $16,000 for an Interactive Kiosk, or (3) $24,000 for a Full Store Unit

SUB-LICENSE OF PREMISES

You may sublicense the location of your franchised Business Unit from Global Cellular

In the event you sublicense the location of your franchised Business Unit from Global Cellular, then you must pay Global Cellular the first month's fee You must also pay Global Cellular a deposit equivalent to one month's fee Global Cellular's billing may include a markup over its cost in order to cover administrative expenses and to provide an element of profit Your first month's fee plus the deposit are due at the time that you sign the sub-license with Global Cellular There is no way for Global Cellular to fix an exact amount that would be due for these sums based on various factors such as the location of the Business Unit and the current fees being charged, however, as detailed in Item 7, we estimate monthly fee payments typically range from $800 - $14,000 for an RMU, $1,200 - $18,000 for an Interactive Kiosk, and $1,900 - $14,000 for a Full Store Unit, depending on the various locations Additionally, there is no way for Global Cellular to fix an exact amount of the security deposit, which is a function of the monthly rent being charged, however, as detailed in Item 7, we estimate the security deposit to range from $0 - $14,000 for an RMU, $0 - $18,000 for an Interactive Kiosk, and $0 - $14,000 for a Full Store Unit These costs are not refundable except that if you perform all of your obligations under the sub-license agreement, the deposit, or any amount that has not been applied by us or Global Cellular, will be returned, without payment to you of interest, at the expiration of the term of your sub-license and after you have vacated the Business Unit

INVENTORY AND OTHER ITEMS

Before your business opens, you must purchase a portion of the required initial inventory from our affiliates, Global Cellular and Vendor DP (and the balance of the inventory may be purchased from Global Cellular, Vendor DP, or an approved vendor) We estimate the total initial inventory will cost between $6,000 and $12,000 for an RMU, between $8,000 and $20,000 for an Interactive Kiosk, and between $25,000 and $50,000 for a Full Store Unit, and the minimum required inventory purchase from Global Cellular or Vendor DP is $4,500 for an RMU, $6,000 for an Interactive Kiosk, and $18,000 for a Full Store Unit You may purchase all of your initial inventory from Global Cellular Also a portion of your initial inventory, particularly the repair parts, may be purchased from our affiliate Vendor DP or an approved vendor All initial inventory purchases from Global Cellular and Vendor DP must be paid by credit card or check at the time of the order This cost is not refundable

Before your business opens, in the event that Global Cellular directly leases or licenses the Location, then the landlord will, in our experience, require that Global Cellular obtain general liability insurance in the amount that the landlord specifies This insurance is for our protection as a lessee and as a sublicensor of the premises to you This insurance cost will be $300 per year and it is in addition to and will serve as excess coverage above your primary general liability policy that you are required to obtain under the Franchise Agreement (see Item 8 below) In this event, Global Cellular will, on an annual basis, bill you for this insurance coverage and Global Cellular's billing will include a markup over its cost in order to cover administrative expenses and to provide an element of profit Global Cellular's billing to you will be made annually and payment in full will be due There will be no installment payments and the billing will not be prorated over the year so operators may not receive a full year of coverage in their first and last year We estimate that the initial cost for one year of general liability insurance for a Mall Unit will range from $275 to $750 depending on the mall operator's requirements, and for a Full Store Unit will range between $875 to $2,500 Both ranges of insurance will also depend on the requirements set forth in the Franchise Agreement and the location of the Business Unit This must be paid by credit card or check In addition, you must obtain and pay for worker's compensation coverage to the extent required by applicable law and you may wish, in your discretion to obtain supplemental liability insurance

If you are opening a Full Store Unit, before your business opens, you must undertake various degrees of real estate improvements and the scope and costs of the work will depend on the size and condition of the premises, price differences among contractors and/or subcontractors, services of the architect, general contractor and electrician, labor rates and other local conditions All of these services will be provided by our affiliate, Global Cellular We estimate the price for the real estate improvements will cost between $50,000 and $100,000, which must be paid by credit card or check at the time of the services being provided This cost is not refundable

Before your business opens, you must purchase all, or most of, the fixtures, furnishings and equipment from our affiliate, Global Cellular (For example, certain equipment, such as security cameras, may be purchased from third-party vendors and not from Global Cellular) We estimate the price for the fixtures, furnishings and equipment will cost between $5,000 and $11,000 for an RMU, between $25,000 and $40,000 for an Interactive Kiosk, and between $30,000 and $60,000 for a Full Store Unit, which must be paid by credit card or check at the time of the order This cost is not refundable For an Interactive Kiosk, you must purchase the Interactive Kiosk physical Structure (defined in Item 8) from our affiliate, Global Cellular, and the cost of the Structure and shipping is included in the range provided

DIGITAL MARKETING SET-UP FEE

Before your business opens, you must pay a flat fee to our affiliate, Global Cellular, a **"Digital Marketing Set-Up Fee"** Global Cellular will contact and contract with certain third party marketing, search engine optimization, and customer development entities as part of The Digital Marketing Set-Up Fee, which covers various elements of digital marketing for your Business Unit, including search engine optimization work, uploading into the store locator portions of the Cellairis com website, preparing press releases, and other online marketing efforts which are aimed at increasing customer foot traffic Additionally, the Digital Marketing Set-Up Fee includes customer service and training elements, whereby we establish a call forwarding number, which does not require you to purchase a second phone line, but which allows both you and us to listen to any phone call received at the Business Unit The Digital Marketing Set-Up Fee is $4,000, which must be paid by credit card or check at the time you sign the Franchise Agreement This cost is not refundable

E-MAIL FEE

Before your business opens, as part of the point of sale system (**"POS"**), the Business Unit must have a separate email address that identifies the Business Unit as a separate business We will provide this email address to you in connection with the activation of the POS We are charged $60 per year per email address from Microsoft, and you must pay us this amount by credit card or check at the time of the order This cost is not refundable In addition, we may require you to have, or you may voluntarily select to have, an additional email address with the "Cellairis" name as part of the domain If you so choose this, or if we require this, there will be additional $60 per year charge that must be paid by credit card or check at the time of the order This cost is not refundable

SHOUT!® EXPERIENCE

The Shout!® Experience is part of the Technology Package, described in Items 7, 8, and 11 below It must be purchased from Global Cellular The cost is $2,500, and includes a computer, keyboard, monitor, mouse, sublimation printer and a heat press The Shout! Experience is optional for a RMU

TRAINING PERSONNEL FEE

In connection with the initial and pre-opening and training program (described in Item 7 and 11 below, we will send a trainer to your Business Unit to conduct the training program You must pay to us, or our affiliate, not later than 20 days before your scheduled opening date, a fee for our training personnel's time and expenses in providing and conducting the on-site training (the **"Training Personnel Fee"**) The Training Personnel Fee is currently $2,000 per trainer

Item 6 – OTHER FEES

(1) TYPE OF FEE	(2) AMOUNT	(3) DUE DATE	(4) REMARKS
Royalties[1] [2]	**<u>For Mall Units</u>** Year 1 The greater of $1,000 or 5% of Gross Sales Year 2 The greater of $1,050 or 5% of Gross Sales	25% of the minimum amount is paid each of the first 4 Tuesdays of each month	Payable to us On the first four Tuesdays of each month, we will charge either your credit/charge card on file with us or automatically debit your bank account for 25% of the Royalties

(1) TYPE OF FEE	(2) AMOUNT	(3) DUE DATE	(4) REMARKS
	Year 3 The greater of $1,100 or 5% of Gross Sales Year 4 The greater of $1,150 or 5% of Gross Sales Year 5 The greater of $1,200 or 5% of Gross Sales **For Full Store Units** Year 1 The greater of $1,000 or 5% of Gross Sales Year 2 The greater of $1,050 or 5% of Gross Sales Year 3 The greater of $1,100 or 5% of Gross Sales Year 4 The greater of $1,150 or 5% of Gross Sales Year 5 The greater of $1,200 or 5% of Gross Sales		due for the current month Once we receive your monthly sales report we will then determine if any additional monies are owed based on 5% of Gross Sales for both Mall Units and Full Store Units, and if any additional monies are owed, then we or our affiliate will charge either your credit/charge card on file with us or automatically debit your bank account
Advertising Fund Fee [1 2]	Up to 3% of Gross Sales	Payable monthly on the 10th day of the month	Payable to a separate advertising account which may be held in our name or the name of a separate entity Fees will be collected if and when we establish an advertising

(1) TYPE OF FEE	(2) AMOUNT	(3) DUE DATE	(4) REMARKS
			fund upon written notice to you
Cooperative Advertising[1 2 3]	If we establish cooperatives, you must contribute a percentage of Gross Sales to your cooperative	Payable monthly on the 10th day of the month or as designated by your cooperative	Currently, we have no cooperatives Contributions to cooperatives may not exceed 2% of Gross Sales
Minimum Monthly Inventory[4]	$2,000 per month	Upon receipt of invoice	Payable to our affiliate, Global Cellular But see Note 4
Local Advertising[1]	A minimum of 1% of Gross Sales	As incurred	You must make local advertising expenditures as required by Paragraph 8 A (9) of the Franchise Agreement You may determine the form and media, subject to our prior approval If you fail to make local advertising expenditures, we may do so on your behalf and you will reimburse us for those expenditures
Payments for Supplies or Inventory[1] (aside from that included in initial franchise fee)	Varies	Payable by charge/credit card or automatic debit from your bank account at time of order	Payable to Global Cellular This figure will vary depending on the needs of the individual franchisee at a particular location
License Fees or Rent for the Premises[2]	Varies, however, if Global Cellular is the sub-licensor for the Premises then for an RMU, monthly fees are estimated between $800 - $14,000, for an	Varies, unless Global Cellular is the sub-licensor, then fees are due on the 25th day of the month for the ensuing month's fees	In some instances Global Cellular will become direct lessee/licensee and will enter into a sub-license agreement for the Premises with you In this case, all fees may

(1) TYPE OF FEE	(2) AMOUNT	(3) DUE DATE	(4) REMARKS
	Interactive Kiosk, the monthly fees are estimated between $1,200 - $18,000, and for a Full Store Units, the monthly fees are estimated between $1,900 - $14,000		become due to and payable to Global Cellular See Item 7 for further explanation
Additional Training[1]	$250 per day plus additional expenses, see remarks	Within 7 days of receipt of bill	Payable to us This $250 per day fee does not include travel, food, accommodations, and any other cost of business that is associated with ongoing training
Audit[1]	Cost of Audit (or the audit fee, as described below) plus 18% interest on underpayment $250 00 per day for each day that you fail to timely provide the requested information to us If an audit discloses a violation of Paragraph 5 C of the Franchise Agreement, such as selling unauthorized products or services, you will pay us the greater of (1) $250 00 or (2) all of our costs and our affiliate's costs of the audit If audit discloses that there has been a repeated violation, then you	Within 7 days of receipt of bill As incurred Within 15 days after notice	Payable to us This is payable only if you fail to furnish required information or if you understate Gross Sales by more than 2% for any one month These remedies for violations of Paragraph 5 C of the Franchise Agreement are in addition to and not in lieu of any other remedies we may have at law or in equity, and does not in any way serve to waive our right to default and/or terminate your Franchise Agreement for these violations

(1) TYPE OF FEE	(2) AMOUNT	(3) DUE DATE	(4) REMARKS
	will pay us greater of (1) $500 00 or (2) all our costs and our affiliate costs of the audit		
Accounting	$250 00 per day for each day that you fail to timely provide the requested information to us	As incurred	Payable to us This is payable only if you fail to furnish required information such as profit and loss statements, balance sheets and state sales tax returns
Return Policy Violation	$100 00 per violation of our return policy	As incurred	Payable to us This is payable only if you fail to follow our customer satisfaction return policy as stated from time to time by us
Transfer and Assignment Fee[1]	$5,000 for an RMU, $15,000 for an Interactive Kiosk, and $20,000 for a Full Store Unit	50% is due when you request approval of a transfer, and 50% is due when the transfer is approved	Payable to us when you sell your franchise No charges if franchise is transferred to a corporation that you control Fifty percent (50%) of the transfer fee is payable to us when you submit your written request for transfer, and this amount is non-refundable under any circumstance including in the event that we do not approve the transfer
Successor Franchise Fee[1]	50% of the then current initial franchise fee	Due under the same conditions as Item 5	Payable to us at time of exercising the option to renew your franchise
Interest[1 2 5]	Maximum of 18% per year or highest rate allowed by law	Accrues as of date payment was due, payable by invoice	Payable to us Payable on overdue amounts

(1) TYPE OF FEE	(2) AMOUNT	(3) DUE DATE	(4) REMARKS
Indemnification[1]	Actual Cost	As incurred	You must reimburse us if we are held liable for claims from your operation of the franchise, as well as our litigation costs in defending these claims
Broker Fee[1]	20% of sale price	Upon sale of franchise	This fee only applies if we sell the franchise on your behalf
Email Fee[6]	$60 to $120 per year	Yearly	Payable to Global Cellular on a yearly basis
Secret Shopper Fee[7]	$100 per occurrence plus cost of Secret Shopper service	As incurred	Payable to us
Administrative Default Fee[8]	$1,000 per occurrence, plus expenses	As incurred	Payable to us

[1] All fees are uniformly imposed by and payable to us All fees are non-refundable The term "**Gross Sales**" includes all sums charged or collected by you for Products, Parts, goods, merchandise or Services sold at, from, or in connection with the Business Unit whether for cash, for credit, debit or barter or otherwise, and whether the payment is received from a customer, insurance company, credit card company, or a warranty or service provider Your sale of Products or Services away from the Location or the Business Unit is not authorized, however, should any such sales be approved in the future, they will be included within the definition of Gross Sales All monies, payments, compensation, or reimbursements received from third parties for warranty service and other services and support shall be deemed part of Gross Sales and subject to the Royalty and other percentage and minimum payments due under the Franchise Agreement Gross Sales excludes any federal, state, county or city tax, excise tax, or other similar taxes collected by You from customers based upon sales, and cash received as payment in credit transactions where the extension of credit itself has already been included in the figure

[2] Under the Franchise Agreement, we require that you provide us with your credit/charge Amounts card information as well as your bank account information at the time you sign your Franchise Agreement By signing the Franchise Agreement, you authorize us to charge your credit/charge card and/or electronically debit your bank account for the amount of Royalties due each month as well as the License Fees payable to us or Global Cellular, or any other amount owed to us or any of our affiliates

[3] Amounts paid to an advertising cooperative will be credited against your required expenditures for local advertising under Section 8 A 9 of the Franchise Agreement Any by-laws of an Advertising Cooperative and any other written governing documents must be approved in advance by us in writing and must use such voting and advertising processes and procedures as may be directed by us for all Cellairis Advertising Cooperatives

[4] You must purchase not less than $2,000 of Cellairis® branded or Cellairis® packaged inventory each month ("**Minimum Monthly Inventory**"), which amount is the wholesale price charged to you for display and sale at the Business Unit Your acceptance of the Franchise Agreement is your acknowledgment that the Minimum Monthly Inventory requirement is reasonable and is not burdensome, and you expect to sell all of the inventory purchased on a regular basis Failure to purchase the Minimum Monthly Inventory is a breach of the Franchise Agreement You may cure the breach if you purchase an amount of inventory to make up the shortfall in the required Minimum Monthly Inventory, within the earlier of (a) 15 days following the end of each month in which you are in default, or (b) 10 days following a notice from us of the default Any purchases will be made solely to cure the default and shall not be counted toward the then-current month's or any other month's Minimum Monthly Inventory requirement In the event there is a shortfall and such shortfall is not cured, then the remaining balance of the shortfall will be billed to your account The minimum monthly inventory requirement is in no way intended to imply that you will experience gross sales of any particular level

[5] Interest begins from the date of the underpayment

[6] As part of the POS, each Business Unit must have a separate email address that identifies the Business Unit as a separate business We will provide this email address to you in connection with the activation of the POS We are charged $5 per month per email address from Microsoft, and we will collect this from you on a yearly basis and remit it to Microsoft In addition, we may require you to have, or you may voluntarily select to have, an additional email address with the "Cellairis" name as part of the domain If you so choose this, or if we require this, there will be additional $5 per month charge, which will be collected on a yearly basis that we will assess and collect and remit to Microsoft

[7] We may engage or retain a third-party investigatory and assessment service to conduct reviews of the your operations and the Business Unit, and such reviews and evaluations may be conducted without prior notice to you, including the use of "secret shopper" services (collectively **"Secret Shoppers"**) We will bear the cost of the Secret Shopper services, except if the results from the visit or reports by the Secret Shopper is below our then-current standards for satisfactory operations in accordance with the Manual and and/or other brand standards, whether for one element or facet of Business Unit operation If there is such a violation then we may assess you a "Secret Shopper Fee" of $100 for each example or occurrence of sub-standard operations, in addition to charging you the cost of the Secret Shopper services

[8] In addition to, and notwithstanding the Attorneys' Fee provision in the Franchise Agreement (Section 13 K), in the event of your default under the Franchise Agreement, or in the event of any instance of non-compliance with the Franchise Agreement, the Manual, or other policies and System Standards, for which we notify you of such default or non-compliance, we may require you to pay an administrative fee to us in the amount of $1,000 per occurrence, plus any and all of our costs and expenses to enforce compliance by you or to cure the default, including without limitation attorneys' fees The administrative fee and other charges are intended to reimburse us for our time, expense, and other expenditure of resources incurred due to your default or non-compliance Our decision to require you to pay such administrative fee will be without prejudice to our right to terminate this Agreement and/or to terminate any other rights, options, or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

MALL UNIT FRANCHISES

(1) Type of Expenditure	(2) Amount	(3) Method Of Payment	(4) When Due	(5) To whom payment is to be made
Initial Franchise Fee[1]	RMU - $7,500 Interactive Kiosk - $20,000	Credit card or check	Signing the Franchise Agreement	Us
Inventory[2]	RMU - $6,000 - $12,000 Interactive Kiosk - $8,000 - $20,000	Credit card or check at time of order	Due when order is placed Initial inventory is purchased prior to opening, and ongoing inventory orders are typically monthly	Global Cellular, Vendor DP, or approved suppliers
Lease/License of the Premises[3]	RMU – three months of estimated monthly rent/fee would total between $2,400 - $42,000 plus one month's rent/fees as a security deposit which would range from $0 - $14,000 Interactive Kiosk – three months of estimated monthly rent/fees would total between $3,600 - $54,000 plus one month's rent/fees	If Global Cellular is the sub-licensor then either by credit card or by automatic debit from your bank account If third party is the lessor or licensor then per the lease/ license terms	The 25th day of the month for the sub-license fees for the ensuing month if Global Cellular is the sub-licensor Per the lease or license terms if a third party is the lessor Your first month's rent/fees plus the security deposit (which is equal to one month's rent/fees) are due at the time that you sign the sub-	Global Cellular or the third party landlord

(1) Type of Expenditure	(2) Amount	(3) Method Of Payment	(4) When Due	(5) To whom payment is to be made
	as a security deposit which would range from $0 - $18,000		license with Global Cellular and may be due at the time you sign your lease or license depending on the landlord	
Fixtures, Furnishings, Equipment and Decor[4]	RMU - $5,000 - $11,000 Interactive Kiosk - $25,000 - $40,000	However third party requests payment Payments to Global Cellular for purchases such as the Interactive Kiosk Structure will be by credit card or check	At time of the order	Global Cellular and Third Parties
Point of Sale[5]	$1,300 - $2,100	Credit Card or Check	As arranged before opening	Third Party
Technology Package[6]	RMU - $0 - $4,000 Interactive Kiosk - $2,500 - $4,000	Credit Card of Check	As arranged before opening	Global Cellular and Third Parties
Telephone	$100	However third party requests payment	As arranged before opening	Third Party
Office Supplies	$100	However third party requests payment	As arranged before opening	Third Party
Phone and Internet Utility	$250 per month	However third party requests payment	As arranged before opening	Third Party
Wages for Employees	The payment of wages to employees is entirely your responsibility	As arranged between you and your employees	Depends on your payment cycle	Individual employees if there are any

(1) Type of Expenditure	(2) Amount	(3) Method Of Payment	(4) When Due	(5) To whom payment is to be made
Insurance[7]	\$300 - \$1,000 per year	Credit Card or Check	As arranged	Global Cellular and Third Parties
Incorporation (if desired)	\$500 - \$1,000	However third party requests payment	As arranged before opening	Third Party
Business Licenses	\$100 - \$300	However third party requests payment	Due on receipt	State or City Government
Professional Fees	\$1,500 - \$3,000	However third party requests payment	As arranged	Third Party, i e accountant or attorney
Travel Expenses, Training Personnel Fee, and Training Living Expenses[8]	\$3,500 - \$5,500	However third parties request payment Payments to us and Global Cellular will be by credit card or check	Varies	Us, Global Cellular, and Third Parties, *i e* airline, hotel, and restaurant
Digital Marketing Set-Up Fee[9]	\$4,000	Credit card or check	At time of signing the Franchise Agreement	Global Cellular
Email Fee[10]	\$60 to \$120 per year	Credit card or check	As arranged before opening	Global Cellular
Additional Funds (initial 3 months)[11]	RMU \$25,500 - \$42,000 Interactive Kiosk \$31,500 - \$48,000	Credit card or check if payable to us, or however third party requests payment	Varies	Varies
RMU TOTAL[12]	**\$58,110 - \$149,970**			
Interactive Kiosk TOTAL[12]	**\$102,310 – \$221,470**			

[1] The initial franchise fee is not refundable under any circumstance We do not finance any fee

[2] We estimate that the range given will be sufficient to cover your inventory needs for the first month of operation Your costs will vary depending on various factors including the size of the site, your initial sales projections, population density in the area of your Business Unit, and changes in new and best-selling Products and Services We or our affiliates, may, in their reasonable discretion, from time to time during shortages or during special promotions or events, allocate the sales of Products among franchisees and others within and outside the System You are required to purchase and maintain a Product inventory level sufficient to meet the current needs of your customers We or our affiliates may, from time to time, introduce new Products and Services as well as identify best-selling Products and Services The satisfaction of consumer demand for new or popular Products and Services is important to us, to you, and to the System as a whole You must agree to use your best efforts to carry in your inventory a substantial percentage of new Products and Services and best-selling Products and Services Also, depending on availability as well as the terms of the underlying lease, license or other occupancy agreement for the Location, you may not be permitted to carry all Products and Services we make available to the System From the ranges described, the minimum required inventory purchase from Global Cellular or Vendor DP is $4,500 for an RMU and $6,000 for an Interactive Kiosk

[3] We estimate monthly rent or sub-license fee payments typically range from $800 - $14,000 for an RMU and $1,200 - $18,000 for an Interactive Kiosk, depending on the various mall locations Your first month's sub-license fees plus the security deposit (which may be equal to one month's fee) are due at the time that you sign the sub-license with Global Cellular and may be due at the time you sign your lease or license depending on the landlord Your landlord may require a different security deposit and this deposit may or may not be refundable If you perform all of your obligations under the sub-license, the security deposit, or the portion which has not been applied by us, will be returned to you, without payment of interest, at the expiration of the term of your sub-license and after you have vacated the Business Unit Additionally, based on our past experience, the monthly sub-license fee payments include all common area maintenance fees Currently many mall operators require Global Cellular to directly lease or license the space where the RMU or Interactive Kiosk Unit will be located and, in such cases, we will require that you sign a sub-license and provide to Global Cellular one month security deposit Some mall operators may require Global Cellular to lease or license multiple sites in multiple malls and Global Cellular may be required to pay sums to the mall operators relating to either (a) an annual lump sum payment associated with such multiple locations or (b) rental or license fee payments for sites which are much less likely to be developed In such cases, Global Cellular reserves the right to allocate a fee rate to you which represents a discretionary amount relating to such charges by the mall operators plus an administrative fee associated with its costs of administration as well as profit Under the Franchise Agreement, we require that you provide us with your credit/charge card information and your bank information at the time you sign your Franchise Agreement By signing the Franchise Agreement, you authorize us to charge your credit/charge card or automatically debit your bank account for the Sub-License fee payments that are due each month

[4] Furnishings, fixtures, equipment and decor will include display cases and shelving to hold and display faceplates, and display racks to hold and display faceplates and other accessories and inventory This includes other branding elements Other equipment will include hardware and cameras for the POS system enhancements for additional information retrieval and security (See Item 11 for additional details) The cost of fixtures for Mall Units will vary depending upon the size and condition of the mall location, whether there are any existing and comparable improvements at the mall location, and the like Some payments, other than those to Global Cellular, will be made to approved suppliers Installation of fixtures is included in our range and includes electrical, carpentry, and floor covering These expenses include fees paid to an architect, general contractor and electrician Costs will vary depending on a number of factors

including, without limitation, building codes and permit requirements of the state where your Business Unit is located, shipping fees, and costs of the services of the architect, general contractor and electrician

[5] For the POS, based on our experience, we estimate that the range given will be sufficient You must purchase a POS approved by us for use at your Business Unit The POS is part of the Technology Package (discussed at Note 6 below) The POS is a required element of the Technology Package, but certain of the other elements of the Technology Package are optional The POS bundle is provided by an approved or designated supplier (which is currently NCR Corporation), and includes the various hardware and software required to operate the system The POS bundle includes cash drawer, bar code reader, receipt printer, and computer to operate the POS, which will cost approximately $1,000 to $1,800 There are certain options of hardware and additional services that you can purchase for your POS which is not included in the amount listed as they are not required In addition, we require that you subscribe for internet access with a reputable internet service provider that offers a static IP address You are also required to pay a monthly software fee to NCR The figure in the chart includes the costs of the POS plus 3 months of the software fee at $85 per month You may also be required to use the proprietary technology software provided by Marketing Repair, LLC This software will assist in the management of operational information and inventory as well as appointment setting Currently, Marketing Repair, LLC does not charge a fee for the use of this software, but may do so in the future

[6] The range for the Technology Package can be $0 to $4,000 The Technology Package for RMU and Interactive Kiosk Units includes both required and optional items Based on our experience, we estimate that the amount given will be sufficient There are certain options of hardware and additional services that you can purchase for your Technology Package which are not included in the amount listed as they are not required However, the range in the chart includes the most likely selected elements of the Technology Package The Technology Package is comprised of the following three elements (i) a POS, which is described in Note 5 above (which is required for both RMU and Interactive Kiosk Units, (ii) one Repair Station, which will perform diagnostics on various devices, will include a computer, monitor, mouse, keyboard, and printer than can also scan, and will cost approximately $1,500 (which is optional for both RMU and Interacitve Kiosk Units), and (iii) one Shout! Experience system, which is the custom case program, enabling a customer to make a personalized wireless device accessory, which includes a computer, monitor, keyboard, mouse, sublimation printer, and heat press, and which will cost approximately $2,500 (which is optional for RMU Units) The current configuration of the various elements of the Technology Package includes a variety of hardware and software items such as PCs, monitors, printers, and related software (See Item 11 for further details) The Shout! Experience elements of the Technology Package are provided by our affiliate, Global Cellular, and the Repair Station will be purchased from a third-party supplier The figure in the chart includes the costs of the Technology Package (not including the required POS, described in Note 5) plus up to 3 months of any expected software or technology fee that may be required by a supplier The low end of the range is the cost if you purchase none of the optional elements, and the high end of the range is if you purchase the most likely or typical elements, including on Repair Station and one Shout!® Experience You must sign the "Equipment Purchase Agreement and License Agreement" with Global Cellular, which addresses the issues of product purchases, cost, license fees, and ongoing support A copy is attached to this Disclosure Document as Exhibit O

[7] Based on our experience with mall operators, we estimate that the range given will be sufficient for a down payment against annual amounts due for insurance In the event that Global Cellular directly leases or licenses the Business Unit, then the mall operator will, in our experience,

require that Global Cellular obtain general liability insurance in the amount that the mall operator specifies This is insurance that covers Global Cellular as tenant, and as sublicensor to you This insurance is in addition to and will serve as excess coverage above your primary general liability policy In this event, Global Cellular will, on an annual basis, bill you for this insurance coverage in the amount of $300 and Global Cellular's billing will include a markup over its cost in order to cover administrative expenses and to provide an element of profit Global Cellular's billing to you will be made annually and payment in full will be due There will be no installment payments and the billing will not be prorated over the year so operators may not receive a full year of coverage in their first and last year In addition, you must obtain and pay for worker's compensation coverage to the extent required by applicable law and you may wish, in your discretion to obtain supplemental liability insurance

[8] The initial franchise fee includes general training, advice, and assistance The training will include approximately 12 days of training, which may take place at our headquarters and/or at regional training sites, as well as your Business Unit As described in Item 5 and 11, we will provide our training personnel and they will travel your Business Unit to conduct training You must pay us a Training Personnel Fee of $2,000 per trainer There will be approximately 12 total days of training In addition to the Training Personnel Fee, you must pay your employees their wages, salaries and benefits, and any meals or other benefits during training If you or any of your employees must travel to a different location, you must pay, in addition to the wages, meals, etc , the travel costs for you and your employers, which may include travel, lodging and meals Costs vary depending on the distance traveled, and the type of lodging As of the date of this Disclosure Document those reasonable costs range from $3,500 to $5,500 This does not include wages Your employees must be covered by your workers compensation insurance before we start any training, and you must certify to us in writing that your employees are covered

[9] The Digital Marketing Set-Up Fee is a flat fee which covers various elements of digital marketing for your Business Unit, whereby Global Cellular will contact and contract with cartain third party marketing, search engine optimizations, and customer development entities, including search engine optimization work, uploading into the store locator portions of the Cellairs com website, preparing press releases, and other online marketing efforts which are aimed at increasing customer foot traffic Additionally, the Digital Marketing Set-Up Fee includes customer service and training elements, whereby we establish a call forwarding number, which does not require you to purchase a second phone line, but which allows both you and us to listen to any phone call received at the Business Unit

[10] As part of the POS, each Business Unit must have a separate email address that identifies the Business Unit as a separate business We will provide this email address to you in connection with the activation of the POS We are charged $5 per month per email address from Microsoft, and we will collect this from you on a yearly basis and remit it to Microsoft In addition, we may require you to have, or you may voluntarily select to have, an additional email address with the "Cellairs" name as part of the domain If you so choose this, or if we require this, there will be additional $5 per month charge which will be collected on a yearly basis that we will assess and collect and remit to Microsoft

[11] This estimates the funds needed to cover your expenses during the first three months of operation These expenses include payroll costs (excluding any wage or salary paid to you), other miscellaneous expenses, and working capital If you are working at the Business Unit, payroll costs may be lower depending on what wage or salary you pay yourself Payroll costs are typically higher if you employ a phone repair technician Also, payroll costs may be higher during the holiday season since there is generally an increase in shopping mall traffic and you may have a need for additional employees during this time Your costs will vary depending on how rapidly your business grows These figures are estimates based on our past business

experience with Mall Units and information provided to us from our franchisees We cannot guarantee that you will not have additional expenses starting the business Your costs will depend on factors such as how closely you follow our methods and procedures, your management skill, experience and business knowledge, local economic conditions, the local market for our Products and Services, the prevailing wage rate, competition, and the sales level achieved during the initial period

[12] Except as specifically stated above, the amounts given may be subject to increases based on changes in market conditions, or cost of providing services and future policy changes At the present time, we have no plans to increase payments over which we have control Unless otherwise stated, none of the expenses described in this chart are refundable In developing these estimates, we relied on the experience of our franchisees (as reported to us) in developing and owning Mall Units, as well as our management's business acumen and experience, including estimates from contractors and vendors You should review these figures carefully with a business advisor before making any decision to purchase the franchise The amount shown is based upon our experience in franchising Mall Units These figures may vary considerably in other parts of the United States Your actual investment and expenditures may vary from the above estimate depending on many factors including where your Business Unit is situated and your management capabilities In addition, your costs will depend on factors such as your compliance with our methods and procedures, your management skill, your business experience and business acumen, local economic conditions, the prevailing wage rate, and the growth of your franchise during the initial period We do not offer direct or indirect financing to franchisees for any of these items

FULL STORE UNIT FRANCHISES

(1) **Type of Expenditure**	(2) **Amount**	(3) **Method Of Payment**	(4) **When Due**	(5) **To whom payment is to be made**
Initial Franchise Fee[1]	$30,000 for each Full Store franchise	Credit card or check	Signing the Franchise Agreement	Us
Inventory[2]	$25,000 - $50,000	Credit card or check at time of order	Due when order is placed Initial inventory is purchased prior to opening, and ongoing inventory orders are typically monthly	Global Cellular, Vendor DP, or approved suppliers

(1) **Type of Expenditure**	(2) **Amount**	(3) **Method Of Payment**	(4) **When Due**	(5) **To whom payment is to be made**
Lease or License of the Premises[3]	Three months of estimated monthly rent/ license fees would total between $5,700 - $42,000 plus one month's rent/fees as a security deposit which would range from $0 - $14,000	Per the lease or license terms	Per the lease or license terms	Global Cellular or third party landlord
Real Estate and Improvements[4]	$50,000 - $100,000	However third party requests payment	At the time of the order	Global Cellular and Third Parties
Furnishings, Fixtures, Equipment and Decor[5]	$30,000 - $60,000	However third party requests payment Payments to Global Cellular will be by credit card or check	At the time of the order	Global Cellular and Third Parties
Signage[6]	$3,000 - $6,000	However third party requests payment	Upon opening of the location	Global Cellular
Technology Package[7]	$5,255 - $6,055	Credit Card or Check	As arranged before opening	Global Cellular and Third Parties
Telephone	$100	However third party requests payment	As arranged before opening	Third Party
Office Supplies	$100	However third party requests payment	As arranged before opening	Third Party
Phone and Internet Utility	$250 per month	However third party requests payment	As arranged before opening	Third Party

(1) Type of Expenditure	(2) Amount	(3) Method Of Payment	(4) When Due	(5) To whom payment is to be made
Business Licenses	$100 - $300	However third party requests payment	Due on receipt	State or City Government
Wages for Employees	The payment of wages to employees is entirely your responsibility	As arranged between you and your employees	Depends on your payment cycle	Individual employees if there are any
Insurance[8]	$875- $2,500	However third party requests Payments to Global Cellular will be by credit card or check	As arranged	Insurance Providers and Global Cellular
Incorporation (if desired)	$500 - $1,000	However third party requests payment	As arranged before opening	Third Party
Professional Fees	$4,000 - $6,500	However third party requests payment	As arranged	Third Party, i e accountant or attorney
Travel and Living Expenses while Training[10]	$3,500 - $5,500	However third parties request payment Payments to us and Global Cellular will be by credit card or check	Varies	Us, Global Cellular, and Third Parties, *i e* airline, hotel, and restaurant
Digital Marketing Set-Up Fee[10]	$4,000	Credit card or check	At time of signing the Franchise Agreement	Global Cellular
Email Fee[11]	$60 to $120 per year	Credit card or check	As arranged before opening	Global Cellular

(1) Type of Expenditure	(2) Amount	(3) Method Of Payment	(4) When Due	(5) To whom payment is to be made
Additional Funds (initial 3 months)[12]	$42,000 - $61,500	Credit card or check if payable to us, or however third party requests payment	Varies	Varies
TOTAL[13]	**$204,440 - $389,925**			

[1] The initial franchise fee is not refundable under any circumstance We do not finance any fee

[2] We estimate that the range given will be sufficient to cover your inventory needs for the first month of operation Your costs will vary depending on various factors including the size of the site, your initial sales projections, population density in the area of your Full Store Unit, and changes in new and best-selling Products and Services We or our affiliates, may, in their reasonable discretion, from time to time during shortages or during special promotions or events, allocate the sales of Products among franchisees and others within and outside the System You are required to purchase and maintain a Product inventory level sufficient to meet the current needs of your customers We or our affiliates may, from time to time, introduce new Products and Services as well as identify best-selling Products and Services The satisfaction of consumer demand for new or popular Products and Services is important to us, to you and to the System as a whole You must agree to use your best efforts to carry in your inventory a substantial percentage of new Products and Services and best-selling Products and Services Also, depending on availability as well as the terms of the underlying lease, license, sublease, sub-license or other occupancy agreement for the Business Unit, you may not be permitted to carry all Products and Services we make available to the System From the range described, the minimum required inventory purchase from Global Cellular or Vendor DP is $18,000

[3] We estimate monthly rent/license fees typically range from $1,900 - $14,000, depending on the various possible locations Your first month's sub-license fees plus the security deposit (which may be equal to one month's fee) are due at the time that you sign the sub-license with Global Cellular and may be due at the time you sign your lease or license depending on the landlord Your landlord may require a different security deposit and this deposit may or may not be refundable If you perform all of your obligations under the sub-license, the security deposit, or the portion which has not been applied by us, will be returned to you, without payment of interest, at the expiration of the term of your sub-license and after you have vacated the Business Unit Currently many mall operators require Global Cellular to directly lease or license the space where the Full Store Unit will be located and, in such cases, we will require that you sign a sub-license and provide to Global Cellular one month security deposit Some mall operators may require Global Cellular to lease or license multiple sites in multiple malls and Global Cellular may be required to pay sums to the mall operators relating to either (a) an annual lump sum payment associated with such multiple locations or (b) rental or license fee payments for sites which are much less likely to be developed In such cases, Global Cellular reserves the right to allocate a fee rate to you which represents a discretionary amount relating to such charges by the mall operators plus an administrative fee associated with its costs of administration as well as profit Under the Franchise Agreement, we require that you provide us with your credit/charge card

information and your bank information at the time you sign your Franchise Agreement By signing the Franchise Agreement, you authorize us to charge your credit/charge card or automatically debit your bank account for the Sub-License fee payments that are due each month Sub-license fee/rent will vary depending upon the size of the premises, the site's condition, its location, demand for the site, businesses in the area, length of the lease/license, local market conditions, build-out requirements and construction or other allowances from the landlord, and the requirements of individual landlords These figures are based upon our limited experience in entering into leases/licenses for Full Store Units, in entering into leases/licenses for Mall Units, information provided to us by our franchisees, and basic understanding of the leasing market These figures may vary considerably in other parts of the United States A typical Full Store Unit occupies approximately 600 to 1,500 square feet of space Because of the wide variation in lease/license rates for retail space, you should thoroughly investigate the costs of obtaining a location

[4] The cost of leasehold improvements will vary widely depending upon the size and condition of the premises, whether there are any existing and comparable leasehold improvements in the premises, the extent and quality of improvements desired by you over and above our minimum requirements, landlord's cash contribution to the cost of the improvements, price differences among contractors and/or subcontractors, services of the architect, general contractor and electrician, labor rates and other local conditions, ability to negotiate with the landlord and your financial strength, location of the premises, and the like Improvements include electrical, carpentry, floor covering, painting, site surveys, construction drawings, space demolition and preparation, and contractor's fee These expenses include fees paid by our affiliate, Global Cellular, to the General Contractor, architect, and electrician Additional leasehold improvements may be required These figures are based upon our limited experience in our affiliate-owned Full Store Units, information provided to us by our franchisees, and basic understanding of the leasing market and leasehold improvements The estimates assume that the landlord will provide connections to adequate electrical, gas, water and sewage service

[5] Furnishings, fixtures, equipment and decor will include display cases and shelving to hold and display faceplates, and display racks to hold and display faceplates and other accessories and inventory This includes other branding elements Other equipment will include hardware and cameras for the POS enhancements for additional information retrieval and security (See Item 11 for additional details) Costs will vary depending on a number of factors including building codes where your Full Store Unit is located, the size and condition of the premises, the extent and quality of fixtures, furnishings and equipment desired by you over and above our minimum requirements, location of the premises, shipping fees, and the like Some payments, other than those to Global Cellular, will be made to approved suppliers These amounts include the cost of the furnishings, fixtures, equipment, and décor items that you must purchase from our affiliate, Global Cellular, which comply with our specifications and standards These estimates include installation These fixtures include display cases to hold and display product and display racks to hold and display products, graphics and wall items, flat screen television(s) and other visual merchandising elements as we require You may be permitted with our prior written approval to purchase certain furnishings such as televisions directly from third parties

[6] The cost of your exterior sign will vary depending upon the size, color and specification of the lighting of the channel letters of the sign and other specifications as may be required by us, as well as what is permitted by your landlord and what is provided by your landlord Costs will also vary depending on what is desired by you over and above our minimum requirements While signage is listed as a separate fee in this Item 7, it also must be purchased from our affiliate, Global Cellular, and will be provided in the same manner as other fixtures, furnishings and equipment

[7] Based on our experience, we estimate that the amount given will be sufficient to purchase or lease the elements and components of the Technology Package There are certain options of

hardware and additional services that you can purchase for your Technology Package which are not included in the amount listed as they are not required The Technology Package is comprised of the following three elements (i) a POS, which will include a cash drawer, bar code reader, receipt printer, and computer to operate the POS, which will cost approximately $1,000 to $1,800, (ii) one Repair Station, which will perform diagnostics on various devices, and which will cost approximately $1,500, and (iii) one Shout' Experience system, which is the custom case program, enabling a customer to make a personalized wireless device accessory, which includes a computer, mouse, keyboard, monitor, sublimation printer, and heat press, and which will cost approximately $2,500 The current configuration of the various elements of the Technology Package includes a variety of hardware and software items such as PCs, monitors, printers, and related software (See Item 11 for further details) There are certain options of hardware and additional services that you can purchase for the Technology Package which are not included in the amount listed as they are not required The Shout'® Experience elements of the Technology Package are provided by our affiliate, Global Cellular, the Repair Station will be purchased from a third party supplier and the POS bundle is provided by an approved or designated supplier (which is currently NCR Corporation) In addition, we require that you subscribe for internet access with a reputable internet service provider that offers a static IP address You are also required to pay a monthly software license fee to NCR The figure in the chart includes the costs of the Technology Package plus 3 months of the Software Fee at $85 per month The figure in the chart includes the costs of the Technology Package plus up to 3 months of any expected software or technology fee that may be required by a supplier You must sign the "Equipment Purchase Agreement and License Agreement" with Global Cellular, which addresses the issues of product purchases, cost, license fees, and ongoing support A copy is attached to this Disclosure Document as Exhibit O You may also be required to use the proprietary technology software provided by Marketing Repair, LLC This software will assist in the management of operational information and inventory as well as appointment setting Currently, Marketing Repair, LLC does not charge a fee for the use of this software, but may do so in the future

[8] This figure is an estimate of the cost for a down payment against annual premium payments to maintain the insurance required by the Franchise Agreement Based on our experience with mall operators, we estimate that the range given will be sufficient In the event that Global Cellular directly leases or licenses the premises, then the mall operator will, in our experience, require that Global Cellular obtain general liability insurance in the amount that the mall operator specifies This is insurance that covers Global Cellular as tenant, and as sublicensor to you This insurance is in addition to and will serve as excess coverage above your primary general liability policy In this event, Global Cellular will, on an annual basis, bill you for this insurance coverage in the amount of $300 and Global Cellular's billing will include a markup over its cost in order to cover administrative expenses and to provide an element of profit Global Cellular's billing to you will be made annually and payment in full will be due There will be no installment payments and the billing will not be prorated over the year so operators may not receive a full year of coverage in their first and last year

[9] The initial franchise fee includes general training, advice, and assistance The training will include approximately 12 days of training, which may take place at our headquarters and/or at regional training sites, as well as your Business Unit As described in Item 5 and 11, we will provide our training personnel and they will travel to your Business Unit to conduct training You must pay us a Training Personnel Fee of $2,000 per trainer There will be approximately 12 total days of training In addition to the Training Personnel Fee, you must pay your employees their wages, salaries and benefits, and any meals or other benefits during training If you or any of your employees must travel to a different location, you must pay, in addition to the wages, meals, etc , the travel costs for you and your employers, which may include travel, lodging and meals Costs vary depending on the distance traveled, and the type of lodging As of the date of this Disclosure Document those reasonable costs range from $3,500 to $5,500 Your employees

must be covered by your workers compensation insurance before we start any training, and you must certify to us in writing that your employees are covered

[10] The Digital Marketing Set-Up Fee is a flat fee which covers various elements of digital marketing for your Business Unit, whereby Global Cellular will contact and contract with certain third party marketing, search engine optimization, and customer development entities, including search engine optimization work, uploading into the store locator portions of the Cellairis com website, preparing press releases, and other online marketing efforts which are aimed at increasing customer foot traffic Additionally, the Digital Marketing Set-Up Fee includes customer service and training elements, whereby we establish a call forwarding number, which does not require you to purchase a second phone line, but which allows both you and us to listen to any phone call received at the Business Unit

[11] As part of the POS, each Business Unit must have a separate email address that identifies the Business Unit as a separate business We will provide this email address to you in connection with the activation of the POS We are charged $5 per month per email address from Microsoft, and we will collect this from you on a yearly basis and remit it to Microsoft In addition, we may require you to have, or you may voluntarily select to have, an additional email address with the "Cellairis" name as part of the domain If you so choose this, or if we require this, there will be additional $5 per month charge, which will be collected on a yearly basis that we will assess and collect and remit to Microsoft

[12] This estimates the funds needed to cover your expenses during the first three months of operation These expenses include payroll costs (excluding any wage or salary paid to you), other miscellaneous expenses, and working capital If you are working at the Business Unit, payroll costs may be lower depending on what wage or salary you pay yourself Also, payroll costs may be higher during the holiday season since there is generally an increase in shopping traffic and you may have a need for additional employees during this time Your costs will vary depending on how rapidly your business grows These figures are estimates based on our limited past business experience with Full Store Units, as well as our past business experience with Mall Units, and information provided to us by our franchisees We cannot guarantee that you will not have additional expenses starting the business Your costs will depend on factors such as how closely you follow our methods and procedures, your management skill, experience and business knowledge, local economic conditions, the local market for our Products and Services, the prevailing wage rate, competition, and the sales level achieved during the initial period

[13] Except as specifically stated above, the amounts given may be subject to increases based on changes in market conditions, or cost of providing services and future policy changes At the present time, we have no plans to increase payments over which we have control Unless otherwise stated, none of the expenses described in this chart are refundable In developing these estimates, we relied on our affiliate's experience in developing and owning Full Store Units, the experience of our franchisees (as reported to us) in developing and owning Full Store Units, as well as our management's business acumen and experience, including estimates from contractors and vendors You should review these figures carefully with a business advisor before making any decision to purchase the franchise Your actual investment and expenditures may vary from the above estimate depending on many factors including where your Full Store Unit is situated, the size of your Full Store Unit, your ability to negotiate to your benefit with your landlord, your management capabilities, and the amount contributed by your landlord In addition, your costs will depend on factors such as your compliance with our methods and procedures, your management skill, your business experience and business acumen, local economic conditions, the prevailing wage rate, and the growth of your franchise during the initial period We do not offer direct or indirect financing to franchisees for any of these items

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Our affiliates Global Cellular, Vendor DP, CMS, and CPT made sales or received fees for the sale of inventory, sub-licenses of the Premises, Interactive Kiosk Structures, furniture, fixtures, and equipment, POS software fees, Shout' Experience, credit card processing, and insurance to our franchisees in the year 2016 In the year ending December 31, 2016, the revenues received by Global Cellular from the sale of these various items to our franchisees (except for credit card processing, discussed below) was $34,251,952 The source of this information is Global Cellular's unaudited financial statements In the year ending December 31, 2016, the revenues received by Vendor DP from the sale of products to Cellairis Business Units was $53,447 The source of this information is Vendor DP's unaudited financial statements

INVENTORY

To ensure the highest degree of quality and service, it is an express condition of the franchise relationship that you must purchase your inventory from our approved suppliers Currently, our affiliates Global Cellular and Vendor DP are two approved suppliers In addition to the required minimum initial purchase of inventory from Global Cellular (see Item 5 above), you must purchase a minimum monthly amount of Cellairis-branded (or Cellairis-packaged) products in the amount of $2,000 per month (See Item 6) Global Cellular made sales to our franchisees in the year 2016 Our affiliate may charge you a mark-up, surcharge, and handling fee on inventory you purchase that is higher than the cost charged to our affiliate by the manufacturer We expect that based on our affiliate's purchasing power, the cost of inventory purchased by you from our affiliate is comparable to prevailing wholesale market prices Our affiliate may charge higher, lower or the same prices for Product to individuals/entities that are not franchises

We may approve other suppliers of products in the future Our affiliate, Vendor DP, is a vendor of products and repair parts Also, Vendor DP will undertake to manage and administer the relationships with third-party manufacturers and suppliers of Products and Parts, including the relationship between us and the suppliers, and between the suppliers and the franchisees, and through that process will sell, or facilitate the sale of, Products and Parts to our franchisees We expect that most Products and Parts will be ordered and purchased by franchisees directly from the approved suppliers (and not from Global Cellular) and the suppliers will sell directly to the franchisees Vendor DP will conduct inventory and product review for the entire system, negotiate system-wide pricing, manage the approved supplier evaluation functions for the system, and provide other communications and supply chain management assistance Vendor DP may receive fees, commissions, or compensation from the manufacturers and suppliers in consideration of the tasks undertaken by Vendor DP, and those fees will be based on the volume of products purchased by franchisees We expect that most of the fees paid by suppliers and received by Vendor DP will be based on a price per unit sold Even though Global Cellular is not the sole approved supplier, you must comply with the minimum monthly purchase requirement of $2,000 of Cellairis-branded or Cellairis-packaged products, whether it is purchased from Global Cellular or another approved supplier

We estimate that the cost of inventory purchased from our affiliate, Global Cellular or from approved third-party suppliers, is (A) 18 39% to 11 11% of your total cost to establish an RMU franchise and approximately 25 56% to 19 71% of on-going operation expenses for an RMU franchise, (B) 11 30% to 11 53% of your total cost to establish an Interactive Kiosk franchise and approximately 35 37% to 21 96% of on-going operation expenses for an Interactive Kiosk Franchise, and (C) 15 39% to 15 22% of your total cost to establish a Full Store Unit franchise and approximately 32 72% to 27 07% of on-going operation expenses for a Full Store Unit franchise These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

We create and modify our specifications and standards based on market, competitive, and economic conditions We will communicate our standards and specifications to you in writing from time to time Additionally, we will provide you recommended selling prices for the inventory

Global Cellular and other approved suppliers who will sell directly to franchisees, and who will operate through the arrangement with Vendor DP are currently the only approved suppliers We have the discretion to have a sole source of supply, whether that is Global Cellular or another entity Also, we may expand the number of other approved suppliers of the inventory that is needed for your franchise However, Vendor DP will manage this supply chain function and relationship We do not maintain written criteria for approving suppliers, so these criteria are not available to you or your proposed supplier Additionally, there is no purchasing or distribution cooperative established between us and a third party Your additional inventory purchases will vary based upon the amount of sales made in the ensuing months You are required to purchase all products utilized in the on-going operation of the franchise from our affiliate and the amount of these purchases will directly relate to the success of your business We receive no rebates from either Global Cellular or Vendor DP as a result of those companies being approved suppliers to you

Failure to purchase all of your inventory from our affiliate Global Cellular, and other approved suppliers, is a material event of default that may lead to termination of your franchise

In addition, we may require that franchisees engage in product repair and refurbishments arrangements with an affiliate (likely Global Cellular or Recycle Trader) or other approved vendor, in which franchisees will sell or furnish broken or damaged products to our affiliate (likely Global Cellular or Recycle Trader) or approved vendor in exchange for repaired products or credits toward future transactions Franchisees may also purchase repaired, refurbished or recycled products from our affiliate or approved vendor to offer to customers at the Cellairis Business Units In the event an affiliate is part of this program described in this paragraph, then such affiliate will receive revenue from its transactions with franchisees

In 2017, we may introduce an optional program by which franchisees and Business Unit owners and operators may purchase used cellphones, accessories, other wireless devices, tablets, and components, and then pursue multiple options to refurbish, or sell to third-party used equipment resellers, these products We are currently evaluating potential arrangements to facilitate transactions, based on the franchisee facilitating or brokering a purchase of used products from customers The franchisee would receive a commission from the entity that is the ultimate purchaser of the products As a program is finalized and implemented, we will advise all franchisees regarding the details, including the process and payments

LICENSE OF PREMISES

You will likely sub-license the premises for your Business Unit from Global Cellular In such case, Global Cellular will require that you sign a Sub-license Agreement, a sample of which is attached as **Exhibit "E"**, or such sub-license as the landlord may require While all are similar in concept, there may be some variations in the Sub-license Agreement depending on which mall developer is the landlord Mall developers typically require a payment of a percentage of gross sales over a stipulated breakpoint, and each mall developer's definition of gross sales slightly varies Additionally, mall developers typically use different events (such as the date when the Business Unit opens or a certain number of days after the landlord gives over possession of the premises, *etc*) as the commencement date for when payment of rent or license fees are to begin There are no other material differences in the Sub-license Agreements The underlying master lease or license, as redacted, will be provided to you with the Sub-license Agreement In the event that you must enter into a sub-license, then you will not be charged a fee by us for having to enter into the sub-license but Global Cellular will make revenues in the amount which is charged to you, which amount will be greater than the amount which Global Cellular is required to pay the underlying landlord You may also lease or license the Premises from a third party if the mall operator is agreeable to such arrangement Your lease or license of the Premises (as defined below) directly from any third party however, is required to include certain provisions as described below You must send us a copy of any lease or license for your franchise and any lease or license for the location of the franchise (**"Premises"**) must contain the following terms and conditions

(a) The Premises must be used only for the operation of a Cellairis Business Unit,

(b) The landlord must consent to your use of the Premises as a Cellairis Business Unit,

(c) The landlord must agree to furnish us with copies of any and all letters and notices sent to you, including notes of default, if any, pertaining to the lease and the Premises, at the same time that these letters and notices are sent to you,

(d) You may not sublease, sub-license or assign all or any part of your occupancy rights in the Premises, or extend the term or renew the lease or license, without our prior written consent,

(e) Landlord must grant us the right to enter the Premises to make any modifications necessary to protect our trademarks and related proprietary rights and marks, to cure any default under the lease or license, or under the Franchise Agreement, and to examine the inventory being sold from the Premises, and

(f) We will have the right, at our sole option and without any obligation whatsoever to do so, to assume your occupancy rights under the lease or license for the remainder of its term upon your default or termination under the lease or license, or under the Franchise Agreement, and

(g) The landlord and you sign the then current form of our Conditional Lease Assignment Agreement, which is attached as **<u>Exhibit "G"</u>**

Currently some mall developers require our affiliate Global Cellular to directly lease or license the Premises and, in such cases, we will require that you sign a sub-license and provide to Global Cellular one month's deposit Some mall developers may require Global Cellular to lease or license multiple sites in multiple malls and Global Cellular may be required to pay sums to the mall operators relating to either (a) an annual lump sum payment associated with such multiple locations or (b) rental or license payments for sites which are much less likely to be developed In such cases, in addition to any established monthly rent or sub-license fee, Global Cellular reserves the right to allocate a mall upcharge rate to you which represents a discretionary amount relating to such upcharges by the mall developers plus an administrative fee associated with Global Cellular's costs of administration and profit to Global Cellular

We estimate that the cost of the initial payment of one month's rent plus the security deposit which is payable to our affiliate, Global Cellular, is (A) 2 45% to 25 93% of your total cost to establish an RMU franchise and approximately 6 82% to 46 00% of on-going operation expenses for an RMU franchise, (B) 1 69% to 20 75% of your total cost to establish an Interactive Kiosk franchise and approximately 8 49% to 49 40% of on-going operation expenses for an Interactive Kiosk Franchise, and (C) 1 17% to 8 53% of your total cost to establish a Full Store Unit franchise and approximately 10 36% to 37 90% of on-going operation expenses for a Full Store Unit franchise These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

SITE DEVELOPMENT

Site Approval Upon our written acceptance of a proposed site, you will proceed promptly to enter into the approved lease, license, sublease, or sub-license for the accepted site and obtain all necessary zoning, building and other governmental or regulatory approvals and permits required for the establishment of the Business Unit We may, in our discretion, and without any liability to you, assist you in obtaining these approvals and permits

General Contractor Our affiliate Global Cellular, will engage, and you will pay for the services of a qualified and duly licensed general contractor, who is reputable and experienced in building units of similar retail concepts, to supervise, delegate and/or perform (i) the construction and development of the Business Unit, (ii) the completion of all improvements, (iii) the outfitting of the Business Unit with furnishings, fixtures and equipment, and (iv) all other services that are designated by us to be performed by the general contractor in connection with constructing the Business Unit (the **"General Contractor"**) The General Contractor will, at your sole expense, engage the services of a qualified and reputable electrician to perform all services necessary to properly wire the Business Unit for electricity The General Contractor will obtain all required licenses, permits, and approvals associated with construction and operation of the Business Unit We, our subsidiaries, affiliates, the architect, and approved distributors and suppliers are not responsible with regard to obtaining and/or maintaining such licenses, permits, and approvals Our affiliate may charge you a management fee for overseeing and managing the build-out process We may designate, at any time and for any reason, a single or multiple approved General Contractors and require you to engage the services exclusively from such designated General Contractor(s), which exclusive designated General Contractor may be our affiliate

Architectural Firm We have the right to designate one or more suppliers of design services and/or architecture services (an **"Architectural Firm"**) to supply architectural and/or design services to the System, and the Architectural Firm may be our affiliate or it may be hired by our affiliate At our option, we may authorize the General Contractor to select an Architectural Firm to assist in developing the Business Unit Upon request by us, the Architectural Firm will provide to us, for our written acceptance, a proposed preliminary site and construction plans and specifications for the Business Unit which, if accepted, will not be modified, altered or changed without our prior written consent You must sign such contracts or agreements as required to obtain the services of the Architectural Firm You are solely responsible for payment to our affiliate for all services provided by the Architectural Firm Our affiliate may charge you a mark-up on the services provided by the Architectural Firm

Construction of Business Unit Our affiliate Global Cellular will cause the construction of the Business Unit at the accepted site per the construction plans and specifications to begin as soon as possible and shall complete construction, including the purchase and installation of all equipment specified by us, and have the Business Unit ready to open for business within 5 months after we sign the Franchise Agreement We and our agents have the right to inspect the construction site at any reasonable time without prior notice You must correct, upon our request and at your sole expense, any change from any accepted site or construction plans or specifications

In the event you are responsible for building the Business Unit, then you must provide us with such information relating to the construction of the Business Unit and development of the site as we may from time to time request, which may include, without limitation, copies of all commitments and plans for construction and financing, the contact name, address and telephone number for any lenders and contractors, and a copy of any construction or financing agreements It is your responsibility to ensure that the Business Unit and Location are in full compliance with the Americans with Disabilities Act of 1990, as amended (**"ADA"**) or similar rules governing public accommodations or commercial facilities for persons with disabilities We, our subsidiaries, affiliates, the Architectural Firm, the General Contractor, and approved distributors and suppliers are not responsible with regard to obtaining and/or maintaining such licenses, permits, and approvals and compliance

In connection with your construction of the Business Unit, use of the General Contractor and use of the Architectural Firm, we assume no responsibility for the quality of any construction because of any inspections made by us or any reports or recommendations made as a result of such inspections, or unsatisfactory performance of any contractor, architect, or suppler (including the General Contractor and Architectural Firm), even if such contractor, architect, or supplier was designated by us, and we are not liable for the Full Store Unit or Location's non-compliance with any law, statute, regulation, ordinance or other requirements including but not limited to the ADA We shall have the option of approving or denying a request from you to use a General Contractor and/or Architectural Firm submitted by you to develop and construct the Full Store Unit In connection with such request, you and the proposed General Contractor and/or Architectural Firm must submit all information and data as we may require to consider the request We reserve the right to charge you a fee in connection with evaluating a request to use a proposed General Contractor and/or Architectural Firm We may deny such request for any reason, including our determination to limit the number of approved General Contractors and/or Architectural Firms We do not maintain written criteria for approving service providers, so these criteria are not available to you or your proposed service provider

We estimate that the cost of the real estate improvements purchased from our affiliate, Global Cellular, is (A) 0% of your total cost to establish an RMU franchise and approximately 0% of on-going operation expenses for an RMU franchise, (B) 0% of your total cost to establish an Interactive Kiosk franchise and approximately 0% of on-going operation expenses for an Interactive Kiosk Franchise, and (C) 30 78% to 30 45% of your total cost to establish a Full Store Unit franchise and approximately 0% of on-going operation expenses for a Full Store Unit franchise These ranges may vary depending on factors including price differences among contractors and/or subcontractors, services of the architect, general contractor and electrician, labor rates and other local conditions, ability to negotiate with the landlord and your financial strength, location of the premises

These ranges may also vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

FIXTURES, FURNISHINGS, AND EQUIPMENT

You must maintain at the Business Unit, at your expense, all fixtures, furnishings and equipment as we may direct from time to time in the Manual or otherwise, and you may not install or permit to be installed any fixtures, furnishings or equipment that do not meet our specifications You must maintain the Business Unit in a clean, attractive condition and in good repair We may, in our sole discretion, designate us or our affiliates (which will likely be Global Cellular) as the sole supplier of all fixtures, furnishings and equipment to be installed and utilized at the Business Unit In that event, us, or our affiliates will use their reasonable commercial efforts to timely supply and ship to your Location, at your expense, all fixtures, furnishings and equipment for the Business Unit from which the Products will be sold and Services provided The price for the fixtures, furnishings and equipment, and other associated charges and fees, including taxes, shipping costs, and installation costs will need to be paid by you to us, or our affiliates, prior to any shipment of these items, and the price for these items and other charges and fees are in addition to any Franchise Fee paid by you Neither we or our subsidiaries, affiliates, or any designated third party supplier shall be liable for any delay or failure in the delivery of the fixtures, furnishings or equipment to the Location Except for certain items which may be purchased from third parties, us and our subsidiaries or affiliates are and will likely remain the sole source for the fixtures, furnishings and equipment, including the physical Interactive Kiosk Structure, and our subsidiaries or affiliates will set the price for the fixtures, furnishings and equipment (including the cost for the shipping), and us and our subsidiaries and affiliates expect to generate profits from such sales

It is an express condition of the franchise relationship that you must purchase your fixtures, furnishings, and equipment, including the physical Interactive Kiosk Structure, from our affiliate, Global Cellular Our affiliate may charge you a mark-up on these items that you purchase that is higher than the cost charged to our affiliate by the manufacturer We expect that based on our affiliate's purchasing power, the cost of the fixtures, furnishings and equipment purchased by you from our affiliate is comparable to prevailing market prices

We estimate that the cost of the fixtures, furnishings and equipment purchased from our affiliate, Global Cellular, is (A) 15 33% to 10 19% of your total cost to establish an RMU franchise, and approximately 0% to 1% of on-going operation expenses for an RMU, (B) 35 31% to 23 06% of your total cost to establish an Interactive Kiosk franchise, and approximately 0% to 1% of on-going operation expenses for an Interactive Kiosk, and (C) 18 47% to 18 27% of your total cost to establish a Full Store Unit franchise, and approximately 0% to 1% of on-going operation expenses for a Full Store Unit These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

Except for a few items, such as televisions, which may be purchased from a third party with our prior written approval, our affiliate Global Cellular is the only approved supplier of the fixtures, furnishings and equipment that are needed for your franchise While it is within our discretion to do so, we do not anticipate any circumstances in which we would approve other approved suppliers of the fixtures, furnishings and equipment that are needed for your franchise We do not maintain written criteria for approving suppliers, so these criteria are not available to you or your proposed supplier Additionally, there is no purchasing or distribution cooperative established between us and a third party We receive no rebate from Global Cellular as a result of Global Cellular being the exclusive supplier to you

Failure to purchase the fixtures, furnishings and equipment from our affiliate Global Cellular is a material event of default that may lead to termination of your franchise

INSURANCE

You must maintain current and effective insurance policies issued by carriers acceptable to your landlord and to us for

(a) Comprehensive general and product liability insurance at a minimum of the insurance coverage that meets the levels required by the lessor, by local law, and regulation,

(b) General casualty insurance, including fire and extended coverage, vandalism malicious mischief insurance, for the replacement value of the Premises and its contents, and

(c) Any other type of insurance policies, such as business interruption insurance, and worker's compensation insurance to the extent required by applicable law, with coverage as we presently or hereinafter require

Each insurance policy must name us as an additional insured and must include such other provisions, as we may reasonably require You must deliver to us certificates of insurance and other evidence of your compliance with the insurance requirements that we may require, including endorsements and/or copies of the subject policies If you fail to deliver to us proof of insurance or if your insurance is canceled, expires, or is otherwise terminated, we have the option to (but are not required to) purchase the required insurance on your behalf and you must reimburse us for its cost We do not anticipate that we would derive income from purchasing insurance for you but we reserve the right to pass any and all administrative costs of such activity on to you

In 2017, we may introduce an optional program by which franchisees and Business Unit owners and operators may purchase insurance from an approved vendor who is an insurance broker In the event you utilize this optional approved insurance broker, then the broker may contribute money to us or our affiliate for marketing, branding, and brand development purposes As a program is finalized and implemented, we will advise all franchisees regarding the details

As stated above, some mall developers require our affiliate Global Cellular to directly lease or license the Premises and, in such case, our current experience is that the mall developer also requires that Global Cellular obtains general liability insurance in the amount that the mall developer specifies If this happens, and the mall developer will not allow you to obtain insurance independently, then Global Cellular will, on an annual basis, bill you for this insurance coverage and Global Cellular's billing will include a markup over its cost in order to cover administrative expenses and to provide an element of revenue This markup will range between $0 and $300 per policy, depending on the cost to Global Cellular of the policy as well as other factors There will be no installment payments and the billing will not be prorated over the year so operators may not receive a full year of coverage in their first and last year In addition, even if Global Cellular obtains certain insurance for the premises, you must still obtain and pay for all other types of insurance coverage that we currently or may in the future require, including worker's compensation coverage to the extent required by applicable law In the event Global Cellular obtains insurance, then this insurance is in addition to and will serve as excess coverage above your primary general liability policy, which you are required to purchase Also, you may wish, in your discretion, to obtain supplemental liability insurance

We estimate that the cost of the insurance that is purchased by our affiliate Global Cellular, as part of the general liability insurance requirements imposed by the mall developers, is (A) 0 92% to 0 28% of your total cost to establish an RMU franchise, and approximately 0% of on-going operation expenses for an RMU, (B) 0 42% to 0 17% of your total cost to establish an Interactive Kiosk franchise, and approximately 0% of on-going operation expenses for an Interactive Kiosk, and (C) 0 18% to 0 09% of your total cost to establish a Full Store Unit franchise, and approximately 0% of on-going operation expenses for a Full Store Unit These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

TECHNOLOGY PACKAGE

Only equipment approved by us that meets our criteria and performance standards may be used in the operation of a franchise, including but not limited to such Technology Package items and associated software as may be approved or required for purchase by us If we determine that additional or replacement equipment is needed because of a change in business considerations, you will, at your sole cost and expense, install the additional equipment or replacement equipment within the reasonable time specified by us You must, at your sole cost, install and maintain all equipment designated and required by us that we deem to be necessary to carry out, offer, and perform all of the Services that we require to be offered at the Business Unit At your sole cost, you must install and maintain the various elements of the Technology Package designated and required by us The Technology Package will likely include the associated software required by us and you shall pay such amounts to us and/or third parties as may be reasonably required to maintain the Technology Package and associated software and associated administrative costs You must purchase the Technology Package system described in Item 7 As described in Item 7, the current initial cost of the hardware and software of the Technology Package is (A) for an RMU franchise approximately between $1,300 and $6,100, because the Shout! Experience and Repair Station are optional (B) for an Interactive Kiosk franchise approximately between $3,800 and $6,100 because the Repair Station is optional and (C) for a Full Store Unit franchise between $5,255 and $6,055 As described below there are restrictions on the purchase of two of the three elements that make up the Technology Package, specifically, the point of sale system and the Shout! Experience With respect to the third component of the Technology Package, the Repair Station, as described in Item 11, there are no purchase restrictions

One of the components to the Technology Package is the point of sale system (**"POS"**) You must purchase the POS defined in Item 7 At your sole cost, you must install and maintain the POS designated and required by us The POS will likely include the associated software required by us and you shall pay such amounts to us and/or third parties as may be reasonably required to maintain the POS and associated software and associated administrative costs The main functions of the POS are to collect and manage information about the various sales transactions at your Business Unit For example, you will likely use the POS to post all Product and Service sales, keep inventory control, post sales tax, refunds, and credits, and maintain customer information Currently, NCR Corporation is the sole designated supplier for the POS Global Cellular has a supply arrangement with Radiant Systems, Inc of Georgia (**"Radiant"**) for the POS (**"Radiant Arrangement"**) The POS will run on your iPad® device and can also work with your iPhone® or iPod touch® The POS bundle offered by NCR includes, hardware, software and accessories Some of the hardware and software required for the POS is proprietary software of NCR You will be responsible for purchasing an iPad 2 or iPad with Retina display or any other compatible iPad model directly from a third party supplier of your choice You may also be required to use the proprietary technology software provided by Marketing Repair, LLC This software will assist in the management of operational information and inventory as well as appointment setting Currently, Marketing Repair, LLC does not charge a fee for the use of this software, but may do so in the future As described in Item 7 for the Mall Units and in the notes to Item 7 for the Full Store Units, the current initial cost of the POS is approximately between $1,000 and $1,800 In addition, you are also required to pay a monthly software license fee to NCR of $85 per month, which is part of the Radiant Arrangement, and the chart within Item 7 includes 3 months of this fee

Global Cellular made sales to our franchisees for the POS and software fee in 2016 We do not maintain written criteria for approving suppliers of the POS, so these criteria are not available to you Additionally, there is no purchasing or distribution cooperative established between us and a third party

We estimate that the cost of the POS and 3 months of the software fee purchased from an approved supplier are (A) 3 99% to 1 94% of your total cost to establish an RMU franchise and approximately 0 72% to 0 28% of on-going operation expenses for an

RMU franchise, (B) 1 84% to 1 21% of your total cost to establish an Interactive Kiosk franchise and approximately 0 60% to 0 23% of on-going operation expenses for an Interactive Kiosk franchise, and (C) 0 80% to 0 64% of your total cost to establish a Full Store Unit franchise and approximately 0 46% to 0 23% of on-going operation expenses for a Full Store Unit franchise These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

You are contractually required at your expense to upgrade and update the POS to remain in compliance with our standards and specifications As of the date of this Disclosure Document, we are not aware of the range or the frequency of upgrades or updates There are no contractual limitations on the frequency and cost of this requirement

A second component to the Technology Package is the Shout! Experience Currently, our affiliate, Global Cellular, is the sole designated supplier for the Shout!® Experience The Shout!® Experience includes a computer, a keyboard, a mouse, a monitor a sublimation printer, and heat press You may also be required to use the proprietary technology software provided by Marketing Repair, LLC This software will assist in the management of operational information and inventory as well as appointment setting Currently, Marketing Repair, LLC does not charge a fee for the use of this software, but may do so in the future As described in Item 7, the current initial cost of the hardware and software related to the Shout!® Experience is $2,500, however, this is optional for an RMU franchise As discussed in Item 7 above, if you purchase this item from Global Cellular, you must sign the Equipment Purchase Agreement and License Agreement, a copy of which is attached to this Disclosure Document at **Exhibit "O"** When selling the Shout! Experience to franchisees, Global Cellular may charge you a mark-up, surcharge, and handling fee on the various components, which is higher than the cost charged to Global Cellular by the manufacturers While it is within our discretion to do so, we do not anticipate any circumstances in which we would approve other approved suppliers of the Shout! Experience that is needed for your franchise We do not maintain written criteria for approving suppliers, so these criteria are not available to you Additionally, there is no purchasing or distribution cooperative established between us and a third party We receive no rebate from Global Cellular as a result of Global Cellular being the exclusive supplier to you

We estimate that the cost of the Shout! Experience purchased from our affiliate Global Cellular, is (A) 0% to 2 32% of your total cost to establish an RMU franchise, and approximately 0% of on-going operation expenses for an RMU, (B) 3 53% to 1 44% of your total cost to establish an Interactive Kiosk franchise, and approximately 0% of on-going operation expenses for an Interactive Kiosk, and (C) 1 54% to 0 76% of your total cost to establish a Full Store Unit franchise, and approximately 0% of on-going operation expenses for a Full Store Unit These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

E-MAIL FEE

Before your business opens, as part of the POS, the Business Unit must have a separate email address that identifies the Business Unit as a separate business We will provide this email address to you in connection with the activation of the POS We are charged $60 per year per email address from Microsoft, and you must pay us this fee by credit card or check at the time of the order In addition, we may require you to have, or you may voluntarily select to have, an additional email address with the "Cellairis" name as part of the domain If you so choose this, or if we require this, there will be additional $60 per year charge that must be paid by credit card or check at the time of the order

Global Cellular did not make sales to our franchisees for the E-Mail Fee in 2016 We do not maintain written criteria for approving suppliers of the E-Mail Fee, so these criteria are not available to you Additionally, there is no purchasing or distribution cooperative established between us and a third party

We estimate that the cost of the E-Mail Fee paid to our affiliate Global Cellular, is (A) 0 18% to 0 11% of your total cost to establish an RMU franchise, and approximately 0% to 1% of on-going operation expenses for an RMU, (B) 0 08% to 0 07% of your total cost to establish an Interactive Kiosk franchise, and approximately 0% to 1% of on-going operation expenses for an Interactive Kiosk, and (C) 0 04% to 0 04% of your total cost to establish a Full Store Unit franchise, and approximately 0% to 1% of on-going operation expenses for a Full Store Unit These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

DIGITAL MARKETING SET-UP FEE

Before your business opens, you must pay our affiliate, Global Cellular a "Digital Marketing Set-Up Fee" The Digital Marketing Set-Up Fee is a flat fee which covers various elements of digital marketing for your Business Unit, including search engine optimization work, uploading into the store locator portions of the Cellairis com website, preparing press releases, and other online marketing efforts which are aimed at increasing customer foot traffic Additionally, the Digital Marketing Set-Up Fee includes customer service and training elements, whereby we establish a call forwarding number, which does not require you to purchase a second phone line, but which allows both you and us to listen to any phone call received at the Business Unit

We estimate that the cost of the Digital Marketing Set-Up Fee paid to our affiliate Global Cellular, is (A) 12 27% to 3 70% of your total cost to establish an RMU franchise, and approximately 0% of on-going operation expenses for an RMU, (B) 5 65% to 2 31% of your total cost to establish an Interactive Kiosk franchise, and approximately 0% of on-going operation expenses for an Interactive Kiosk, and (C) 2 46% to 1 22% of your total cost to establish a Full Store Unit franchise, and approximately 0% of on-going operation expenses for a Full Store Unit These ranges may vary depending on factors including the cost of monthly rent or sub-license fees and wages for employees

Supplier Payments and Supply Arrangements

We and our affiliates have the right to receive payments from approved suppliers based upon their dealings with you and other franchisees and we may use the monies we receive without restriction for any purpose we deem appropriate or necessary Suppliers may pay us based upon the quantities of products or services our franchise System purchases from them We do not provide material benefits to franchisees (for example, renewal of existing or granting additional franchises) based on their use of designated or approved suppliers In the year ending December 31, 2016 we did not have any revenue from suppliers based on their dealings with our franchisees in providing goods or services but we anticipate receiving payments in the future However, as discussed above with the amounts paid to Vendor DP for managing the supply chain management for the sale of certain Products and, as discussed below with respect to credit card processing, our affiliates received payments from suppliers Other than the disclosures made within Item 11 we and our affiliates do not currently, but we may in the future, negotiate supply arrangements with suppliers for the benefit of franchisees

Credit Card Processing

We and our affiliates may negotiate supply arrangements with suppliers for the benefit of franchisees Currently, our affiliate, CPT, has an arrangement with Paymentech, LLC ("**Paymentech**") to provide credit/charge card processing services to our franchise System (the "**Paymentech Arrangement**") We will require that you use CPT and Paymentech for all of your credit card processing Under the Paymentech Arrangement, all of our franchisees are required to use Paymentech as their credit/charge card processing service provider While it is within our discretion to do so, we do not anticipate any circumstances in which we would approve other approved suppliers of credit/charge card processing that is needed for your franchise We do not maintain written criteria for approving suppliers, so these criteria are not available to you or your proposed supplier Our affiliate, CPT receives monies under the Paymentech Arrangement relationship based upon a percentage of the transaction fees collected by Paymentech from our franchisees The specific percentages are described in the Paymentech Arrangement and vary on a per transaction basis depending on the type of transaction and the type of credit/charge card being processed As part of the Paymentech Arrangement, you must sign a Customer Processing Agreement with Paymentech A copy of the form of Customer Processing Agreement is attached to this Disclosure Document as **Exhibit L**

In 2015 our affiliate, Centurion Merchant Services, Inc (**"CMS"**), was the designated credit card processing company that interfaced with Paymentech In late 2015, we discontinued using CMS, and switched over to using CPT In 2016, the fees received by CMS based on purchases by our franchisees was $86,061 80 In 2016, the fees received by CPT based on purchases by our franchisees was $22,475 48

Item 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure document item
a Site selection and acquisition/lease	§ 5 D	Items 5, 8, and 11
b Pre-opening purchases/leases	§ 5	Items 5, 8, and 11
c Site development and other pre-opening requirements	§§ 5, 6 O	Items 5, 6, 7, and 11
d Initial and ongoing training	§ 5	Items 5, 6, 7, and 11
e Opening	§ 6 G	Item 11
f Fees	§ 3	Items 5, 6, and 7
g Compliance with standards and policies/Operating Manual	§ 6	Items 8 and 11
h Trademarks and proprietary information	§ 8	Item 13
i Restrictions on products/services offered	§§ 5 C , 6 D , 6 F , and 6 I	Items 8 and 16
j Warranty and customer service requirements	§§ 5 C and 6 J	Items 11 and 16
k Territorial development and sales quotas	None	None
l Ongoing product/service purchases	§§ 5 C , 6 D , and 6 F	Item 6, 8, and 11
m Maintenance, appearance, and remodeling requirements	§ 6 C and § 6 D	Items 11 and 17
n Insurance	§ 6 K	Items 5, 7, and 8
o Advertising	§ 8 A	Item 11
p Indemnification	§ 6 M	Item 6
q Owner's participation/management/ Staffing	§§ 6 A , 6 J , and 9 A	Items 11 and 15
r Records and reports	§§ 7 A and 7 B	Item 6
s Inspections and audits	§ 6 I and 7 B	Items 6 and 11
t Transfer	§ 9 D	Items 6 and 17
u Renewal	§ 4	Items 6 and 17
v Post-termination obligations	§ 11	Item 17
w Non-competition covenants	§ 8 D	Item 17

Obligation	Section in Agreement	Disclosure document item
x Dispute resolution	§ 13	Item 17
y Owners/Shareholders/Spouse Personal Guaranty	§ 1 A , Ex 1	Item 15

Item 10

FINANCING

We do not offer direct or indirect financing We do not guarantee your note, lease, or obligation

Item 11

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

Except as listed below, Cellairis is not required to provide you with any assistance

__Services Before Opening__ Before you open your Business Unit, we will

(A) Assist you in selecting, and then approve (if appropriate) the Premises, and assist in obtaining the lease, license, sublease or sub-license We may lease or license the Premises from the landlord where your Business Unit will be located and sub-license the Premises to you (See Franchise Agreement, § 5 D),

(B) Assist you in the construction of your Business Unit through our affiliate, Global Cellular, by selling to you the Interactive Kiosk physical Structure which includes the architect fee and shipping, selling to you the fixtures for your RMU, or for a Full Store, providing our standards and specifications for the build-out and design for your Full Store Business Unit as well as providing you with an approved General Contractor and Architectural Firm which may be our affiliate, Global Cellular We or our affiliate will assist you in the development and planning of any construction and design but you are responsible for all costs (See Franchise Agreement, § 6 O),

(C) Provide you with initial training (See Franchise Agreement, § 5 A),

(D) Assist you in purchasing, through our affiliate Global Cellular and other approved suppliers, your opening inventory (See Franchise Agreement, § 5 C),

(E) Assist you in purchasing, through our affiliate Global Cellular, the Shout! Experience (See Franchise Agreement, § 6 D),

(F) Assist you in purchasing furnishings, fixtures and equipment through our affiliate, Global Cellular (See Franchise Agreement, § 6 O), and

(G) Assist you in performing the initial digital marketing services (See Franchise Agreement § 6 T)

Services During Operation During the operation of your Business Unit, we will

(A) Give you access to advertising and promotional materials we develop (See Franchise Agreement, § 8),

(B) Provide additional training (See Franchise Agreement, § 5 A),

(C) Assist you in purchasing, through our affiliate Global Cellular and other approved suppliers, any and all inventory that you may need on an ongoing basis We will provide you updates on the latest goods being offered and we will assist you on a reasonable basis in helping you decide which goods to purchase (See Franchise Agreement §§ 5 C , 5 S),

(D) Notify you of changes to, or the creation of, Business Unit standards and specifications and approved or designated suppliers, or the termination of existing approved or designated suppliers (See Franchise Agreement, §§ 6 J , 6 L , 8 E), and

(E) Provide you with reasonable over-the-phone support during our normal business hours (See Franchise Agreement, § 5 B)

SITE SELECTION

You must submit for our approval a site for your Business Unit If the site is not known or approved by us before you sign the Franchise Agreement, you must locate a site following our site review and approval procedures, which are summarized below We may help you select the site for your Business Unit, although we are not obligated to do so In some circumstances, especially in shopping malls, you will likely sub-license your store location from our affiliate, Global Cellular Otherwise, you will likely lease or license your store location from independent third parties We will consider the locations of other wireless device accessory stores or locations which repair wireless devices in the vicinity of the proposed site and other such items, as may be part of our standard site criteria in determining whether to approve a site Additional factors and information may include a copy of the site plan, financial information, population information, median household income, traffic flow, and presence of businesses such as cell phone carriers Additionally, as noted above, there may be occasions when we have executed a lease or license for a site and we are willing to sub-license the location to you You are responsible for locating a site and we are not obligated to sub-license a site to you (See Franchise Agreement § 5 D)

To seek our approval of the lease or license for the Premises, you must provide a copy of the proposed lease or license The terms of the lease or license must, in our reasonable opinion comply with the requirements laid out in Item 8 We will use our reasonable commercial efforts to approve or disapprove your site within 30 to 60 days after we receive notice of the location and have all the necessary documentation for review (See Franchise Agreement § 5 D) If you lease or license the premises from a third party, you and the landlord must enter into a Conditional Lease Assignment in the form attached as **Exhibit "G"**, which includes, among other things, a provision that permits you to assign your interest in the premises to us when your Franchise Agreement expires or terminates If we do not approve a site, you must propose a new site The Franchise Agreement states that you must begin your operations of the Business Unit no later than 5 months after signing the Franchise Agreement unless we authorize you to open at a later date (See Franchise Agreement § 6 G) If we and you are unable to agree upon a site for a Business Unit we may terminate your Franchise Agreement

We do not in any way endorse, warrant, or guarantee either directly or indirectly the suitability of your franchise site or the success of your franchise The success of your franchise depends on a number of factors including your operational abilities, site location, mall traffic, consumer trends, and other such factors that may or may not be within your direct control

We estimate that the average length of time between signing of a franchise agreement and opening of a franchised business will be between 30 and 60 days for a Mall Unit, and between 4 and 5 months for a Full Store Unit Factors that may affect the length of time it takes to open include site location, design of the Premises, construction of the site, installation of furnishings, fixtures and equipment, financing, permits, ordinance issues, landlord approval, and training

FIXTURES AND SITE DEVELOPMENT

We, or our subsidiaries or affiliates will use their reasonable commercial efforts to timely supply and ship to your Location, at your expense, the fixtures, furnishings and equipment for the Business Unit from which the Products and Services will be sold

We or our subsidiaries or affiliates are and will likely remain the sole source for the fixtures, furnishings, and equipment The fixtures, furnishing and equipment must be maintained in accordance with the requirements and specifications established from time to time by us in the Manual or otherwise The General Contractor will provide for delivery and installation of these items at your expense

TRAINING

Before you are allowed to operate your franchise, you must attend and successfully complete our training program The initial training program consists of five days of classroom training at our headquarters and seven days of on-site training in a Business Unit

Classroom Training The classes will be located at our headquarters There will then be 5 days of classroom training with tracks for each of the roles The chart below summarizes the classroom training program Cellairis will provide a training resources and materials In addition, there will be 7 days of in-store training at your location See Items 5 and 7 for a discussion of the Training Personnel Fee and other expenses that you will incur

TRAINING PROGRAM

Subject	Hours/Days Classroom Training	Hours/Days On-the-Job Training	Location
Store Operations	2 Day	4 Days	Cellairis Corporate Headquarters (Alpharetta, Georgia), a training center location, and Your Franchise Location
Technical	3/4 Day	1/4 Days	Cellairis Corporate Headquarters (Alpharetta GA), a training center location, and Your Franchise Location
Point Of Sale	1/4 Day	3/4 Days	Cellairis Corporate Headquarters (Alpharetta GA), a training center location, and Your Franchise Location
Management/Financial	1 Day	0 Days	Cellairis Corporate Headquarters (Alpharetta GA), a training center location, and Your Franchise Location
Retail Sales	1 Day	2 Days	Cellairis Corporate Headquarters (Alpharetta GA), a training center location, and Your Franchise Location

You or your designated manager must attend all phases of the initial training program and complete it to our satisfaction before your Business Unit opens for business If you decide to designate a manager that is not you, your designated manager must be (i) designated by you to assume primary responsibility for managing the Business Unit and (ii) will devote full time and best efforts to the management and operation of the Business Unit Unless you will be a manager for the Business Unit, you do not have to attend initial training Training will occur monthly, or such other times, to ensure that you can be trained as quickly as possible We have the option and sole discretion to decide where training will occur Currently, we anticipate providing approximately 5 days of classroom training at our corporate headquarters in Alpharetta, Georgia and 7 days of in-store training at your location These estimates are subject to change at our sole discretion Failure to successfully complete any aspect of the training program, as we determine in our sole discretion, constitutes grounds for immediate termination of your franchise

See discussion in Item 5 and Item 7 regarding the Training Personnel Fee (currently $2,000 per trainer), and other expenses that you will incur After the initial training, additional training is available but there are additional fees and costs associated

The training and instructional materials will include the Manual The training program will be supervised and overseen by one of our senior management team (see Item 2), and the current training program will be supervised by the following instructor Brad Rosenthal – 4 years of franchise experience at the corporate level and training and 5 years of experience with us in the sale of accessories and repair of wireless devices

As discussed above, our training program will include advice and modules that address suggested or recommended staffing for the efficient operation of the Business Unit, and for delivering products and services in accordance with our customer service standards and other brand standards Despite this training, you will have sole responsibility for all employment decisions and functions related to your Business Unit(s), including hiring, firing, compensation, benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees, even though we may offer suggestions, advice, guidelines, or programs All personnel decisions will be made by you, without any influence or advice from us As discussed in Item 7 above, you must have workers compensation insurance for all of your employees who attend training prior to the commencement of training, and you must certify to us that this insurance is in place for each person

ADVERTISING SERVICES

Only those advertising and promotional materials or items which are authorized by us in writing before use shall be used, sold, or distributed, and no display or use of the Marks (as defined in Item 13) shall be made without our prior written approval All materials on which the Marks are used must include the designation ® or such other designation as we may specify You must, at your sole cost and expense, participate in and offer all System coupons, loyalty cards, gift cards, discounts and other promotions in accordance with marketing programs we establish, and honor the coupons, loyalty cards, gift cards, discounts and other promotions issued by our other franchisees under any such program (See Franchise Agreement § 8)

Local Advertising

You must spend a reasonable amount that is no less than 1% of Gross Sales per calendar quarter, on local market advertising Local advertising expenditures may not include incentive programs, including the cost of honoring coupons, costs incurred in honoring sales promotions, salaries, contributions, donations, press parties, in-store fixtures or equipment, displays, and exterior or interior signage

If you fail to make the required local advertising expenditures, we have the right to spend an amount not to exceed 1% of the Gross Sales of the Business Unit on local advertising on your behalf for the following 4 quarters, and you will be required to reimburse us for such expenses, including an administrative fee (See Franchise Agreement § 8 A (9))

Advertising Fund

There is currently no advertising fund to which you must contribute However, we have the right to establish and administer an Advertising Fund intended to maximize and support general public recognition, brand identity, sales and patronage of Cellairis franchises for the benefit of all Cellairis franchises and the overall System including all types of Cellairis Business Units The Advertising Fee will be used for maintaining, administering, directing and preparing international, national, regional or local advertising materials, programs and public relations activities including the costs of preparing and conducting television, radio, magazine, billboard, newspaper, direct response literature, direct mailings, brochures, collateral advertising material, implementing websites for us and/or our franchises, surveys of advertising effectiveness and other media programs and activities, establishing and administering gift-card programs, customer loyalty programs, employing advertising agencies and providing promotional brochures, decals and other marketing materials

If an Advertising Fund is established in the future, you must pay to us, or a designee, which may be our affiliate, Global Cellular, a monthly Advertising Fee in an amount to be designated by us or our designee, not to exceed 3% of Gross Sales for the preceding month The Advertising Fees will be paid monthly by the 10th day of each month for the previous month

Monthly Advertising Fees will be deposited in a separate banking account and moneys received will be accounted for separately from our other funds, and will not be used to pay any of our general operating expenses, except for salaries, administrative costs and overhead incurred by us in relation to the administration or direction of the Advertising Fund or its programs A financial statement of the operations of the Advertising Fund shall be prepared annually (the cost of preparing such statement to be paid out of the Advertising Fund), and shall be made available to you upon written request to us (See Franchise Agreement § 8 A (8))

Advertising Cooperatives

While there are currently no advertising cooperatives formed, you may be required to participate in a local, regional or national Advertising Cooperative, consisting of other Cellairis franchisees We may designate the particular Advertising Cooperative which you must participate in, and the designation may be based upon, without limitation, the particular designated market area or area of dominant influence where the Cellairis Business Units operated by the franchisee are located

Any required payments to the Advertising Cooperative will be determined by the franchisees who are participants in the Advertising Cooperative, as set forth in the by-laws of the Advertising Cooperative Any by-laws or other written governing documents of the Advertising Cooperative must be approved by us in advance and in writing Any by-laws of an Advertising Cooperative and any other written governing documents must be approved in advance by us in writing and must use such voting and advertising processes and procedures as may be directed by us for all Cellairis Advertising Cooperatives However, you are not required to spend more than 2% of Gross Sales per year in connection with any Advertising Cooperative Amounts paid to an Advertising Cooperative will be credited against payments you would otherwise be required to make for local advertising, as described in § 8 A (9) of the Franchise Agreement

If you fail to pay any required Advertising Cooperative payments or do not abide by any formal agreements or authorized decisions of the Advertising Cooperative, this is deemed to be a failure to participate in the Advertising Cooperative and is a breach of the Franchise Agreement

Upon our request, you must provide us with all requested information relating to the Advertising Cooperative within 10 days of our request Upon 30 days' written notice, we may suspend or terminate an Advertising Cooperative's program or operations (See Franchise Agreement § 8 A (11))

Digital Marketing Set-Up Fee

Before your business opens, you must pay our affiliate Global Cellular a Digital Marketing Set-Up Fee The Digital Marketing Set-Up Fee covers various elements of digital marketing for your Business Unit, including search engine optimization work, uploading into the store locator portions of the Cellairis com website, preparing press releases, and other online marketing efforts which are aimed at increasing customer foot traffic Additionally, the Digital Marketing Set-Up Fee includes customer service and training elements, whereby we establish a call forwarding number, which does not require you to purchase a second phone line, but which allows both you and us to listen to any phone call received at the Business Unit (See Franchise Agreement § 6 T)

Booking Services

We may retain a company, which may be an affiliate or third party, to administer a booking and lead generation service (**"Booking Service"**) to assist in providing you with appointment leads for the Services If and when offered, you may utilize the Booking Service upon the terms and conditions set forth by the administrator (which may be our affiliate or third party) You may also use other booking, reservation, and lead generation systems so long as they comply with our marketing and advertising requirements The Booking Service may not be exclusive to the System We reserve the right to designate the Booking Service as the exclusive provider of these services to all franchisees and Business Units within the System We and our affiliates have the right to utilize the Booking Service for other businesses such as other retailers, franchise systems, or service providers, in any location, on any terms and conditions that we or our designated affiliate or third party deem appropriate, without any compensation to you, and regardless of their actual or threatened impact on sales at the Cellairis Business Unit As with all supplier, vendor and service provider payments, we and our affiliates have the right to receive payments, discounts or other consideration from approved service providers based upon their dealings with you and/or the System, and we and our affiliates may use the monies received without restriction Your use of the Booking Service does not in any way, either express or implied, guarantee, represent, promise or assure that you will receive any customers or revenue (See Franchise Agreement § 8 A (12))

Additional Training

We also provide additional training programs at our option and discretion Additional training may be required by us or may be requested by you and provided at our option and discretion If you refuse or are unable to maintain our required standards for the Business Unit, additional training may in our discretion be mandated and required The circumstances when we may require you to attend additional training are typically when we receive verbal or written complaints from the mall where the Business Unit is located or from customers or the presentation and appearance of the Business Unit If we require that you attend additional training or if you request additional training and we agree to provide additional training, you will be required to pay a fee of $250 per day as well as any and all reasonable and actual costs for you and us associated with all instructional materials, salaries, and travel costs associated with participating in such additional training programs (See Franchise Agreement § 5 A)

Supply Inventory

Our affiliates, Global Cellular and Vendor DP, are approved suppliers of inventory, which includes Products, Parts and Services, and as such they will continue to supply you with any and all inventory that you may need on an ongoing basis The payment for inventory will be made by credit card, or automatic debit from your bank account, at the time the order is placed, as described in Item 6 We will provide you updates on the latest goods being offered and we will assist you on a reasonable basis in helping you decide which goods to purchase (See Franchise Agreement § 5 C)

Before your Business Unit opens, you are required to purchase a minimum amount of Cellairis® branded or Cellairis® packaged Parts and Products that will make-up your initial inventory from our affiliates As described in Items 5, 7, and 8, the minimum required initial inventory purchase shall be $4,500 for an RMU, $12,500 for an Interactive Kiosk, and $25,000 for a Full Store Unit In addition to the above initial purchase requirement, and as described in Items 6 and 8, you are also required to purchase from our affiliates $2,000 of Cellairis® branded or Cellairis® packaged inventory each month, which amount is the wholesale price charged to you

HIRING

We will not provide any assistance in the hiring of any employees that you may hire You are an independent owner and operator of the Business Unit and you are responsible for the day-to-day operations of the Business Unit You will be the sole and exclusive employer of your employees with the sole right to hire, discipline, discharge, and establish wages, hours, scheduling of employee hours and shifts, benefits, employment policies, and other terms and conditions of employment for its employees without consultation with or approval by us We will not have any control over the terms and conditions of employment of your employees You must comply with all applicable federal, state and local employment, labor and wage and hour laws and regulations, and all personnel decisions will be made by you, without any influence or advice from us All decisions and actions will not be, nor be deemed to be, a decision or action of ours

WARRANTY

You are not authorized to create any obligation or liability in connection with the sale of Parts, Products or Services to end users and consumers and the Parts, Products and Services are to be sold strictly in accordance with those warranties and conditions which we, our affiliate and/or the manufacturer may from time to time issue and you must honor such warranties in accordance with their terms You must extend to your customers the same warranty that we extend to you from our manufacturer on all of the goods sold to you You are not authorized to grant more extensive warranties with respect to the products You must warrant original repairs performed at the Business Unit against defects in material and workmanship for a time period established by us in the Manual or otherwise in writing, which time period may change from time to time You must also offer and/or sell warranties as set forth by us in the manual or otherwise in writing (See Franchise Agreement § 5 C)

CONSULTATION

We will provide reasonable over-the-phone technical support to you and make our personnel available to your business for no additional charge (See Franchise Agreement § 5 B)

Operations Manual

We will loan you one copy of the operations manual which contains mandatory and suggested specifications, standards, instructions, and procedures, (the "**Manual**") The Manual may be provided to you in text and/or electronic format, and may be in the form of various instructional manuals, such as manuals that provide procedures on repairing various devices The Manual is confidential and proprietary and remains our property We have the right to modify the Manual as we deem appropriate, and we will notify you of changes in a reasonable and appropriate manner You must comply with all modifications within the time frames specified by us The modifications will not alter your status and rights under the Franchise Agreement You may review a copy of the Manual at our corporate offices in Atlanta, Georgia before you sign the Franchise Agreement, provided that you first sign the form of Confidentiality Agreement attached to this Disclosure Document as **Exhibit "M"**, and a copy of the table of contents for the Manual is attached as **Exhibit "N"** to this Disclosure Document (See Franchise Agreement § 6 L) There are approximately 659 pages in the Manual

Point of Sale System, E-mail Fee, and Technology Package

Before you open for business, you must purchase various components of the Technology Package As discussed in Item 7 above, the Technology Package is comprised of three elements (i) the POS which is required for all Business Units, (ii) the Repair station which are optional for Mall Units, but are required for the Full Store Units, and (iii) the Shout!® Experience, which is optional for RMU Units, but are required for Interactive Kiosk and Full Store Units The elements of the Technology Package includes (i) the POS, which includes a cash drawer, bar code reader, receipt printer, and computer to operate the POS, and will cost approximately $1,000 to $1,800, (ii) one Repair Station, which will perform diagnostics on various devices, and will cost approximately $1,500, and (iii) one Shout!® Experience system, which is the custom case program enabling a customer to make a personalized wireless device accessory, which includes a computer, monitor, keyboard, mouse, sublimation printer, and heat press, and will cost approximately $2,500

All Business Units must purchase the required POS from our designated or approved supplier, which is currently NCR Corporation ("**NCR**") The main functions of the POS are to collect and manage information about the various sales transactions at your Business Unit For example, you will likely use the POS to post all product and service sales, keep inventory control, post sales tax, refunds, and credits, and maintain customer information Global Cellular has a supply arrangement with Radiant, Inc of Georgia (**"Radiant"**) for the POS (**"Radiant Arrangement"**) The POS bundle offered by NCR includes, hardware, software and accessories Some of the hardware and software required for the POS is proprietary software of NCR The POS will run on your iPad® device and can also work with your iPhone® or iPod touch® You will be responsible for purchasing an iPad 2 or iPad with Retina display or any other compatible iPad model directly from a third party supplier of your choice You may also be required to use the proprietary technology software provided by Marketing Repair, LLC This software will assist in the management of operational information and inventory as well as appointment setting Currently, Marketing Repair, LLC does not charge a fee for the use of this software, but may do so in the future As described in Item 7 for the Mall Units and in the notes to Item 7 for the Full Store Units, the current initial cost of the POS is approximately between $1,000 and $1,800 which includes the cost you will pay a third party for the iPad You are also required to pay a monthly software license fee to NCR The software fee is also part of the NCR arrangement We estimate that the monthly cost for the software fee will be approximately $85, which is part of the Radiant Arrangement, and the chart within Item 7 includes 3 months of this fee

One of the components of the POS is sales analysis software as well as an employee scheduling software program called "Cimple Box" As soon as this product becomes available, you must use Cimple Box for purposes of performing sales analysis, but it is not required for purposes of employee scheduling However, we recommend that you utilize some sort of employee scheduling system to try to maximize the efficiency of, and minimize the costs of, operating your Business Units If you choose to use Cimple Box, you will be, and will remain, the sole employer of your employees, and you will be responsible for hiring, firing and scheduling of your employees

As part of the POS, the Business Unit must have a separate email address that identifies the Business Unit as a separate business We will provide this email address to you in connection with the activation of the POS As described in Items 6 and 7, our affiliate Global Cellular is charged $60 per year per email address from Microsoft, which you must pay by credit card or check at the time of the order In addition, we may require you to have, or you may voluntarily select to have, an additional email address with the "Cellairis" name as part of the domain If you so choose this, or if we require this, there will be additional $60 per year charge that must be paid by credit card or check at the time of the order

Interactive Kiosk Units and Full Store Units are required to purchase the Shout! Experience Currently, our affiliate, Global Cellular, is the sole designated supplier for the Shout!® Experience The Shout!® Experience includes a computer, a keyboard, a mouse, a monitor a sublimation printer, and heat press As described in Item 7, the current initial cost of the hardware and software related to the Shout!® Experience is $2,500 As discussed in Item 7 above, if you purchase this item, you must sign the Equipment Purchase Agreement and License Agreement, a copy of which is attached to this Disclosure Document at **Exhibit "O"**

Only Full Store Units are required to purchase the Repair Station and it is optional for RMU Units and Interactive Kiosks The Repair Station is comprised of a computer, monitor, keyboard, mouse, and printer, which can also scan You can purchase these components from a third party As described in Item 7, the current initial cost of the hardware and software related to the Repair Station is $1,500

There are also additional features, hardware and software for the POS that will involve video and audio tracking of various sales transactions, and utilize the services of a third-party "cloud-based" provider This POS enhancement includes the purchase or lease of hardware (primarily cameras, if security cameras were not previously installed, as well as audio devices and a digital recorder) from an approved supplier, and the payment of a monthly service fee We will continue to analyze various systems to assess functionality and integration with the POS We may utilize these systems at some or all of our affiliated-owned locations If we settle on one (or more than one) supplier that can provide network-wide coverage and support, we will seek to negotiate a system-wide price, from an approved supplier We hope (but cannot guarantee) that the monthly service fee will not be more than $150 per month, per Business Unit We are aware that some franchisees have utilized these sorts of services in other retail businesses and may do so at their Cellairis Business Units, in 2017 In 2017, this program with POS security enhancements is recommended for all franchisees but, as of the date of this Disclosure Document, it is not mandatory As we evaluate this POS video and audio enhancement, we may or may not include other approved vendors of these products and services

You are contractually required at your expense to upgrade and update the POS to remain in compliance with our standards and specifications As of the date of this Disclosure Document, we are not aware of the range or the frequency of upgrades or updates There are no contractual limitations on the frequency and cost of this requirement

We have the right to electronically and manually access the information that the POS collects and generates You must cooperate with us in helping us access this information We will have the right at any time to access your system to retrieve and compile information concerning your Business Unit In other words, we will have independent access to your sales information and data produced by your systems There are no contractual limitations on our right to access this information and data In addition, we require that you subscribe for internet access with a reputable internet service provider that offers a static IP address You must supply the appropriate communications devices in order to permit the POS to operate and provide us with access (See Franchise Agreement § 6 D)

Item 12

TERRITORY

You must establish your franchise only at an approved location This franchise is for the operation of a single location Business Unit at the specified location only and does not in any way grant or imply any area, market, or territorial rights proprietary to you It is entirely within our sole and arbitrary discretion whether to offer or grant additional Business Units or locations to you There will be no minimal sales requirements imposed on you as a condition of you being able to keep your Business Unit location You will not receive an exclusive territory You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control We may establish other franchised or company owned outlets that may compete with your location As described in Item 1, we operate and/or franchise Cellairis

Business Units that are Store-in-Store Outlets The Store-in-Store Outlets are operated within the building of, and/or on the premises of, another retailer which will often be a "big box" or mass market retail store, selected by us and these locations may be in close proximity to your Location

You can only sell the Products, Parts and/or Services at retail prices to consumers from and through your Business Unit and you cannot sell the Products, Parts and/or Services from any location other than your Business Unit You cannot sell such items for redistribution or resale unless otherwise approved in writing by us in our discretion (See Franchise Agreement § 6 F)

If you enter into a sub-license with our affiliate, Global Cellular, for your Business Unit location, your sub-license is expressly made subject to all the obligations and conditions of the underlying lease or license which you will receive a redacted copy of or a summary of with your sub-license In the event that the underlying lease or license expires or is terminated by the landlord, irrespective of the cause or circumstance, then we have the right to immediately terminate your sub-license agreement without any liability whatsoever of us or Global Cellular to you except that you may obtain from Global Cellular, as your sole and entire remedy, any unearned fees paid in advance which shall be refunded to you only if such termination is not the result of a breach by you of your sub-license agreement In the event that the underlying lease, license, sublease or sub-license for your Business Unit location expires or is terminated, we have the right to terminate your Franchise Agreement at the same time We have no obligation to provide you with an alternate location in the event your lease, license, sublease, or sub-license is terminated While it is within our sole discretion, some of the conditions/circumstances under which we will consider not exercising our right to terminate your Franchise Agreement are whether you have complied with the Franchise Agreement, and if, in our judgment and discretion, you have obtained another suitable location for the Business Unit

Additionally, we and our affiliates expressly reserve and retain the right, in our sole discretion, to

(1) own and/or operate Cellairis Business Units utilizing the System or other systems as well as the right to grant franchises, licenses or distributorships for other Cellairis Business Units utilizing the System as well as to operate and grant franchises, licenses, and distributorships to and/or for any type of business including those which are the same as or similar to the operations of the Business Unit under any marks or the Marks, or any variation of the Marks or the System, in any location, on any terms and conditions that we deem appropriate, without granting you any rights or compensation, and regardless of their actual or threatened impact on sales at the Business Unit,

(2) sell wireless/cellular accessories and other products or services, including the Products and Services, at wholesale or retail, and solicit customers and prospective customers (including solicitation through other franchisees), under any marks or the Marks, or any variation of the Marks, through other channels or methods of distribution, including, but not limited to, sales over the internet (or any other existing or future form

of electronic commerce), sales to other retailers (including but not limited to big box retailers such as Best Buy, Office Max, *etc*, mass market stores such as Walmart, Target, etc, mid-tier stores, specialty stores, department stores, kiosks, carts, toy stores, military post exchanges, drug stores and convenience stores such as CVS, Walgreens), wholesalers, carrier channels (including but not limited to cell phone service providers such as AT&T, Verizon, *etc*), mail order and catalogue sales, and sales via radio and television, all of which may include carrier channels, methods of distribution, wholesalers, retailers, vendors, resellers, and any other distributors, in any location, on any terms and conditions that we deem appropriate, without any compensation to you, and regardless of their actual or threatened impact on sales at the Business Unit,

(3) establish, and license others to establish, Cellairis Business Units at or within any institutional or captive audience facilities, including, without limitation, military bases, airports and other public transportation facilities, government offices or institutions, educational institutions, health care facilities, toll road or highway rest stops, parks, stadiums, malls, museums, art centers, contract or institutional food service operators, in theaters, warehouse clubs, theme parks, amusement centers, truck stops, universities, colleges, schools, hotels, motels, gyms, big box retailers (such as Best Buy, Office Max, etc), mass market stores (such as Walmart, Target, etc), specialty stores, convenience stores, or casinos, in any location and on any terms and conditions that we deem appropriate, without granting you any rights or compensation, and regardless of their actual or threatened impact on sales at the Business Unit

(4) in the event we or our affiliates acquire another chain or system, regardless of the number of outlets or units, or we or our affiliates are acquired by another chain or system, that operates and/or licenses/franchises units or stores that are the same or similar to Cellairis Business Units in that they have a substantially similar catalog, line or inventory of products and services, or similar theme or concept, we or our affiliates may, in addition to any other rights in this Agreement, establish, acquire or operate, or license/franchise others to establish and operate, units or stores under other systems or other marks, which units or stores may offer or sell products or services that are the same as, or similar to, the products and services offered from the Business Unit, regardless of these units' or stores' proximity to the Business Unit, or their actual or threatened impact on sales at the Business Unit,

(5) purchase, merge, acquire or affiliate with an existing competitive or noncompetitive license/franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as Cellairis Business Units operating under the Marks or any other marks following our or our affiliate's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which may be proximate to the Business Unit, and regardless of these businesses and/or facilities proximity to the Business Unit, or their actual or threatened impact on sales at the Business Unit, and

(6) engage in any other activity, action or undertaking that we are not expressly prohibited from taking under this Agreement

Item 13

TRADEMARKS

The principal Cellairis® commercial symbol, which we will license to you, appears on the cover of this Disclosure Document We grant you the non-exclusive right to operate a franchise under the name and mark Cellairis® You may also at a later date be expressly authorized by us to use other current or future trademarks in connection with your franchise By trademarks we mean trade names, trademarks, service marks, and logos used to identify your franchise (**"Marks"**)

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

Registration Number	Description Of Mark	Principal Or Supplemental Register of the United States Patent and Trademark Office	Registration Date
3,291,761	CELLAIRIS	Principal	September, 11, 2007
3,955,085	CELLAIRIS	Principal	May 3, 2011
4,424,089	CELLAIRIS	Principal	October 29, 2013
4,424,093	cellairis	Principal	October 29, 2013
4,773,727	CELLAIRIS	Principal	July 14, 2015
4,822,991		Principal	September 29, 2015

You must follow our rules when you use the principal Marks You cannot use any of the Marks as part of a corporate name, other business name, or with modifying words, designs, or symbols unless we provide you with express prior written authorization to do so You may not use the Marks in connection with the sale of unauthorized products or services or in a manner not authorized in writing by us

All required affidavits for the principal Marks have been filed There is no currently effective determination of the USPTO, the trademark administrator of this state or any court, or any pending interference, opposition or cancellation proceeding, or any pending material litigation involving any of the principal Marks

As stated above, the principal Mark "Cellairis" is registered on the Principal Registrar of the USPTO

We have been licensed by our affiliate Global Cellular to use certain trade names, trademarks, service marks and logos including those consisting of or including the term "Cellairis" since December 1, 2006 On March 15, 2016, the Marks were assigned by Global Cellular to JJT JJT in turn granted Global Cellular the right to use and to sublicense permitted sublicensee(s), including Cellairis and its franchisees, the right to use the Marks On March 15, 2016, Global Cellular granted a 30 year license to us to use, and to sublicense further its franchisees to use pursuant to a Franchise Agreement, the Marks in connection with, among other things, the Products and Services Global Cellular also granted to us the right to utilize the Marks in advertising relating to the Products and Services JJT and Global Cellular have reserved the right to utilize the Marks themselves and to authorize the use of the Marks by others The license agreement between us and Global Cellular may only be terminated by Global Cellular for a willful, intentional, and material breach by us Any such termination may only be upon 120 days advance written notice by Global Cellular to us during which period we shall have an opportunity to cure or correct the breach It is the clear intention of Global Cellular and us to establish a long term working relationship upon which we and our franchisees may rely and the parties intend to establish a substantial threshold which must be overcome by Global Cellular in order to claim a right to terminate the license agreement In this context, the parties to that license agreement agreed that we shall be given every reasonable right and opportunity to cure any claimed breach and to correct any practice or procedure that may lead to any claimed breach

No other agreement limits our right to use or license the use of any of the Marks

You must notify us immediately in writing if you become aware of any unauthorized use of any of the Marks You shall immediately notify us of all infringements of or limitations on the Marks which come to your attention or challenges to your use of any of the Marks, and we shall exercise absolute discretion in deciding what action, if any, should be taken in connection therewith You agree to cooperate in the prosecution of any action to prevent the infringement, limitation, illegal use, or misuse of the Marks and agree to be named as a party in any such action if so requested by us We agree to bear the legal expenses incident to your participation in such action, except for fees, expenses and other costs of your personal legal counsel if you elect to be represented by counsel of your own choosing We have no obligation to protect your right to use the Marks or to protect or indemnify you against claims of infringement or unfair competition regarding your use of the Marks

We plan to invest time, energy, and money in the promotion and protection of our Marks We do not intend to change them and have no current knowledge of any intention by JJT to change them However, rights in intangible property such as the Marks are often difficult to establish and defend Changes in the cultural and economic environment within which we operate or third party challenges to JJT's and our rights in the Marks may make it desirable or necessary to change the Marks We and JJT therefore have the right to change the Marks and the specifications for each when we believe, in our reasonable discretion, that the changes will benefit the franchise on a whole You must promptly conform, at your own expense, to any such changes

We are not aware of any superior prior rights or infringing uses that would materially affect your use of the Marks in this state or the state where your franchise is to be operated

Item 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We have not registered any patents or copyrights We have no pending patent applications We do not have any ownership rights or licenses to patents that are material to the franchise We claim common law copyrights in our original materials used in the franchise, including any manuals that do not exist now, but may exist in the future, promotional materials used within the franchise, and any other confidential information

Pursuant to the Franchise Agreement, you must fully and strictly adhere to all security procedures prescribed by us for maintaining the confidentiality of our proprietary information You must exercise the highest degree of diligence in protecting the secrecy of the confidential information during and the term of the Franchise Agreement and for 5 years following the termination or expiration of the Franchise Agreement You may not, during the term of the Franchise Agreement or after its termination or expiration, communicate, divulge, or use for the benefit of any other person or legal entity, any confidential information, drawings, knowledge, or know how concerning the methods of development or operation of the franchise which may be communicated to you or of which you may be apprised in operating a franchise under the terms of the Franchise Agreement You may divulge the confidential information only to those of your employees, as must have access to it in order to develop or operate the franchise All information, drawings, knowledge, know how, and techniques used in or related to the franchise which we communicate in writing or otherwise to you, including plans and specifications, marketing information and strategies, site evaluation and selection techniques, methods of inventory control, storage, product handling, and management are confidential for purposes of the Franchise Agreement

You may not use our confidential information in an unauthorized manner and must take reasonable steps to prevent its disclosures to others and tell us when you learn about unauthorized use of this information We are not obligated to take any action but will respond to this information as we think appropriate You must also agree not to contest our interest in these or our other trade secrets

If you fail to comply with the requirements of the Franchise Agreement concerning confidentiality, it will cause us irreparable injury and you are required to pay all court costs and reasonable attorneys' fees incurred by us in obtaining specific performance of, or an injunction against any violation of, the requirements of the Franchise Agreement concerning confidentiality

Our affiliate, Global Cellular, has registered a patent with respect to certain shelving and fixtures, that are referred to as "stadium shelf styled displays," and are utilized and installed at some Business Units, including many carts and Interactive Kiosks The design patent, for "Handheld Electronic Device Display," USPTO No US D683,555 S, was issued on June 4, 2013, and has a term of 14 years In the event of a transfer, termination, or expiration of the Franchise Agreement, neither you nor any subsequent owner or operator of that location or that facility may use the patented shelving and equipment without our or Global Cellular's authorization

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We require that you devote your full time and best efforts to the day to day operation of the franchised Business Unit with no other operational or management commitments in other businesses (except other franchised Business Units granted by us to you) and if you are an individual, we recommend on-premises supervision and participation by you We may, in our discretion in instances such as where you operate multiple franchised Business Units, and where you are a business entity, allow you to hire, or retain the services of, a qualified manager to operate the day to day affairs of the franchised Business Unit, but you must continue to provide full time and best efforts and you must remain actively involved in the operations and management of each franchised Business Unit You are not required to obtain our approval of your qualified manager Your manager must devote all of his or her productive time and effort to the management and operation of the Business Unit You must cause the manager to properly perform his or her duties, and if you know, discover, or are advised that the manager is not properly performing his or her duties, and operating and managing the Business Unit in accordance with Cellairis' brand standards, you must immediately take steps to correct the situation to ensure that the Business Unit is operating and serving customers

You must carefully monitor, supervise, and be responsible for the performance of anyone designated to manage the operation of the Business Unit Any designated manager who will operate the Business Unit must satisfactorily complete initial training The on-premises manager cannot have an interest or business relationship with any of our business competitors The manager need not have an ownership interest in a corporate or partnership franchisee Upon our request, you must advise us, in writing, of all personnel involved in the operation of the Business Unit and their position including job duties and relationship to you

We have the right to request that you require and obtain noncompetition, nonsolicitation, and/or nondisclosure agreements (including covenants applicable on the termination of the person's relationship with you) from any and all of your managers and any other employees of yours, who have received or will receive training or confidential information from us and any holder (except for limited partners) of a beneficial interest of your securities and any corporation, partnership, or limited liability company directly or indirectly controlling you, if you are operating as a corporation, partnership, or limited liability company (or of any general partner that is a corporation, partnership or limited liability company or any corporation, partnership, or limited liability company directly or indirectly controlling a general partner of yours, if you are operating as a partnership), who have received or will receive training or confidential information We do not provide a form agreement that must be signed, but we require, to the greatest extent allowable by law, that any noncompetition, nonsolicitation, and/or nondisclosure agreement prohibits these parties from directly or indirectly engaging in activities that compete with the operations of your Business Unit or any other franchised Business Unit, disclosing our confidential and proprietary information and trade secrets, and soliciting our employees and employees of other Cellairis franchisees The execution of covenants with managers and other individuals described in this paragraph is necessary for the protection of confidential information, goodwill, the System, and the franchisees operating under the System

If you are a business entity, we may, as a condition to the signing of or continuation of the Franchise Agreement, require that each of your owners execute the Personal Guaranty attached to the Franchise Agreement as Exhibit "1" Additionally, if the Franchise Agreement is to be signed by an individual(s) in his/her/their individual capacity or by an entity, whereby the individual(s) or entity's owner(s) only satisfies our financial, creditworthiness and/or management qualifications based on, or with the joint qualifications of, his/her/their spouse(s), we may, as a condition to the signing of or continuation of the Franchise Agreement, require each such spouse to sign the Personal Guaranty attached to the Franchise Agreement as Exhibit "1" The Personal Guaranty will bind the guarantors to all of the obligations in the Franchise Agreement including noncompetition, nonsolicitation and nondisclosure of our confidential and proprietary information and trade secrets, as well as the financial obligations

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use the Premises (the site of your Business Unit) solely for the operation of your franchised Business Unit The Premises shall be open for business during those hours specified by us to adequately serve the needs and expectations of customers and to present a consistent brand and customer experience, and at a minimum, strictly in accordance with the requirements of any lease associated with the Location (See Franchise Agreement § 6 E)

You must display, offer, and sell all the Products, Parts, and Services and only the Products, Parts, and Services that we have authorized you to provide You may not offer or sell any products, services, parts, or equipment that are not authorized and approved by us in writing You may not sell any products in violation of the trademark laws of the United States You are required to offer or sell Products, Parts, and Services only at retail and from the Premises and to refrain from off-Premises sales unless expressly authorized by us in writing Additionally, unless such statement is expressly approved in advance in writing by us, you cannot, directly or indirectly, represent yourself, your employees, your repair services, or repair products as being an "authorized repair facility", an "authorized repair service" or an "authorized repair product" (or any similar phrase that implies a relationship with a branded product, company, manufacturer, carrier channel etc) for any branded products, manufacturers, carrier channels or other companies (such as "An authorized BRAND X repair location" or similar words)

You must only sell the Products, Parts, and/or Services at retail to consumers from and through the Business Unit, and you must not sell such items for redistribution or resale unless otherwise approved in writing by us in our discretion You must not transship or redirect any Products purchased for resale at the Business Unit to any other location for redistribution or resale including but not limited to other Cellairis Business Units and non-Cellairis businesses You also must not reproduce or copy any Products sold or offered for sale at the Business Unit or any other Cellairis Business Unit, in any manner, fashion, or media, including making derivatives, alternatives, updates, revisions, modifications, amendments, expansions, condensations, transformations, transpositions, additions to or deletions from, for any personal, private, public, or commercial reason or gain, without the prior written consent by us With respect to any and all Products and Services, you must not sell or offer for sale any Product or Service on any website, electronic, or on-line service that offers products for sale, barter, or trade, including, by way of example only, Amazon com, EBAY, Craigslist, or Etsy All Products and Services must be sold, offered for sale, or provided only at the Business Unit to customers who are present or at the Business Unit at the time of the transaction

You are not authorized to create any obligation or liability in connection with the sale of Parts, Products or Services to end users and consumers, and the Parts, Products, and Services are to be sold strictly in accordance with those warranties and conditions which we, our affiliate, and/or the manufacturer may from time to time issue and you must honor such warranties in accordance with their terms You must extend to your customers the same warranty that our manufacturers extend to us on all of the goods sold to you You are not authorized to grant more extensive warranties with respect to the products You must warrant original repairs performed at the Business Unit against defects in material and workmanship for a time period established by us in the Manual or otherwise in writing, which time period may change from time to time You must also offer and/or sell warranties as set forth by us in the manual or otherwise in writing

You have discretion as to the prices to be charged customers for the sale of any Products, Parts, or Services However, subject to the requirements of applicable law, we reserve the right to specify in writing a retail price and/or to establish in writing minimum and/or maximum prices for Products and Services In such event, you will sell or offer for sale Products and Services at the specified retail price or, if applicable, per the minimum and/or maximum retail prices established by us or our affiliate from time to time Where no retail price or maximum or minimum price has been specified or established by us or our affiliate with respect to a particular Product, Part, or Service, you may sell such Product, Part, or Service at any reasonable price you choose You will offer and participate in any retail program advertised by us to the public as available at Cellairis stores, including without limitation, those retail programs which specify one or more Products, Parts, or Services at a particular price Advertised retail prices and specified maximum and minimum prices for Products, Parts, or Services may vary from region to region to the extent deemed necessary by us or our affiliate in order to reflect differences in costs and other factors applicable to such regions You may not sell Products or Parts for redistribution or resale There are no other restrictions on the people or companies to which you may sell Products, Parts or Services

You may not engage in any local, regional, or national advertising activities utilizing the trademarks or erect, hand out, or display any sign, poster, coupon, advertising, or promotional material utilizing the trademarks of any type without our prior written consent We will have the right to remove any unauthorized material at your expense

You must operate your franchise in total compliance with the systems and procedures stated in the Franchise Agreement We may make changes in our systems and procedures, when, in our reasonable discretion, change is needed for the continued success and development of the franchise Such changes may require the purchase of equipment, supplies, furnishings, or other goods, completion of additional training by your employees, or other costs to you You must promptly conform to the modified systems and procedures at your own expense

We may offer some goods and services as optional for qualified franchisees There are no current optional services, however, these optional goods and services may include additional products, the sale of cellular telephones, the sale of cellular telephone plans, and other goods and/or services associated with wireless devices To offer optional goods and services, you must be in substantial compliance with all material obligations under your Franchise Agreement In addition, we may require you to comply with other requirements (such as training, marketing, and insurance) before we will allow you to offer certain optional services We or our affiliates, may, in their reasonable discretion, from time to time during shortages or during special promotions or events, allocate the sales of Products and Parts among franchisees and others within and outside the System We do not have specific methods of how we would allocate such sales in these circumstances, but factors that we would consider are past sales history, purchase history, current franchisee inventory levels, ongoing compliance with the Franchise Agreement, and regional sales data

Also, depending on availability as well as the terms of the underlying lease, license or other occupancy agreement for the Location, you may not be permitted to carry all Products and Services we make available to the System Further, we may, in our sole discretion, condition the availability to you of special promotional Products and Services, special branded Products and Services, or designated premium Products upon your agreement to comply with established promotional conditions or requirements, upon your compliance with the Franchise Agreement, or upon such other conditions as we may elect, in our discretion to impose with respect to access to such special or premium Products or Services You are also required to purchase and maintain a Products and Parts inventory level sufficient to meet the current needs of your customers Your current needs will typically be determined by reviewing your month to month sales, comparisons to previous years, new wireless devices introduced into the market, and regional sales data We or our affiliates may, from time to time, introduce new Products and Services as well as identify best-selling Products and Services The satisfaction of consumer demand for new or popular Products and Services is important to us, to you and to the System as a whole You must agree to use your best efforts to carry in your inventory a substantial percentage of new Products and Services and best-selling 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 Agreement	Summary
a Length of the Franchise Term	§ 1 A	Term is 5 years unless sooner terminated in accordance with the provisions of the Franchise Agreement and provided, however, that we may terminate the Franchise Agreement in the event that the underlying lease, license, sublease or sub-license for the Business Unit location expires or is terminated, irrespective of the cause of any such termination
b Renewal or Extension of Franchise	§ 4	If you meet conditions (as detailed below) and are in good standing, you can add one additional consecutive 5 year term
c Requirements for you to renew or extend	§ 4	The requirements for renewal include 1) you must sign a new agreement, 2) be in good standing, 3) give timely notice, 4) pay a Successor Franchise Fee, 5) sign a release, 6) you must have operated the unit

Provision	Section in Agreement	Summary
		in accordance with the terms and conditions of the Franchise Agreement, 7) satisfied, in a timely fashion, all financial obligations, 8) attend and complete any retraining program, and 9) you must maintain, improve, alter, replace and remodel the unit, in accordance with the terms and conditions of the Franchise Agreement We can refuse to allow you to renew or extend if you fail or refuse (or, in some cases, if during the term of the franchise agreement you have failed or refused) to meet each and every of these required conditions You may be asked to sign a contract with materially different terms and conditions than your original contract
d Termination by you[1]	§ 10 B	You may terminate the agreement if you are in substantial compliance with all material terms of the Franchise Agreement and we materially breach the Franchise Agreement and fail to cure such breach within 60 days after written notice is delivered to us A termination (or attempted termination) by you other than in strict compliance with § 10 B shall be deemed a termination by you without cause and a material breach of the Franchise Agreement
e Termination by Cellairis without cause[1]	None	N/A
f Termination by Cellairis with cause[1]	§ 10 A	We can terminate only upon uncured or noncurable material event of default
g "Cause" defined – defaults which can be cured	§ 10 A	You have 5 days to cure the following (among others) 1) failures to operate pursuant to operating standards, 2) selling products in violation of the Agreement, 3) not selling Products or providing Services as designated by us, 4) improper use of equipment, 5) non-payment of monies, 6) failure to provide valid credit/charge card information, 7) failure to provide valid

Provision	Section in Agreement	Summary
		bank account information, and 15 days to cure other items listed in § 10 A See Section 10 A for details for each default, and any cure period
h "Cause" defined – non-curable defaults	§ 10 A	Noncurable defaults include the following (among others) 1) the sale of trademark products under circumstances in which the trademark owner has not authorized the sale, 2) failure to submit financial documents, 3) abandonment of the franchise relationship, 4) inability to pay debts, 5) conviction of an offense with a term of punishment of one year in prison, 6) engagement of unfair competition, 7) denial of our ability to inspect the Business Unit or audit the sales and accounting records, 8) conduct which reflects unfavorably on us, 9) submission of knowingly false information, 10) failure to open the Business Unit, 11) failure to complete Initial Training program, 12) failure to pay lessor, 13) failure to cure default under other agreements with us or our affiliates, 14) failure to strictly comply with our requirements regarding the sale of Products and Services as stated in §§ 5 C and 6 F of the Franchise Agreement, 15) failure to strictly comply with an inspection as stated in § 6 I of the Franchise Agreement, 16) unauthorized use of any Mark, acts which can be reasonably expected to materially impair the goodwill associated with any Mark, your challenge of our ownership of the Marks, you file a lawsuit involving the Marks without our consent, you fail to cooperate with us in the defense of any Mark, and 17) the occurrence of repeated breaches even if cured
i Your obligation on termination / nonrenewal	§ 11	In the event of your termination or nonrenewal then you must discontinue the use of all marks, engage in complete deidentification, pay all amounts due, and return confidential materials, assign to us

Provision	Section in Agreement	Summary
		or our designee all of your interest in the telephone numbers, telephone directory listings and advertisements, website URLs, e-mail addresses, and governmental licenses or permits used for the operation of the Business Unit, and you will no longer have an interest in the franchised business Additionally, if you leased or licensed the site for the unit directly from the landlord, then we may exercise our option to assume your lease within 30 days after termination and if you are a sub-licensee of ours, then we have the option to terminate your sub-license in accordance with the provisions of said sub-license In any event, we have the right to take possession of the unit and you shall have no further right, title or interest in the lease, license, sublease, or sub-license
j Assignment of contract by Cellairis	§9 E	No restriction on Cellairis' ability to assign
k "Transfer" by you – defined[1]	§ 9	You may not make any assignment or transfer of the Franchise Agreement, or any right of ownership interest in the franchise granted or the Premises, or all or substantially all of the assets of the business, or any direct or indirect ownership interest in you (the Franchisee entity) nor permit any such assignment or transfer to occur directly, indirectly or contingently by agreement or by operation of law without the prior written consent of an officer of us
l Cellairis' approval of your Transfer	§ 9 D	We have the right to approve all transfers and it will not be unreasonably withheld

	Provision	Section in Agreement	Summary
m	Conditions for Cellairis' approval of Transfer	§ 9 D	You must have performed all of your obligations under the Franchise Agreement and not be in default under any of the provisions, you and the transferee must have satisfied all obligations, including financial obligations, to us, our affiliates, and suppliers, you and the guarantors must execute a general release, the new franchisee pays transfer fee, agrees to assume all liabilities and obligations, the new franchisee must complete Initial Training, the new franchisee must update and remodel the Business Unit as necessary, and you must sign a release We may also require you and the guarantors to remain liable for the performance of all obligations for the remainder of the term
n	Cellairis' right of first refusal to buy your business	§ 9 D	We have a right of first refusal regarding any proposed transfer subject to your Franchise Agreement If there are material changes in the terms of the sale, we will have additional rights of first refusal Our rights under this provision are fully transferable
o	Cellairis' option to buy your business	§ 11 E	We may exercise the option to assume your lease or license after termination or expiration of your Franchise Agreement or after you provide notification to the landlord of your intent to terminate your lease or license
p	Your death or disability	§ 9 C	Heirs must qualify or sell within 9 months
q	Non-competition covenants during term of franchise	§ 8 D	No involvement in a business that specializes in (i) offering wireless device accessories and other related products or (ii) wireless device repair services within the United States

	Provision	Section in Agreement	Summary
r	Non-competition covenants after franchise is terminated or expires	§ 8 D	No competition for a period of 2 years (i) at the Location, or (ii) within a 10 mile radius of the Location, or (iii) within the state in which the Business Unit is Located, or (iv) within 10 mile radius of any Cellairis Business Unit in operation and existence as of the termination date, or (v) within the United States of America
s	Modification of the agreement	§ 13 H	No modification without a written document signed by both parties, however a manual may be created at a later date
t	Integration / merger clause	§ 13 N	The Agreement is the entire agreement and it supersedes all prior negotiations, commitments, representations, and undertakings, however, nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document Only the terms of the franchise agreement are binding (subject to state law) Any representations or promises outside of the Disclosure Document and franchise agreement may not be enforceable as a matter of law
u	Dispute resolution by arbitration or mediation	§ 13	Except for certain claims, disputes must be settled by arbitration, which must occur in the Atlanta, Georgia office of the American Arbitration Association or at any other location within the boundaries of the City of Atlanta, as may be decided solely in our discretion
v	Choice of forum	§ 13	Arbitration must be conducted before a single arbitrator, or a panel of 3 arbitrators if either the demand for arbitration or any counterclaim respectively seeks an amount over $500,000, in Atlanta, Georgia, but injunctive or other equitable relief and certain other claims may be filed in the State Courts of Georgia or in the United States District Court for the Northern District of Georgia This provision may be subject to applicable state law

Provision	Section in Agreement	Summary
w Choice of law	§ 13 C	Georgia law applies except for federal law This provision may be subject to applicable state law

You should also review <u>Exhibit "A"</u> which is attached to this document, and which lists state franchise laws to be considered in making your determination

[1] Upon termination, expiration or transfer of the Franchise Agreement for any reason whatsoever, all of your rights under the Franchise Agreement terminate and you are then required to comply with all of the post termination requirements contained within the Franchise Agreement See Franchise Agreement § 11

<u>Notes to Item 17</u>

1 Some states have statutes and/or court decisions which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise

2 In addition to the provisions noted in the chart above, the Franchise Agreement contains a number of provisions that may affect your legal rights, including a waiver of a jury trial, waiver of punitive or exemplary damages, and limitations on when claims may be raised See Section 13 of the Franchise Agreement (as amended by applicable state law) We recommend that you carefully review all of these provisions, and the entire contracts, with a lawyer

3 If a state law requires any modification to these provisions of the Franchise Agreement (or other provisions described in this Item 17) or requires additional terms, those modifications will be found in the disclosure addenda and contractual amendments appended to this Disclosure Document

4 If any of the provisions in the Franchise Agreement, including those summarized above, are inconsistent with, or contrary to, applicable state law, the requirements of the applicable law or laws will be substituted for the inconsistent or contrary provisions in the agreements

Item 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jaime Brown, c/o Cellairis Franchise, Inc , 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005, 678-513-4020 ext 222, the Federal Trade Commission, and the appropriate state regulatory agencies

Item 20

OUTLETS AND FRANCHISEE INFORMATION

All year-end numbers appearing in the tables below are as of December 31

Mall Units and Full Store Units

The following Tables reflect Mall Units and Full Store Units operating throughout the United States for the years 2013 through 2015 None of these outlets are Store-in-Store Outlets (which are described below)

Table No 1

System wide Outlet Summary
(Mall Units and Full Store Units)
For Years 2014 to 2016

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2014	595	482	-113
	2015	482	462	-20
	2016	462	431	-31
Company-Owned	2014	27	44	+17
	2015	44	18	-26
	2016	18	13	-5
Total Outlets	2014	622	526	-96
	2015	526	480	-46
	2016	480	444	-36

Table No 2

Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
(Mall Units and Full Store Units)
For Years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2014	0
	2015	0
	2016	13
Arizona	2014	1
	2015	6
	2016	5
California	2014	7
	2015	4
	2016	5
Connecticut	2014	0
	2015	0
	2016	1
Delaware	2014	0
	2015	3
	2016	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Florida	2014	14
	2015	9
	2016	10
Georgia	2014	4
	2015	6
	2016	1
Illinois	2014	0
	2015	1
	2016	1
Indiana	2014	0
	2015	1
	2016	1
Iowa	2014	0
	2015	1
	2016	2
Kansas	2014	0
	2015	1
	2016	0
Kentucky	2014	4
	2015	2
	2016	0
Maine	2014	2
	2015	2
	2016	0
Maryland	2014	2
	2015	3
	2016	0
Massachusetts	2014	0
	2015	1
	2016	1
Michigan	2014	1
	2015	0
	2016	2
Minnesota	2014	2
	2015	0
	2016	0
Mississippi	2014	0
	2015	0
	2016	2
Nebraska	2014	0
	2015	0
	2016	1

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Nevada	2014	6
	2015	0
	2016	2
New Hampshire	2014	1
	2015	2
	2016	0
New Jersey	2013	0
	2014	2
	2016	1
New York	2014	7
	2015	1
	2016	0
North Carolina	2014	6
	2015	1
	2016	2
Ohio	2014	0
	2015	1
	2016	1
Oklahoma	2014	0
	2015	0
	2016	1
Oregon	2014	3
	2015	0
	2016	2
Pennsylvania	2014	5
	2015	2
	2016	4
Rhode Island	2014	0
	2015	4
	2016	0
South Carolina	2014	3
	2015	1
	2016	1
Tennessee	2014	2
	2015	3
	2016	3
Texas	2014	10
	2015	10
	2016	16
Virginia	2014	1
	2015	3
	2016	1

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Washington	2014	2
	2015	3
	2016	0
West Virginia	2014	0
	2015	1
	2016	0
Wisconsin	2014	0
	2015	2
	2016	4
Total	**2014**	**85**
	2015	**82**
	2016	**65**

Table No 3
Status of Franchised Outlets
(Mall Units and Full Store Units)
For the Years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Alabama	2014	12	2	0	0	0	0	14
	2015	14	0	0	0	0	3	11
	2016	11	2	0	0	0	0	13
Alaska	2014	1	1	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Arizona	2014	21	0	0	0	0	3	18
	2015	18	0	0	0	0	1	17
	2016	17	0	0	0	0	4	13
Arkansas	2014	2	1	0	0	0	0	3
	2015	3	1	0	0	0	1	3
	2016	3	0	0	0	0	1	2
California 2014 (Note 1 2,3) 2016 (Note 1)	2014	44	7	7	0	0	7	37
	2015	37	4	1	0	0	3	37
	2016	37	1	0	0	0	3	35
Colorado 2014 (Note 4) 2016 (Note 2)	2014	8	1	5	0	0	1	7^
	2015	7^	0	0	0	0	1	6
	2016	6	1	0	0	0	0	7

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Connecticut	2014	8	1	0	0	0	3	6
	2015	6	0	0	0	0	0	6
	2016	6	2	0	0	0	0	8
Delaware	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	1	3
	2016	3	1	0	0	0	0	4
Florida 2014 (Note 5 6 7) 2015 (Note 1 2) 2016 (Note 3 4 5)	2014	50	3	3	0	1	7	42
	2015	42	6	0	0	4	9	35
	2016	35	4	0	0	1	5	33
Georgia	2014	21	0	0	0	0	1	20
	2015	20	5	0	0	0	1	24
	2016	24	1	0	0	0	1	24
Hawaii	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Idaho	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	1	1
Illinois	2014	20	0	0	0	0	7	13
	2015	13	0	0	0	0	2	11
	2016	11	0	0	0	0	3	8
Indiana	2014	9	0	2	0	1	0	6
	2015	6	1	0	0	0	1	6
	2016	6	0	0	0	0	1	5
Iowa 2014 (Note 8)	2014	5	4	2	0	2	0	5
	2015	5	1	0	0	0	2	4
	2016	4	0	0	0	0	0	4
Kansas 2014 (Note 9) 2015 (Note 3)	2014	4	4	1	0	3	0	4
	2015	4	0	0	0	0	2	2
	2016	2	0	0	0	0	0	2
Kentucky 2014 (Note 10)	2014	7	1	0	0	1	2	5
	2015	5	0	0	0	0	0	5
	2016	5	0	0	0	0	2	3
Louisiana	2014	12	5	0	0	0	6	11
	2015	11	0	0	0	0	2	9
	2016	9	0	0	0	0	0	9
Maine	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Maryland	2014	22	0	0	0	0	5	17
	2015	17	0	0	0	0	3	14
	2016	14	0	0	0	0	0	14
Massachusetts	2014	8	0	0	0	0	2	6
	2015	6	0	0	0	0	0	6
	2016	6	0	0	0	0	0	6
Michigan 2014 (Note 11 12)	2014	16	4	3	0	8	5	6^
	2015	6^	4	0	0	1	0	9
	2016	9	1	0	0	2	2	6
Minnesota	2014	13	2	2	0	3	3	7
	2015	7	0	0	0	1	2	4
	2016	4	0	0	0	0	0	4
Mississippi	2014	1	0	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Missouri 2014 (Note 13 14 15 16 17) 2015 (Note 4)	2014	16	8	1	0	12	4	7
	2015	7	1	0	0	1	0	7
	2016	7	1	0	0	0	0	8
Montana	2014	3	0	0	0	0	0	3
	2015	3	0	0	0	0	1	2
	2016	2	0	0	0	0	1	1
Nebraska 2014 (Note 18)	2014	3	3	1	0	2	0	3
	2015	3	1	0	0	0	0	4
	2016	4	0	0	0	0	0	4
Nevada	2014	9	0	0	0	0	2	7
	2015	7	2	1	0	0	2	6
	2016	6	0	0	0	0	0	6
New Hampshire	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	0	4
New Jersey 2014 (Note 19,20)	2014	15	3	1	0	0	1	16
	2015	16	0	0	0	0	1	15
	2016	15	0	0	0	0	2	13
New Mexico	2014	1	1	1	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	1	0
New York 2014 (Note 21 22 23) 2015 (Note 6)	2014	29	5	5	0	0	8	22^
	2015	22^	0	0	0	0	3	19
	2016	19	1	0	0	0	1	19

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
North Carolina 2015 (Note 5) 2016 (Note 6)	2014	16	2	4	0	2	3	9
	2015	9	6	1	0	0	4	10
	2016	10	2	0	0	0	1	11
North Dakota	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	1	3
	2016	3	0	0	0	0	1	2
Ohio 2015 (Note 7 8)	2014	14	4	1	0	0	3	15^
	2015	15^	1	0	0	0	1	15
	2016	15	0	0	0	0	3	12
Oklahoma	2014	10	1	0	0	1	1	9
	2015	9	0	0	0	0	1	8
	2016	8	0	0	0	0	0	8
Oregon 2015 (Note 9 10)	2014	8	0	0	0	0	1	7
	2015	7	0	0	0	0	0	7
	2016	7	0	0	0	0	0	7
Pennsylvania	2014	12	0	0	0	0	4	8
	2015	8	0	0	0	0	1	7
	2016	7	2	0	0	0	1	8
Puerto Rico	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	1	0	0
	2016	0	1	0	0	0	0	1
Rhode Island	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	0	4
South Carolina 2016 (Note 7)	2014	8	0	0	0	0	1	7
	2015	7	0	0	0	0	0	7
	2016	7	1	1	0	0	0	7
South Dakota	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	1	0
Tennessee 2016 (Note 8 9)	2014	9	1	1	0	0	0	10^
	2015	10^	1	1	0	0	0	10
	2016	10	2	0	0	0	3	9
Texas 2014 (Note 24 25 26) 2015 (Note 11) 2016 (Note 10)	2014	82	8	11	0	2	9	68
	2015	68	5	0	0	0	3	70
	2016	70	5	0	0	0	13	62
Utah	2014	3	0	0	0	0	2	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Virginia	2014	16	0	1	0	0	1	15^
	2015	15^	1	0	0	0	2	14
	2016	14	1	0	0	0	1	14
Washington	2014	14	0	1	0	0	2	12^
	2015	12^	0	0	0	0	0	12
	2016	12	1	0	0	0	2	11
West Virginia	2014	3	0	2	0	0	1	2^
	2015	2^	0	0	0	0	0	2
	2016	2	0	0	0	0	2	0
Wisconsin	2014	18	0	0	0	5	5	8
	2015	8	5	0	0	0	1	12
	2016	12	0	0	0	0	1	11
Total	**2014**	**595**	**72**	**55**	**0**	**43**	**100**	**482^**
	2015	**482^**	**47**	**4**	**0**	**8**	**55**	**462**
	2016	**462**	**30**	**1**	**0**	**3**	**57**	**431**

^ Certain 2014 numbers in the above chart are marked with a caret This is intended to account for terminations of 13 franchised outlets of one franchisee, GMD Silver, Inc , in 2014 While these outlets were terminated in 2014, the terminated franchisee continued to operate these outlets as Cellairis franchised business units Because of this, the column titled "Outlets at End of the Year" does not account for the decrease of 13 franchised units

<u>Below are the notes for 2014 only, years 2015 and 2016 follow below</u>

FN1 – 2 units at Eastridge Mall

- On 05-31-14 two (2) units were terminated
- On 06-01-14 two (2) units were open by Affiliate
- On 08-01-14 two (2) units were transferred to new Franchisee

FN2 – 1 unit at Oakridge Mall

- On 05-31-14 one (1) unit was terminated
- On 06-01-14 one (1) unit was opened by Affiliate
- On 08-01-14 one (1) unit was transferred to new Franchisee

FN3 – 2 units at SunValley Shopping Center

- On 02-03-14 one (1) unit was terminated
- On 03-12-14 one (1) unit was opened by new Franchisee
- On 05-21-14 two (2) units were terminated
- On 05-22-14 two (2) units were opened by Affiliate

- On 08-01-14 two (2) units were transferred to new Franchisee

FN4 – 1 unit at Cherry Creek Mall
- On 06-15-14 one (1) unit was terminated
- On 06-16-14 one (1) unit was opened by Affiliate
- On 08-01-14 one (1) unit was transferred to new Franchisee

FN5 – 1 unit at Coastland Center Mall
- On 10-23-14 one (1) unit was terminated
- On 10-24-14 one (1) unit was opened by Affiliate

FN6 – 1 unit at Orange Park Mall
- On 05-18-14 one (1) unit was transferred
- On 05-19-14 one (1) unit was opened by Affiliate
- On 08-29-14 one (1) unit was transferred to new Franchisee

FN7 – 1 unit at The Avenues Mall
- On 03-14-14 one (1) unit was terminated
- On 03-15-14 one (1) unit was opened by Affiliate
- On 08-01-14 one (1) unit was transferred to new Franchisee

FN8 – 2 units at Jordan Creek Mall
- On 05-31-14 two (2) units were terminated
- On 06-01-14 two (2) units were opened by Affiliate
- On 06-13-14 two (2) units were transferred to new Franchisee

FN9 – 1 unit at Towne West Square
- On 05-14-14 one (1) unit was terminated
- On 05-15-14 one (1) unit was opened by Affiliate
- On 08-01-14 one (1) unit was transferred to new Franchisee

FN10 – One (1) unit at Greenwood Mall
- On 05-01-14 one (1) unit was reacquired by Affiliate
- On 11-15-14 one (1) unit was transferred to new Franchisee

FN11 – One (1) unit at Briarwood Mall
- On 02-01-14 one (1) unit transferred to new Franchisee
- On 08-01-14 one (1) unit transferred to new Franchisee

FN12 – One (1) unit at Great Lakes Crossing
- On 04-30-14 one (1) unit was terminated
- On 05-01-14 one (1) unit was opened by Affiliate
- On 07-06-14 one (1) unit was transferred to new Franchisee
- On 12-31-14 one (1) unit was closed

FN13 – Two (2) units at Chesterfield Mall
- On 04-01-14 two (2) units were reacquired by Affiliate
- On 07-31-14 two (2) units were closed

FN14 – Two (2) units at MidRivers Mall
- On 04-01-14 two (2) units were reacquired by Affiliate
- On 07-31-14 one (1) unit was closed
- On 08-01-14 one (1) unit was transferred to new Franchisee

FN15 – Two (2) units at South County Mall
- On 05-01-14 two (2) units were reacquired by Affiliate
- On 08-01-14 two (2) units were transferred to new Franchisee

FN16 – One (1) unit at St Louis Galleria
- On 04-01-14 one (1) unit was reacquired by Affiliate
- On 11-15-14 one (1) unit was transferred to new Franchisee

FN17 – One (1) unit at West County Mall
- On 04-01-14 one (1) unit was reacquired by Affiliate
- On 08-01-14 one (1) unit was transferred to new Franchisee

FN18 – One (1) unit at Oakview Mall
- On 05-31-14 one (1) unit was terminated
- On 06-01-14 one (1) unit was opened by Affiliate
- On 06-13-14 one (1) unit was transferred to new Franchisee

FN19 – One (1) unit at Jersey Gardens Mall
- On 07-04-14 one (1) unit was terminated
- On 07-05-14 one (1) unit was opened by new Franchisee

FN20 – One (1) unit at Newport Center
- On 07-31-14 one (1) unit was closed
- On 08-01-14 one (1) unit was opened by new Franchisee

FN21 – Two (2) units at Queens Center Mall
- On 11-21-14 two (2) units were terminated
- On 11-22-14 two (2) units were opened by new Franchisee

FN22 – One (1) unit at Roosevelt Field Mall
- On 08-17-14 one (1) unit was terminated
- On 08-18-14 one (1) unit was opened by new Franchisee

FN23 – One (1) unit at Smith Haven Mall
- On 08-17-14 one (1) unit was terminated
- On 08-18-14 one (1) unit was opened by new Franchisee

FN24 – Three (3) units at Grapevine Mills Mall

- On 05-31-14 three (3) units were terminated
- On 06-01-14 three (3) units were opened by Affiliate
- On 06-25-14 three (3) units were transferred to new Franchisee

FN25 – Two (2) units at Hulen Mall

- On 06-30-14 two (2) units were reacquired by Affiliate
- On 12-01-14 two (2) units were transferred to new Franchisee

FN26 – Two (2) units at Ridgmar Mall

- On 08-29-14 two (2) units were terminated
- On 08-30-14 two (2) units were opened by Affiliate
- On 12-01-14 two (2) units were transferred to new Franchisee

Below are the notes for year 2015 only, year 2014 is above and year 2016 is below

FN1 – 1 unit at Orange Park Mall

- On 02-13-15 one (1) unit was reacquired by Affiliate
- On 05-01-15 one (1) unit was transferred to new Franchisee

FN2 – 1 unit at The Avenues Mall

- On 02-12-15 one (1) unit was reacquired by Affiliate
- On 05-01-15 one (1) unit was transferred to new Franchisee

FN3 – 1 unit at Towne West Square Mall

- On 02-28-15 one (1) unit was reacquired by Affiliate
- On 04-01-15 one (1) unit was transferred to new Franchisee

FN4 – 1 unit at North Park Mall

- On 02-17-15 one (1) unit was reacquired by Affiliate
- On 03-04-15 one (1) unit was transferred to new Franchisee

FN5 – 2 units at Cross Creek Mall

- On 03-26-15 two (2) units were transferred to new Franchisee
- On 12-31-15 one (1) unit was closed

FN6 – 1 unit at Staten Island Mall

- On 09-01-15 one (1) unit was reacquired by Affiliate
- On 09-01-15 one (1) unit was transferred to new Franchisee

FN7 – 1 unit at Belden Village Mall

- On 02-19-15 one (1) unit was reacquired by Affiliate
- On 03-17-15 one (1) unit was transferred to new Franchisee

FN8 – 2 units at Franklin Park Mall
- On 02-24-15 two (2) units were reacquired by Affiliate
- On 03-16-15 two (2) units were transferred to new Franchisee
- On 10-31-15 one (1) unit was closed

FN9 – 2 units at Clackamas Mall
- On 01-01-15 two (2) units were closed
- On 02-16-15 two (2) units were opened by new Franchisee

FN10 – 1 unit at Lloyd Center Mall
- On 01-01-15 one (1) unit was closed
- On 02-16-15 one (1) unit was opened by new Franchisee

FN11 – 1 unit at Lakeline Mall
- On 02-04-15 one (1) unit was opened by new Franchisee
- On 06-30-15 one (1) unit was closed

Below are the notes for year 2016 only, years 2014 and 2015 are above

FN1 – 1 unit at Northridge Fashion Mall
- On 04-30-16 one (1) unit was closed
- On 07-01-16 one (1) unit was opened by new Franchisee

FN2 – 1 unit at Cherry Creek Mall
- On 05-01-16 one (1) unit was transferred to new Franchisee

FN3 – 1 unit at Countryside Mall
- On 04-24-16 one (1) unit was closed
- On 06-08-16 one (1) unit was opened by new Franchisee

FN4 – 1 unit at Edison Mall
- On 11-10-16 one (1) unit was reacquired by Affiliate
- On 12-15-16 one (1) unit was opened by new Franchisee

FN5 – 1 unit at Port Charlotte Mall
- On 01-01-16 one (1) unit was closed
- On 03-15-16 one (1) unit was opened by new Franchisee

FN6 – 1 unit at Cross Creek Mall
- On 03-07-16 one (1) unit was closed
- On 07-01-16 one (1) unit was opened by new Franchisee

FN7 – 1 unit at Columbiana Centre Mall
- On 02-29-16 one (1) unit was terminated
- On 03-01-16 one (1) unit was opened by new Franchisee

FN8 – 1 unit at Old Hickory Mall

- On 02-12-16 one (1) unit was closed
- On 03-01-16 one (1) unit was opened by new Franchisee

FN9 – 1 unit at Wolfchase Galleria Mall

- On 02-12-16 one (1) unit was closed
- On 03-04-16 one (1) unit was opened by new Franchisee

FN10 – 2 units at South Plains Mall

- On 09-01-16 two (2) units were closed
- On 9-16-16 two (2) units were opened by new Franchisee

Table No 4
Status of Company-Owned Outlets
(Mall Units and Full Store Units)
For Years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold To Franchisees	Column 8 Outlets at End of The Year
Arkansas	2014	3	0	0	0	1	2
	2015	2	0	0	1	1	0
	2016	0	0	0	0	0	0
California	2014	6	5	0	1	8	2
	2015	2	0	0	1	1	0
	2016	0	0	0	0	0	0
Colorado	2014	1	1	0	0	1	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	1	0
Florida	2014	0	3	1	0	2	2
	2015	2	0	4	0	4	2
	2016	2	0	1	1	1	1
Georgia	2014	3	0	0	0	0	3
	2015	3	3	0	0	3	3
	2016	3	0	0	0	0	3
Indiana	2014	0	2	1	2	0	1
	2015	1	0	0	0	1	0
	2016	0	0	0	0	0	0
Iowa	2014	0	3	2	0	4	1
	2015	1	0	0	0	1	0
	2016	0	0	0	0	0	0

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold To Franchisees	Column 8 Outlets at End of The Year
Kansas	2014	0	1	3	0	4	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Kentucky	2014	0	0	1	0	1	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Michigan	2014	1	4	7	2	4	6
	2015	6	0	1	1	4	2
	2016	2	0	2	0	1	3
Minnesota	2014	1	2	3	0	2	4
	2015	4	0	1	0	0	5
	2016	5	0	0	0	0	5
Missouri	2014	1	0	12	4	7	2
	2015	2	0	1	1	1	1
	2016	1	0	0	0	1	0
Nebraska	2014	0	1	2	0	3	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Nevada	2014	1	0	0	0	0	1
	2015	1	0	0	0	1	0
	2016	0	0	0	0	0	0
New Mexico	2014	1	0	0	0	1	0
	2015	0	1	0	0	0	1
	2016	1	0	0	0	1	0
New York	2014	1	1	0	0	1	1
	2015	1	0	0	1	0	0
	2016	0	0	0	0	0	0
North Carolina	2014	0	4	2	0	0	6
	2015	6	0	0	1	5	0
	2016	0	0	0	0	0	0
Ohio	2014	5	0	0	1	4	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Oklahoma	2014	0	0	1	0	1	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold To Franchisees	Column 8 Outlets at End of The Year
Puerto Rico	2014	0	0	0	0	0	0
	2015	0	0	1	0	0	1
	2016	1	0	0	0	1	0
Tennessee	2014	1	0	0	0	0	1
	2015	1	0	0	0	1	0
	2016	0	0	0	0	0	0
Texas	2014	1	10	2	0	8	5
	2015	5	0	0	1	4	0
	2016	0	0	0	0	0	0
Virginia	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	1	0
Wisconsin	2014	0	0	5	0	0	5
	2015	5	0	0	0	4	1
	2016	1	0	0	0	0	1
Total	**2014**	**27**	**37**	**42**	**10**	**52**	**44**
	2015	**44**	**4**	**8**	**7**	**31**	**18**
	2016	**18**	**0**	**3**	**1**	**7**	**13**

For all charts presented in this Item 20, states not listed in a chart had no franchised, company-owned or affiliate-owned Cellairis Business Units or activity during the relevant period

Attached to this Disclosure Document, as **Exhibit "H"** is a list of the addresses of all Cellairis franchisees The tables listed in this Item are for all types of Business Units Full Store Units are identified with a plus sign (+) on **Exhibit "H"** Also, as noted below, there are 62 Store-in-Store Outlets that opened in 2016 These 62 Store-in-Store Outlets Units are identified within its own chart on **Exhibit "H "**

We have implemented a franchisee referral program in which an existing, eligible franchisee (who may be among the franchisees listed on **Exhibit "H"**) will receive a financial reward or referral fee if the franchisee refers to us a new qualified franchisee candidate that becomes a franchisee and opens at least one Business Unit

Attached to this Disclosure Document, is **Exhibit "K"** which lists the name, city and state, and the current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our 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

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Cellairis 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 following table gives our estimate of openings of Mall Units and Full Store Units franchises, by state, for the coming year

Table No 5
(Mall Units and Full Store Units)
Projected Openings as of December 31, 2016 for fiscal year 2017

Column 1 State	**Column 2** Franchise Agreements Signed but Outlet Not Opened	**Column 3** Projected New Franchised Outlets In the Next Fiscal Year	**Column 4** Projected New Company-Owned Outlets in the Current Fiscal Year
California	0	3	0
Florida	0	1	0
Georgia	0	4	0
Illinois	0	1	0
Maryland	0	1	0
Massachusetts	0	1	0
New Jersey	0	3	0
New York	0	1	0
Pennsylvania	0	2	0
Tennessee	0	1	0
Texas	0	2	0
TOTAL	**0**	**20**	**0**

Store-in-Store Outlets

As of December 31, 2016, there were 60 Store-in-Store Business Units in operation The Store-in-Store Outlets are offered under a separate disclosure document, by a different franchisor, our affiliate Cellairis SNS This listing is provided here so that you can better understand the geographic distribution of all of the Business Units

Table No 1

System wide Outlet Summary
(Store-in-Store Business Units)
For Years 2014 to 2016

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2014	0	0	0
	2015	0	45	+45
	2016	45	59	+14
Company-Owned	2014	0	6	+6
	2015	6	8	+2
	2016	8	1	-7
Total Outlets	2014	0	6	+6
	2015	6	53	+47
	2016	53	60	+7

Table No 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
(Store-in-Store Business Units)
For Years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Arizona	2014	0
	2015	0
	2016	0
Georgia	2014	0
	2015	0
	2016	2
Nevada	2014	0
	2015	0
	2016	4

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Texas	2014	0
	2015	0
	2016	7
Utah	2014	0
	2015	0
	2016	2
Total	**2014**	**0**
	2015	**0**
	2016	**20**

Table No 3
Status of Franchised Outlets
(Store-in-Store Business Units)
For the Years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Arizona	2014	0	0	0	0	0	0	0
	2015	0	7	0	0	0	2	5
	2016	5	3	0	0	0	2	6
Colorado	2014	0	0	0	0	0	0	0
	2015	0	10	0	0	0	0	10
	2016	10	0	0	0	0	0	10
Florida	2014	0	0	0	0	0	0	0
	2015	0	2	0	0	0	0	2
	2016	2	6	0	0	0	0	8
Georgia	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	4	0	0	0	0	4
Georgia	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Mississippi	2014	0	0	0	0	0	0	0
	2015	0	3	0	0	0	0	3
	2016	3	0	0	0	0	0	3
Nevada	2014	0	0	0	0	0	0	0
	2015	0	4	0	0	0	0	4
	2016	4	0	0	0	0	0	4
New York	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Tennessee	2014	0	0	0	0	0	0	0
	2015	0	2	0	0	0	0	2
	2016	2	0	0	0	0	0	2

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Texas	2014	0	0	0	0	0	0	0
	2015	0	15	0	0	0	0	15
	2016	15	1	0	0	0	0	16
Utah	2014	0	0	0	0	0	0	0
	2015	0	4	0	0	0	0	4
	2016	4	0	0	0	0	0	4
Total	**2014**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2015	**0**	**47**	**0**	**0**	**0**	**2**	**45**
	2016	**45**	**16**	**0**	**0**	**0**	**2**	**59**

Table No 4
Status of Company-Owned Outlets
(Store-in-Store Business Units)
For Years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold To Franchisees	Column 8 Outlets at End of The Year
Arkansas	2014	0	0	0	0	0	0
	2015	0	1	0	0	0	1
	2016	1	0	0	0	0	1
Georgia	2014	0	5	0	0	0	5
	2015	5	1	0	0	2	4
	2016	4	0	0	0	4	0
Florida	2014	0	0	0	0	0	0
	2015	0	4	0	0	0	4
	2016	4	0	0	0	4	0
Oklahoma	2014	0	1	0	0	0	1
	2015	1	0	0	1	0	0
	2016	0	0	0	0	0	0
Texas	2014	0	0	0	0	0	0
	2015	0	4	0	0	4	0
	2016	0	0	0	0	0	0
Total	**2014**	**0**	**0**	**0**	**0**	**0**	**0**
	2015	**0**	**9**	**0**	**1**	**6**	**8**
	2016	**8**	**1**	**0**	**0**	**8**	**1**

Table No 5
(Store-in-Store Business Units)
Projected Openings as of December 31, 2016 for fiscal year 2017

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets In the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Current Fiscal Year
California	0	15	0
Delaware	0	2	0
Florida	0	1	0
Georgia	0	1	0
Maryland	0	4	
Massachusetts	0	4	0
North Carolina	0	4	0
New Jersey	0	2	0
New York	0	13	0
Oklahoma	0	1	0
Texas	0	9	0
TOTAL	**0**	**56**	**0**

Item 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document, as **Exhibit "I"** are our audited balance sheets for our fiscal years ended December 31, 2016, December 31, 2015, and December 31, 2014, and the related statements of operations, statements of stockholders' equity, and cash flows for the fiscal years then ended

Our fiscal year end is December 31

Item 22

CONTRACTS

The following agreements are attached to this disclosure document in the pages immediately following

Exhibit	Agreement
D	Franchise Agreement
E	Sub-License Agreement

Exhibit	Agreement
F	Personal Guaranty and Subordination Agreement
G	Conditional Lease Assignment Agreement
J	General Release
L	Chase Paymentech Merchant Application and Agreement
M	Confidentiality Agreement for Cellairis Confidential Operations Manual
O	Equipment Purchase Agreement and License Agreement
P	Franchisee Disclosure Questionnaire
Q	Receipts

Item 23

RECEIPT

You will find copies of a detachable receipt in **Exhibit "Q"** at the very end of this Disclosure Document

EXHIBIT "A"

State-Specific Addendum

CALIFORNIA APPENDIX TO THE FDD

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 OFFERING CIRCULAR

Neither the Franchisor nor any person identified in Item 2 of this FDD 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 § 78a *et seq* , suspending or expelling such persons from membership in such association or exchange

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 a franchise agreement restricting venue to a forum outside the State of California

SPECIFIC CALIFORNIA REGULATIONS

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise If the franchise agreement contains a provision that is inconsistent with the law, the law will control You are encouraged to consult private legal counsel to determine the applicability of California and federal laws to any provisions of a franchise agreement restricting venue to a forum outside the State of California

1 The franchise agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A § 101 *et seq*)

2 The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise This provision may not be enforceable under California law

3 The franchise agreement provides that interest shall be at 18% or the highest rate allowable by law This provision may not be enforceable under California law and the interest rate is 10% annually

4 The franchise agreement requires application of the laws of Georgia This provision may not be enforceable under California law

5 The Franchisor is aware of and will comply with (to the extent they are applicable) the "negotiated sales" requirements of § 310 100 2, Title 10, California Code of Regulations All negotiated terms made for franchisees in California in the last 12 months are available upon written request to Jeff Nestinger c/o Cellairis Franchise, Inc , 6485 Shiloh Road, Bldg B Unit 100, Alpharetta, GA 30005

6 Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may be rule or order require, before a solicitation of a proposed material modification of an existing franchise

7 You must sign a general release if you renew or transfer your franchise California Corporations Code § 31512 may void a waiver of your rights under the Franchise Investment Law (California Corporations Code §§ 31000 through 31516) Business and Professional Code § 20010 may void a waiver of your rights under the Franchise Relations Act (Business and Professional Code §§ 20000 through 20043)

8 Our website has not been reviewed or approved by the California Department of Business Oversight Any complaints concerning the content of this website may be directed to the California Department of Business Oversight at www dbo ca gov

HAWAII APPENDIX TO THE FDD

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING

THE HAWAII FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THIS OFFERING CIRCULAR TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E-1 *et seq* the Cellairis Franchise, Inc Disclosure Document for the offer of Cellairis franchise for use in Hawaii shall be amended as follows

1 Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum to the Disclosure Document

ILLINOIS APPENDIX TO THE FDD

This Disclosure Document is provided for your own protection and contains a summary only of certain material provisions of the Franchise Agreement This Disclosure Document and all contracts or agreements should be read carefully in their entirety for an understanding of all rights and obligations of both the franchisor and the franchisee

If this Disclosure Document is not delivered on time, or if it contains a false, incomplete, inaccurate or misleading statement, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and to the Illinois Attorney General's Office, 500 South Second Street, Springfield, Illinois 62706, which administers and enforces the Illinois Franchise Disclosure Act

In recognition of the Illinois Franchise Disclosure Act of 1987, Illinois compiled Statues 1992, Chapter 818, Sections 704/1 thru 705/44, the Franchise Disclosure Document for Cellairis Franchise, Inc for the offer of Cellairis Franchises for use in the State of Illinois shall be amended to include the following language

Each provision of this Appendix to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently, without reference to this Appendix to the Disclosure Document

1 The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois law 815 ILCS, §§ 705/19 and 705/20 To the extent that the Item 17 Franchise Agreement table section (g) conflict with the Illinois Franchise Disclosure Act (the "Act"), section (g) is hereby revised to be consistent with the Act

2 In the State of Illinois the designation of jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois, except that the designation of arbitration in a forum outside of Illinois is permissible In the State of Illinois the Illinois Franchise Disclosure Act shall prevail in construing and enforcing the Franchise Agreement

3 No franchisor shall attempt to circumvent compliance with the Illinois Franchise Disclosure Act by requiring you to execute any document evidencing waiver of any right granted by the Act as described in Section 41 of the Act This prohibition against waiver includes, but is not limited to, statements involving unregistered earnings claims, timely disclosure, warranty, material misrepresentations or limitation of liability

4 Each provision of this Appendix to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently, without reference to this Appendix to the Disclosure Document

MARYLAND APPENDIX TO THE FDD

The Cellairis Franchise Disclosure Document for use in the State of Maryland shall be amended to include the following

Notwithstanding anything to the contrary set forth in the Cellairis Franchise Inc 's Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Maryland

Item 17 of this Disclosure Document is amended as follows

The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A § 101 *et seq*)

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

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

The franchise agreement provides that disputes are resolved through arbitration A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable However, we intend to enforce the franchise agreement provisions to the fullest extent permitted by law

To the extent that any provisions of the Franchisee Disclosure Questionnaire require you to assent to any release, estoppel or waiver of liability as a condition to your purchasing a Cellairis franchise, such provisions 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

Each provision of this Appendix to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Appendix to the Disclosure Document

MICHIGAN APPENDIX TO THE FDD

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 MAY BE VOID AND MAY NOT BE ENFORCEABLE AGAINST YOU

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

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

(G) 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 provisions of the franchise agreement and to comply with any lawful provisions 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

(H) 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 franchised 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 franchise 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

(J) 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 franchisors 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

(K) 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)

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

* * * * * * *

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

* * * * * * *

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN FRANCHISE
670 LAW BUILDING
LANSING, MICHIGAN 48913
TELEPHONE NUMBER 517-373-7117

MINNESOTA APPENDIX TO THE FDD

1 The followıng ıs hereby added to the cover page of the Cellaırıs Dısclosure Document

Mınnesota law provıdes franchısees wıth certaın rıghts regardıng termınatıon and nonrenewal of theır franchıses With respect to franchıses governed by Mınnesota law, the franchısor wıll comply wıth Mınn Stat Ann Sec 80 C 14, Subd 3, 4, and 5 whıch requıre, except ın certaın specıfied cases, (1) that a franchısee be gıven 90 days notıce of termınatıon (wıth 60 days to cure) and 180 days notıce for nonrenewal of a franchıse agreement, and (2) that consent to the transfer of the franchıse wıll not be unreasonably wıthheld

The franchısor wıll protect the franchısee's rıght to use the trademarks, servıce marks, trade names, logotypes or other commercıal symbols or ındemnıfy the franchısee from any loss, costs or expenses arısıng out of any claım, suıt or demand regardıng the use of the name

Mınn Stat Sec 80C 21 and Mınn Rule Part 2860 4400J may prohıbıt Cellaırıs from requırıng lıtıgatıon to be conducted outsıde Mınnesota In addıtıon, nothıng ın the Franchıse Agreement or thıs Dısclosure Document may abrogate or reduce any of the Franchısee's rıghts as provıded for ın Mınnesota Statutes, Chapter 80C, or the Franchısee's rıghts to any procedure, forum, or remedıes provıded for by the laws of the jurısdıctıon

2 The followıng ıs hereby added to Item 17 of the Cellaırıs Dısclosure Document

Mınn Stat Sec 80C 21 and Mınn Rule Part 2860 4400J may prohıbıt Cellaırıs from requırıng a franchısee to waıve hıs or her rıghts to a jury trıal or to waıve rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes, provided that this part shall not bar an exclusive arbitration bar

The State of Minnesota has statutes that might supersede the Franchise Agreement in your relationship with us Minnesota Department of Commerce Rule 2860 4400D prohibits a franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, sections 80C 01 to 80C 22, provided, that this part shall not bar the voluntary settlement of disputes

The franchisee cannot consent to the franchisor obtaining injunctive relief The franchisor may seek injunctive relief See Minn Rules 2860 4400J

Also, a court will determine if a bond is required

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C 17, Subd 5

NEW YORK STATE DISCLOSURE

ADDITIONAL RISK FACTORS

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS

1 The following is hereby added to Item 3 pursuant to 13 NYCRR 200 2(c) - 3

Except for Mr Skouras with respect to 1(A), neither we nor anyone listed in Item 2 of this disclosure document

A 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

B Has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded *nolo contendere* to a misdemeanor charge or 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 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 is subject to any currently effective order of any 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

With regard to Section 1(C), <u>In the matter of Commonwealth of Virginia and Cellairis Franchise, Inc and Mr Skouras,</u> case number SEC-2010-00006

A Settlement Order was signed on June 8, 2010 with an effective date of July 13, 2010 The Commonwealth of Virginia alleged that we violated the Virginia Retail Franchising Act ("Act") by (1) making untrue statements of material fact or omitting to state a material fact, and (2) failing to provide either directly or indirectly franchisees with such disclosure documents as may be required, however, we did not admit or deny either of these allegations The Settlement provides that we will provide a copy of the Settlement to former and current franchisees who operated a unit in the Commonwealth (no additional action is required to be taken by us after providing a copy of the Settlement), that we would not violate the Act in the future and that we would pay a penalty and the costs of the investigation totaling $20,000

2 The following is hereby added to Item 4 pursuant to 13 NYCRR 200 2(c) - 4 Neither we nor anyone listed in Item 2 during the 10-year period immediately before the date of the disclosure document a) filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, 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 the officer of general partner of the franchisor held this position in the company or partnership

3 The followıng ıs hereby added to Item 5 pursuant to 13 NYCRR 200 2(c) - 5 The ınıtıal franchıse fee ıs to be paıd to us ın one lump sum payment and the purpose for the ınıtıal franchıse fee ıs to support traınıng, support brand ıdentıficatıon, and ımprove methods of doıng busıness

Franchısor's regıstered agent ın thıs state authorızed to receıve servıce of process

New York State Department of State
Dıvısıon of Corporatıons
Second Floor
41 Slate Street
Albany, New York 12231
(518) 473-2492

NORTH DAKOTA APPENDIX TO THE FDD

The securıtıes Commıssıoner has held the followıng to be unfaır, unjust, or ınequıtable to North Dakota franchısees pursuant to § 51-19-09 N D C C

1 Use of a general release that ıs to be sıgned upon renewal of thıs franchıse descrıbed ın Item 17(c) of the Dısclosure Document and wıthın Paragraph 4(B)(5) of the Franchıse Agreement may be consıdered unenforceable ın the State of North Dakota

2 Consent of payıng lıquıdated damages and termınatıon penaltıes descrıbed ın Item 17(ı) of the Dısclosure Document and wıthın Paragraphs 11 and 13 of the Franchıse Agreement may be consıdered unenforceable ın the State of North Dakota

3 Covenants not to compete such as those mentıoned ın Item 17(r) of the Dısclosure Document and Paragraph 8(D) of the Franchıse Agreement are generally consıdered unenforceable ın the State of North Dakota pursuant to § 9-08-06 of the North Dakota Century Code

4 Requırements for the franchısee to sue the Franchısor ın the state and federal Court of general jurısdıctıon ın Fulton County, Georgıa as mentıoned ın Item 17(v) of the Dısclosure Document and ın Paragraphs 13(C) and D of the Franchıse Agreement may not be enforceable ın the State of North Dakota

5 Applıcatıon of law other than North Dakota Law as mentıoned ın Item 17(w) of the Dısclosure Document and Paragraph 13(C) of the Franchıse Agreement may be consıdered unenforceable ın the State of North Dakota

RHODE ISLAND APPENDIX TO THE FDD

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 ADDENDUM TO THE FDD

In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for **Cellairis Franchise, Inc** for use in the Commonwealth of Virginia shall be amended as follows

Additional Disclosure The following statements are added to Item 17(h)

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 ground 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 STATE APPENDIX TO THE FDD

The State of Washington has a statute, RCW 19 100,180, which may supersede the Franchise Agreement in your relationship with us in the areas including termination and renewal of your Franchise There may be court decisions which may supersede the Franchise Agreement in your relationship with us in the areas 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, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

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

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

EXHIBIT "B"

List of State Administrators

California

Commissioner of Business Oversight
Department of Business Oversight
320 West 4th Street
Suite 750
Los Angeles, CA 90013-2344
(213) 876-7500
Toll Free (866) 275-2677

Connecticut

Department of Banking
Securities and Business Investments Division
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8299

Hawaii

Commissioner of Securities
Hawaii Department of Commerce and Consumer Affairs
335 Merchant Street
Honolulu, HI 96813
(808) 586-2722

Illinois

Chief Franchise Division
Illinois Attorney General
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana

Secretary of State
Franchise Section
302 West Washington
Room E-111
Indianapolis, IN 46204
(317) 232-6681

Maryland

Office of the Attorney General
Securities Division
200 St Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan

Consumer Protection Div Franchise Section
Attn Kathryn A Barron
670 G Mennen Williams Building
Lansing, MI 48913
(517) 373-7117

Minnesota

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East
Suite 500
St Paul, MN 55101-2198
(651) 296-4026

New York

Bureau of Investor Protection & Securities
New York State Department of Law
23rd Floor
120 Broadway
New York, NY 10271
(212) 416-8211

North Dakota

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fifth Floor
Dept 414
Bismarck, ND 58505-0510
(701) 328-4712

Rhode Island

Dept of Business Regulation
1511 Pontiac Avenue
Building 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota

Department of Labor and Regulation
Division of Securities
124 S Euclid
Suite 104
Pierre, SD 57501
(605) 773-4823

Virginia

Chief Examiner
State Corporation Commission
Ninth Floor
1300 East Main Street
Richmond, VA 23219-3630
(804) 371-9051

Washington

Department of Financial Institutions
Securities Division – 3rd Floor
150 Israel Road, SW
Tumwater, Washington 98501
(360) 902-8760

Wisconsin

Office of the Commissioner of Securities
345 West Washington Avenue, Fourth Floor
Madison, Wisconsin 53703
(608) 261-9555

EXHIBIT "C"

Agent for Service of Process

This list includes the name and address of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states) This list also includes the name and address of our agent for service of process for other states

California

Commissioner of Business Oversight
320 West Fourth Street, Suite 750
Los Angeles, CA 90013-2344
(213) 576-7500
Toll Free (866) 275-2677

Connecticut

Department of Banking
Securities and Business Investments Division
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8299

Hawaii

Commissioner of Securities
Department of Commerce and Consumer Affairs
335 Merchant Street
Honolulu, HI 96813
(808) 586-2722

Illinois

Illinois Attorney General
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana

Indiana Secretary of State
201 State House
Indianapolis, IN 46204
(317) 232-6681

Maryland

Maryland Securities Commissioner
200 St Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan

Dept of Commerce, Corp & Securities Bureau
6546 Mercantile Way
P O Box 30222
Lansing, MI 48910
(517) 373-7117

Minnesota

Commissioner of Commerce
85 7th Place East, Ste 500
St Paul, MN 55101
(612) 296-4026

New York

New York State Department of State
Division of Corporations
Second Floor
41 Slate Street
Albany, New York 12231
(518) 473-2492

North Dakota

The Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fifth Floor
Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Rhode Island

Director of Department of Business Regulation
1511 Pontiac Avenue
Building 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota

Director of Division of Securities
124 S Euclid
Suite 104
Pierre, SD 57501
(605) 773-4823

Virginia

Clerk of the State Corporation Commission
1300 East Main Street
Richmond, VA 23219
(804) 371-9051

Washington

Director of Department of Financial Institutions
Securities Division – 3rd Floor
150 Israel Road, SW
Tumwater, Washington 98501
(360) 902-8760

Wisconsin

Commissioner of Securities
345 West Washington Avenue, Fourth Floor
Madison, WI 53703
(608) 261-9555

Other States

Kilpatrick Townsend & Stockton, LLP
Attn Chris Bussert, Esq
1100 Peachtree Street NE, Suite 2800
Atlanta, GA 30309
(404) 815-6545

EXHIBIT “D”

Franchise Agreement

CELLAIRIS
FRANCHISE/AGREEMENT

TABLE OF CONTENTS

EXHIBITS

CELLAIRIS
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (**"Agreement"**) is made and entered into effective as of the _____ day of _________, 20__, (the **"Effective Date"**) by and between **CELLAIRIS FRANCHISE, INC**, a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 (**"Company"**), and _____________________, with a principal address at _____________________ (**"FRANCHISEE"**)

A Company is the owner of a system (the "**System**") for the operation of Cellairis® branded retail merchandise units (**"Cellairis Business Units"**)

B Cellairis Business Units have multiple business formats which Company may add to, delete and modify in its discretion from time to time The current Cellairis Business Units include (i) movable display centers which hold and display Products (defined below) on all four sides, where an employee who operates the cart is free to move around all four sides of the unit and is not confined behind a counter (each an "**RMU**"), (ii) Cellairis® branded retail interactive kiosks with four sides of Products in display cases operated with an employee behind a counter with storage space behind the counter (each an "**Interactive Kiosk**"), (iii) Cellairis® branded traditional full retail stores which may be in-line with other stores and is likely to be operated in a shopping mall, freestanding building, or in an in-line retail plaza such as a lifestyle center or strip center (each a "**Full Store Unit**"), and (iv) Cellairis® branded retail units, which are operated within the building of, and/or on the premises of, another retailer which will often be a "big box" or mass market retail store, selected by Company (each a "**Store-in-Store Outlet**") Company has developed the System for the operation of Store-in-Store Outlets, but an affiliate of Company, Cellairis SNS, LLC, will operate as the "franchisor" for the Store-in-Store Outlets Interactive Kiosks and RMUs are collectively referred to as "**Mall Units**" and Mail Units and Full Store Units are collectively referred to in this Agreement as "**Business Units** "

C Under marks licensed and authorized for use in Cellairis Business Units, including the "Cellairis" ® mark (the **"Marks"**), Cellairis Business Units specialize in (i) selling wireless device accessories including cellular telephone accessories, Parts (defined below), and other related products (the **"Products"**) and (ii) providing specified services including cellular telephone and wireless device repair, warranty, product guaranty, and replacement services (collectively the **"Services"**) using parts and equipment necessary to perform the Services (the "**Parts**")

D. FRANCHISEE desires to utilize the System to operate the type of Cellairis Business Unit set forth in Paragraph 1 A at the Location specified below (the **"Business Unit"**) and the Business Unit will sell the Products and perform the Services to end users under the Marks FRANCHISEE acknowledges that FRANCHISEE has received a copy of the Franchise Disclosure Document of Company (the **"FDD"**) and has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by financial and legal counsel of FRANCHISEE's own choosing at least fourteen (14) calendar days, prior to its execution, and is entering into this Agreement or any other agreement relating to the Franchise (as hereinafter defined) and prior to the payment of any consideration by FRANCHISEE to Company FRANCHISEE is entering into this Agreement after having made an independent investigation of Company's System, Products, Services, Marks, and Company's operations and not upon any representation, warranty, or promise as to profits and/or sales volume which FRANCHISEE might be expected to realize, nor upon any representations or promises by Company which are not contained in this Agreement or the FDD

In consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration the delivery, sufficiency, and receipt of which is hereby acknowledged by the parties, the parties, intending to be legally bound, agree as follows

1 FRANCHISE GRANT TERM, LOCATION, AND RIGHTS

A <u>Grant and Conditions</u>

Company grants to FRANCHISEE the right and obligation (the **"Franchise"**), and FRANCHISEE accepts and undertakes the obligation, to operate one (and only one) Business Unit at the Location (defined below) during the Term (defined below), and to use the System and the Marks only in the operation of such Business Unit which shall be a ______________________ (designate RMU, Interactive Kiosk, or Full Store) at ______________________________________ (the **"Location"**) If the Location is not known and approved by Company as of the date of execution of this Agreement, FRANCHISEE shall locate a site for the Business Unit in accordance with the provisions of Paragraph 5 D below, and Company's Manuals and procedures The term of this Agreement (the **"Term"**) begins on the Effective Date and shall continue for a period of 5 years from the Commencement Date (as defined below unless sooner terminated in accordance with the provisions of this Agreement, which may include the termination or expiration of the Occupancy Agreement (defined below) for the Location) FRANCHISEE agrees to operate the Business Unit at the specified Location for the entire Term FRANCHISEE understands and agrees that its lease, license, sublease or sub-license for the Location (the **"Occupancy Agreement"**) may provide for a shorter term than this Agreement FRANCHISEE further understands that the landlord as defined within the Occupancy Agreement may take actions which are either consistent or inconsistent with the underlying Occupancy Agreement but which are, in any case, beyond the control of Company, or its affiliates, or

FRANCHISEE, and that these actions by the landlord may consist, among other things, of terminating the right to occupy the Location and operate the Business Unit Company shall have the right to terminate this Agreement if the underlying Occupancy Agreement for the Location expires or is terminated, prior to the expiration of this Agreement, irrespective of the cause of any such termination, and in such event, Company and its affiliates shall have no liability whatsoever to FRANCHISEE except that FRANCHISEE may obtain any unearned License Payments (as defined in Paragraph 3 D) paid in advance to Company or its affiliates, as well as any unused portion of any security deposit paid in advance to Company or its affiliates under any sublease or sub-license agreement, which shall be refunded to FRANCHISEE only if such termination is not the result of a breach by FRANCHISEE of any Occupancy Agreement with Company or its affiliates Company and its affiliates have no obligation to provide FRANCHISEE with an alternate location in the event FRANCHISEE's Occupancy Agreement is terminated FRANCHISEE accepts this franchise with the full and complete understanding that the Franchise grant contains no representation, warranty, promise, or assurance of renewal or extension or option of renewal or extension The sole and entire conditions under which FRANCHISEE will have the opportunity of obtaining a Successor Franchise Agreement (as defined in Paragraph 4) at expiration of this Agreement are those set forth in Paragraph 4 This Franchise is for the operation of a single Business Unit at the specified Location only and does not in any way grant or imply any area, market, or territorial rights proprietary to FRANCHISEE FRANCHISEE acknowledges that the Franchise granted under this Agreement is non-exclusive and FRANCHISEE has no territorial protection, exclusive territorial rights, or protected territory and FRANCHISEE has no right to exclude, control, or impose conditions on the location or development of other or future Cellairis Business Units under the Marks, or on any sales or distribution of products or services under the Marks or other business activities of Company or its affiliates or any other party licensed to use the Marks FRANCHISEE further acknowledges and agrees that it is entirely within Company's discretion whether to offer or grant additional Cellairis Business Units or locations to FRANCHISEE

Attached hereto as **Exhibit "4"** is a description of the legal organization of FRANCHISEE (whether a corporation, limited liability company, partnership, sole proprietorship, or otherwise), the names and addresses of each person or entity owning any interest in FRANCHISEE, and, to the extent that any owner is an entity, each person who ultimately has an ownership interest in any and all such entity or entities (the **"Principal Owners"**) and the percentage of such interest owned by such person or entity FRANCHISEE agrees to notify Company in writing whenever there is any change in the organizational structure or ownership interest of FRANCHISEE as set forth on **Exhibit "4"** At Company's request, FRANCHISEE shall provide to Company a copy of all FRANCHISEE's governing and/or organizational documents and any amendments thereto FRANCHISEE understands and acknowledges that full and accurate completion, as well as compliance with Paragraph 9 and timely updates to **Exhibit "4"**, to show at all times the true ownership structure of FRANCHISEE is a material part of this Agreement as well as Company's decision to enter into and maintain this Agreement Company reserves the right to require that all owners and Principal Owners of FRANCHISEE execute the Personal Guaranty attached hereto as **"Exhibit "1"** All such persons and entities shall be referred to as "guarantors" Additionally, if this Agreement is to be signed by an individual(s) in his/her/their individual capacity or by an entity, whereby the individual(s) or entity's principal owner(s) only satisfies Company's financial, creditworthiness and/or management qualifications based on, or with the joint qualifications of, his/her/their spouse(s), Company may, as a condition to the execution of or continuation of this Agreement, require each such spouse to execute the Personal Guaranty set forth as **Exhibit "1"**

The term "**Commencement Date**" means the earlier of (i) the date that the FRANCHISEE opens the Business Unit for business, or (ii) the date that the FRANCHISEE is able to open the Business Unit for business, as determined by Company, acting reasonably Once the Commencement Date is determined by either (i) or (ii) above, **Exhibit "6"** shall be amended by Company to reflect such date If no Commencement Date is specified in **Exhibit "6"**, the Commencement Date shall be deemed to be 30 days after the Effective Date

B Location

FRANCHISEE has agreed to operate the Business Unit only at the Location described above, which Location is or will be either leased or licensed to the FRANCHISEE by a third party or sub-licensed to the FRANCHISEE by Company, an affiliate of Company, or an unrelated third party FRANCHISEE agrees to abide by all terms contained in any Occupancy Agreement The rights granted to FRANCHISEE hereunder shall be non-exclusive and shall be restricted to the operation of the single Business Unit to be located at the Location during the Term of this Agreement In connection with the execution of any Occupancy Agreement for the Location from a third party that is not related to Company, FRANCHISEE must execute, and cause the lessor and/or sublessor of the Location to execute, the Conditional Lease Assignment Agreement as set forth on **Exhibit "2"**, in addition to complying with any other obligations and conditions relating to the Occupancy Agreement for the Location and the development and construction of the Business Unit The rights granted to FRANCHISEE are for the specific Location and cannot be transferred to any other location, except with Company's prior written approval

C Reservation of Rights in Company

Company and its affiliates, expressly reserve and retain the right, in their discretion, to

(1) own and/or operate Cellairis Business Units utilizing the System or other systems as well as the right to grant franchises, licenses, or distributorships for other Cellairis Business Units utilizing the

System as well as to operate and grant franchises, licenses, and distributorships to and/or for any type of business including those which are the same as or similar to the operations of the Business Unit under any marks or the Marks, or any variation of the Marks, or the System, in any location, on any terms and conditions that Company deems appropriate, without granting FRANCHISEE any rights therein, without any compensation to FRANCHISEE, and regardless of their actual or threatened impact on sales at the Business Unit,

(2) sell wireless/cellular accessories and other products or services, including the Products and Services, at wholesale or retail, and solicit customers and prospective customers (including solicitation through other franchisees), under any marks or the Marks, or any variation of the Marks, through other channels or methods of distribution, including, but not limited to, sales over the internet (or any other existing or future form of electronic commerce), sales to other retailers (including but not limited to big box retailers such as Best Buy, Office Max, *etc*, mass market stores such as Walmart, Target, *etc*, mid-tier stores, specialty stores, department stores, kiosks, carts, toy stores, military post exchanges, drug stores, and convenience stores such as CVS, Walgreens), wholesalers, carrier channels (including but not limited to cell phone service providers such as AT&T, Verizon, *etc*), mail order and catalogue sales, and sales via radio and television, all of which may include carrier channels, methods of distribution, wholesalers, retailers, vendors, resellers, and any other distributors, in any location, on any terms and conditions that Company deems appropriate, without any compensation to FRANCHISEE, and regardless of their actual or threatened impact on sales at the Business Unit,

(3) establish, and license others to establish, Cellairis Business Units at or within any institutional or captive audience facilities, including, without limitation, military bases, airports and other public transportation facilities, government offices or institutions, educational institutions, health care facilities, toll road or highway rest stops, parks, stadiums, malls, museums, art centers, contract or institutional food service operators, theaters, warehouse clubs, theme parks, amusement centers, truck stops, universities, colleges, schools, hotels, motels, gyms, big box retailers (such as Best Buy, Office Max, *etc*), mass market stores (such as Walmart, Target, *etc*), specialty stores, convenience stores, or casinos, in any location and on any terms and conditions that Company deems appropriate, without granting FRANCHISEE any rights therein, without any compensation to FRANCHISEE, and regardless of their actual or threatened impact on sales at the Business Unit,

(4) in the event Company or its affiliates acquire another chain or system, regardless of the number of outlets or units, or Company or its affiliates are acquired by another chain or system, that operates and/or licenses/franchises business units or stores that are the same or similar to Cellairis Business Units in that they have a substantially similar catalog, line, or inventory of products and services or similar theme or concept, Company or its affiliates may, in addition to any other rights in this Agreement, establish, acquire or operate, or license/franchise others to establish and operate, business units or stores under other systems or other marks, which business units or stores may offer or sell products or services that are the same as, or similar to, the products and services offered from the Business Unit, regardless of these business units' or stores' proximity to the Business Unit, or their actual or threatened impact on sales at the Business Unit subject to this Agreement,

(5) purchase, merge, acquire, or affiliate with an existing competitive or noncompetitive license/franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise, or license those businesses and/or facilities as Cellairis Business Units operating under the Marks or any other marks following Company or its affiliate's purchase, merger, acquisition, or affiliation, regardless of the location of these facilities, which FRANCHISEE acknowledges may be proximate to the Business Unit, and regardless of these businesses and/or facilities proximity to the Business Unit, or their actual or threatened impact on sales at the Business Unit subject to this Agreement, and

(6) engage in any other activity, action, or undertaking that Company is not expressly prohibited from taking under this Agreement

D **<u>Variation of Terms</u>**

(1) FRANCHISEE understands and acknowledges that other franchisees of Company may be granted franchise agreements at different times and in different situations FRANCHISEE acknowledges that the provisions of such agreements may vary substantially from those contained in this Agreement and that FRANCHISEE's obligations hereunder may differ substantially from those of other franchisees

(2) Company reserves the right in its discretion to vary its specifications, standards, and operating practices and requirements among franchisees, including, without limitation, those relating to equipment, signage, operations, Parts, Products, and Services

Company may impose such variations to address differing or unique circumstances or for other reasons Company, in its discretion, deems good and sufficient FRANCHISEE understands and acknowledges that such variations may lead to different costs or obligations among franchisees FRANCHISEE understands and acknowledges that Company and its affiliates have the right and discretion to treat franchisees differently even if they are similarly situated

2 FRANCHISE FEE

A Franchise Fee

Upon execution of this Agreement, FRANCHISEE shall pay to Company an initial franchise fee (**"Franchise Fee"**) of $7,500 00 if this Agreement is for an RMU, or $20,000 00 if this Agreement is for an Interactive Kiosk, or $30,000 00 if this Agreement is for a Full Store (see Paragraph 1 A) Company will reduce the initial Franchise Fee by One Thousand Dollars ($1,000 00) if, in conjunction with FRANCHISEE's evaluation of this Cellairis Franchise opportunity, FRANCHISEE retained and was represented by an attorney knowledgeable and experienced in franchising and business transactions Attached as **Exhibit "8"** to this Agreement is an "Acknowledgement of Legal Representation," which FRANCHISEE must sign and deliver to Company concurrently with this Agreement in order to receive a reduced Initial Franchise Fee

B Acknowledgment

FRANCHISEE acknowledges that the grant of this Franchise constitutes the consideration for the payment by FRANCHISEE to Company of the Franchise Fee, and that this Franchise Fee shall be and is fully earned and non-refundable, in whole or in part, for any reason, by Company upon the execution and delivery of this Agreement

3 ROYALTY AND OTHER FEES

A Royalty

For a Business Unit designated RMU, Kiosk, or Full Store (see Paragraph 1 A) the following shall apply

Beginning on the Commencement Date and continuing for the remainder of the Term, FRANCHISEE agrees to pay to Company a monthly royalty of the greater of (a) the Flat Minimum Monthly Fee (as defined below) or (b) 5% of Gross Sales (as defined in Paragraph 3 B) (**"Royalty"**) for the use of the System and the Marks Royalties shall be paid as follows

(i) Company shall on each of the first four (4) Tuesdays of each month, withdraw from FRANCHISEE's bank account or charge FRANCHISEE's credit card, pursuant to the Royalty Payment process described in Paragraphs 3 D and 3 E below, an amount equal to twenty-five percent (25%) of the Flat Minimum Monthly Fee (defined below) due for such month, and

(ii) in the event FRANCHISEE's Gross Sales for such month require Royalty payments greater than the Flat Minimum Monthly Fee, Franchisee shall pay the amount owed for such month (over the Flat Minimum Monthly Fee) by the 10th day of the immediately following month, in accordance with the procedures described in this Paragraph 3 or in the Manuals

The "**Flat Minimum Monthly Fee**" is $1,000 00 per month during the first 12 months from the Commencement Date, and is applicable to any and all Business Units, including an RMU, an Interactive Kiosk, or a Full Store The Flat Minimum Monthly Fee shall increase by $50 per month each subsequent anniversary of the Commencement Date during the Term, beginning with the first anniversary of the Commencement Date THE MINIMUM MONTHLY ROYALTY REQUIREMENT IS IN NO WAY INTENDED TO IMPLY THAT YOU WILL EXPERIENCE GROSS SALES OF ANY PARTICULAR LEVEL

B <u>Gross Sales</u>

The term "**Gross Sales**" as used in this Agreement includes all sums charged or collected by FRANCHISEE for Products, Parts, goods, merchandise or Services sold at, from, or in connection with the Business Unit whether for cash, for credit, debit, barter or otherwise, and whether the payment is received from a customer, insurance company, credit card company, or a warranty or service provider The sale by FRANCHISEE of Products, Parts or Services away from the Location or the Business Unit is not authorized, however, should any such sales be made notwithstanding a lack of approval, or should they be approved in the future, they will be included within the definition of Gross Sales All monies, payments, compensation, or reimbursements received from third parties for warranty service, guaranty service, and other services and support shall be deemed part of Gross Sales and subject to the Royalty and other percentage and minimum payments due under this Agreement Gross Sales excludes any federal, state, county or city tax, excise tax, or other similar taxes collected by FRANCHISEE from customers based upon sales, and cash received as payment in credit transactions where the extension of credit itself has already been included in the figure FRANCHISEE shall provide to Company, at such times and in such manner as may be specified by Company, information regarding Gross Sales of the Business Unit, including by means of allowing Company to poll FRANCHISEE's Business Unit, and FRANCHISEE shall provide monthly sales information for the Business Unit to Company by e-mail, fax, or other means FRANCHISEE agrees to allow Company to use estimated Gross Sales figures for the purpose of calculating any payments due to Company or its affiliates if FRANCHISEE fails or delays in providing timely Gross Sales figures Such estimates shall be made on a reasonable basis as Company considers appropriate Reconciliations shall be timely made following receipt by Company of actual Gross Sales figures

C Interest, Late Charges, and Insufficient Funds

Any payment due to Company not paid when due shall bear interest at the maximum rate allowed by Georgia law or, if no maximum rate relating to this transaction is in effect in the State of Georgia, 18% per annum Nothing in this Agreement shall be construed to mean that FRANCHISEE is to pay, or has contracted to pay, any sum in excess of that which may lawfully be charged or contracted for under any applicable law The intention of the parties is to conform strictly to applicable usury laws and it is agreed that if excess is inadvertently collected it shall be applied to reduce the Royalty by the amount owed under Paragraph 3 A above All payments required to be made to Company under this Agreement shall be made in Alpharetta, Georgia, or at such addresses and to such parties as Company may designate in writing from time to time FRANCHISEE agrees to make prompt payment, without deduction or set-off, of all charges which are due to Company and its affiliates Such payments cannot be withheld on grounds of a claimed non-performance by Company or its affiliates of any of their obligations hereunder In addition to Company's right to charge interest as provided herein, if permitted by applicable law, Company may charge FRANCHISEE a $100 00 late payment fee for all overdue payments and a $100 00 insufficient funds fee for any check, electronic funds transfer, credit/charge card, or other payment method that is not honored by FRANCHISEE's financial institution Such amount may be reduced to a lesser amount in Company's discretion if applicable law does not permit charges in the indicated amounts

D Automatic Credit/Charge Card Payment

Company may, in its discretion, require that all Royalty fees, all license or sub-license payments which are owed to Company or any affiliate of Company ("**License Payments**"), payments for any Products, Parts, or Services purchased by FRANCHISEE from Company and any affiliate, and any other amounts owing to Company and any affiliate of Company under this Agreement or otherwise be paid by credit/charge card payment which shall be automatically processed each month by Company FRANCHISEE agrees that, upon request from Company, FRANCHISEE shall perform the acts and sign those documents, including the authorization form attached as Appendix 1 to this Agreement that Company and/or FRANCHISEE's credit/charge card issuer may require to accomplish payment FRANCHISEE expressly warrants and represents that the credit/charge card information provided to Company in Appendix 1 is accurate and that FRANCHISEE has the authority to authorize Company and any affiliate of Company to charge the credit/charge card provided in Appendix 1 FRANCHISEE further acknowledges that it is under the express obligation and duty to ensure that the information provided in Appendix 1 is accurate at all times during the Term hereof and that the credit/charge card provided in Appendix 1 is valid If at any time, the credit/charge card provided in Appendix 1 changes or becomes invalid, FRANCHISEE shall immediately provide Company with credit/charge card information for an alternative credit/charge card and authorize Company to charge the alternative credit/charge card for all fees due to Company and any affiliate of Company By signing this Agreement, FRANCHISEE authorizes Company and any affiliate of Company to charge FRANCHISEE's credit/charge card for the Royalty due each month as well as License Payments payable to Company or any affiliate of Company, any other amounts owing to Company or any affiliate of Company and the costs of any Products, Parts, or Services purchased from Company and any affiliate of Company Company reserves the right and may require, in its discretion that FRANCHISEE remit all Royalty fees, the License Payments, the costs of any Products, Parts, or Services purchased by FRANCHISEE from Company and any affiliate and any other amounts owing to Company and any affiliate of Company under this Agreement or otherwise through alternative methods of payment including but not limited to electronic funds transfers as set forth in Paragraph 3 E of this Agreement If FRANCHISEE (i) fails or is unable to provide a credit/charge card or (ii) withdraws approval to charge a credit/charge card without designating a replacement credit/charge card, such failure, inability or withdrawal shall constitute a material breach of this Agreement justifying termination upon notice of default and a 5-day cure period by Company to FRANCHISEE After any first time default under this provision during the Term of this Agreement, there shall be no right to cure Nothing contained herein shall constitute a waiver of the right of Company and its affiliates to demand immediate cash payment of any and all sums currently due and owing

E **Electronic Funds Transfer**

Company may, in its discretion, elect to utilize an electronic funds transfer payment program, under which Company and any affiliate of Company may electronically debit from FRANCHISEE's bank account the Royalty, the License Payments, any other amounts owing to Company and any affiliate of Company, and the costs of any Products, Parts, or Services purchased from Company and any affiliate of Company FRANCHISEE agrees that upon request from Company FRANCHISEE will perform the acts and sign those documents, including the authorization form attached as Appendix 2 to this Agreement, that Company, FRANCHISEE's bank, and Company's bank may require to accomplish payment by electronic funds transfer, including authorizations for Company to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of the Royalty, the License Payments, the cost of Products, Parts, or Services purchased from Company and any affiliate of Company and other amounts, including interest and late fees payable to Company and any affiliate of Company In addition, FRANCHISEE shall pay all costs associated with utilizing an electronic funds transfer payment program FRANCHISEE expressly warrants and represents that the banking information provided to Company in Appendix 2 is accurate and that FRANCHISEE has the authority to authorize Company and any affiliate of Company to electronically debit the account provided in Appendix 2 FRANCHISEE further acknowledges that FRANCHISEE is under the express obligation and duty to ensure that the information provided in Appendix 2 is accurate at all times during the Term hereof and that banking information provided in Appendix 2 is valid If at any time, the banking information provided in Appendix 2 becomes invalid, FRANCHISEE shall immediately provide Company with banking information for an alternative bank account and authorize Company to charge the alternative bank account for all fees due to Company and any affiliate of Company Company reserves the right and may require, in its discretion that FRANCHISEE remit all Royalty fees, the License Payments, the costs of any Products, Parts, or Services purchased by FRANCHISEE from Company and any affiliate and any other amounts owing to Company and any affiliate of Company under this Agreement or otherwise through alternative methods of payment including but not limited to automatic credit/charge card payment as set forth in Paragraph 3 D of this Agreement If FRANCHISEE (i) fails or is unable to provide a bank account or (ii) withdraws approval to charge a bank account without designating a replacement bank account, such failure, inability or withdrawal shall constitute a material breach of this Agreement justifying termination upon notice of default and a 5-day cure period by Company to FRANCHISEE After any first time default under this provision during the Term of this Agreement, there shall be no right to cure Nothing contained herein shall constitute a waiver of the right of the Company and its affiliates to demand immediate cash payment of any and all sums currently due and owing

F **Application of Payments, Billing Disputes**

Company and its affiliates shall have the right and discretion to apply and/or allocate payments made by or on behalf of FRANCHISEE, in any manner, to any amounts due and owing Company and/or its affiliates, regardless of any instruction, direction, requirement or proposed allocation set forth by FRANCHISEE FRANCHISEE shall pay Company and its affiliates promptly for all Products, Services, assistance, and fees when due under this Agreement If Company or an affiliate issues to FRANCHISEE an invoice or demand for payment, FRANCHISEE shall make such payment within the time frame indicated, or promptly if no such deadline is indicated (under this Agreement or the invoice) If FRANCHISEE disputes any aspect of any invoice, FRANCHISEE shall advise Company and affiliate (if applicable) within 60 days of the date of the invoice If no such dispute is provided within such time frame, such invoice shall be deemed accepted, and FRANCHISEE waives any rights or claims

G **Additional Payments**

FRANCHISEE must pay Company or its affiliates within 10 days after demand (i) all sales taxes, corporate taxes, and any like taxes imposed on, required to be collected by, or paid by Company or its affiliates on account of products or services Company or its affiliates furnish to FRANCHISEE, through sale, lease, or otherwise, or on account of Company's or its affiliates collection of any fee related to this Agreement, (ii) all franchise or like taxes, whether based on gross receipts, gross revenues, Royalty fees, License Payments, Advertising Fees, or otherwise, imposed on, required to be collected by, or paid by Company or its affiliates, and (iii) all other amounts Company or its affiliates pay or must pay for FRANCHISEE for any reason

4 OPTION TO OBTAIN SUCCESSOR FRANCHISE AGREEMENT

FRANCHISEE shall have, exercisable on the expiration date of the Term of this Agreement, an option to obtain a successor franchise agreement (**"Successor Franchise Agreement"**) for a term of 5 years, provided that

A FRANCHISEE has given Company written notice (**"Notice"**) of its intention to exercise its option to obtain a Successor Franchise Agreement not more than one year and not less than 6 months prior to the expiration of the Term of this Agreement Failure to give such Notice shall be deemed to be an irrevocable election not to exercise the option to obtain a Successor Franchise Agreement

B FRANCHISEE, and its Principal Owners (as defined in Paragraph 1 A), at the time of the Notice and at the time of the expiration of the Term of this Agreement, are not in default of and have substantially complied with the terms and conditions of this Agreement and all other agreements with Company or its affiliates, whether relating to this Franchise or any other franchise or license with Company or its affiliates, consistently and throughout its Term, including but not limited to the following

(1) FRANCHISEE has operated the Business Unit in accordance with the terms and conditions of this Agreement throughout the Term of this Agreement,

(2) FRANCHISEE has satisfied, in a timely fashion, all financial obligations in accordance with the terms and conditions of this Agreement and has, consistently throughout the Term, made all Royalty and License Payments in a timely fashion, and paid suppliers of Products, Parts or Services (including affiliates of Company) in a timely fashion in accordance with the terms of lease, license or sale,

(3) FRANCHISEE has maintained, improved, altered, replaced, and remodeled the Business Unit, including, without limitation the Location, signs, and equipment, throughout the Term of this

Agreement in accordance with the terms and conditions of this Agreement,

(4) FRANCHISEE shall have completed the improvements, alterations, or remodeling of the Business Unit so as to reflect the then current image and requirements, of Company,

(5) Execution by FRANCHISEE and all Principal Owners of FRANCHISEE, if applicable, of a general release of Company, its affiliates, and their respective officers and employees in a form satisfactory to Company, and

(6) FRANCHISEE and/or FRANCHISEE's Manager(s) (as defined below) shall at FRANCHISEE's expense, attend and successfully complete to Company's reasonable satisfaction any additional training or retraining program which Company may require

C Within 120 days after receipt of the Notice, Company shall advise FRANCHISEE in writing if FRANCHISEE is not eligible to obtain a Successor Franchise Agreement, specifying the reasons for such ineligibility and identifying whether such deficiencies are capable of cure Between the date of the Notice and the expiration date of the Term of this Agreement, if any act, circumstance, or omission causes FRANCHISEE to become ineligible to obtain a Successor Franchise Agreement then Company shall advise FRANCHISEE in writing thereof, specifying the deficiency and identifying a cure period if applicable

D If FRANCHISEE qualifies, then FRANCHISEE has the right to remain in possession of the Business Unit at the Location for the term of the Successor Franchise Agreement FRANCHISEE recognizes that a new occupancy agreement may not be available and there can be no assurance whatsoever that the Occupancy Agreement for the Location will be renewed/extended by the lessor, licensor, or any sublessor or sub-licensor (including Company or its affiliates) Therefore, notwithstanding anything contained herein to the contrary, Company shall have the right to terminate this Agreement or not to grant a Successor Franchise Agreement if FRANCHISEE or Company or its affiliates either loses possession of the Location or the right to remain in possession of the Business Unit at the Location

E FRANCHISEE shall execute the then current form of Successor Franchise Agreement, and such other forms, documents, and agreements as Company might require at that time (including owners and others required to execute such other forms, documents and agreements) The Successor Franchise Agreement may contain terms and conditions that may substantially differ from those set forth herein, including but not limited to an increase in the

Royalty and/or Advertising Fees (defined herein), as well as other terms and conditions, and such Successor Franchise Agreement shall supersede in all respects the terms and conditions of this Agreement FRANCHISEE shall, upon execution of the Successor Franchise Agreement, pay to Company the then current Successor Franchise Fee, which shall be fifty percent (50%) of the then current Franchise Fee

F FRANCHISEE hereby acknowledges that FRANCHISEE shall have no further right to renew or extend this Agreement, and no representations, warranties, promises, assurances, commitments or agreements, whether expressed, implied or collateral, have been made by Company to FRANCHISEE to that effect, other than the right provided for in this Paragraph 4, and this Agreement shall expire as at the end of the Term or, if a Successor Franchise Agreement is obtained, at the end of the term of such Successor Franchise Agreement

5 SERVICES AVAILABLE TO FRANCHISEE

Company agrees to provide the following services to FRANCHISEE In addition, except as described below and in this Agreement, Company is not required to provide FRANCHISEE with any other assistance or services The content of and manner by which the following services are to be delivered by Company shall be within Company's discretion

A <u>Training</u>

The Business Unit must have one person that (i) is designated by FRANCHISEE to assume primary responsibility for managing the Business Unit and (ii) will devote full time and best efforts to the management and operation of the Business Unit ("**Manager**") FRANCHISEE shall inform Company in writing as to the identity of the Manager, including any successors or additional managers The Business Unit may not open unless and until the Manager of FRANCHISEE has successfully completed Company's training program (**"Initial Training"**) Company will provide the Initial Training (which will include the methods and procedures involved in the retail sale of wireless device repair services, other ancillary services, and accessories under the System) for up to two (2) of FRANCHISEE's employees including the Manager Company has the option and discretion to decide where Initial Training will occur and FRANCHISEE may, at Company's discretion, receive Initial Training at one or more of several locations including but not limited to, Company's headquarters, other franchisees' business units, the Business Unit, or as part of an online training program FRANCHISEE shall pay Company, or its affiliate, not later than 20 days before the Commencement Date, a fee for the training personnel's time and expenses in providing and conducting the on-site training (**"Training Personnel Fee"**) The Training Personnel Fee shall be the sum of $2,000 per trainer For Initial Training, regardless of the location, FRANCHISEE is required to pay any proper expense, such as all travel, hotel, meal and other costs of FRANCHISEE and FRANCHISEE's employees In the event FRANCHISEE's employees attend Initial Training, then such employees must be covered by FRANCHISEE'S workers compensation insurance, and FRANCHISEE must certify in writing to Company that FRANCHISEE's employees are covered

In the event that a Manager ceases active employment at the Business Unit, FRANCHISEE must notify Company within 5 days of cessation of the Manager's employment at the Business Unit and enroll a qualified replacement in the Initial Training program within 30 days of cessation of such Manager's employment Such training will be provided at the same cost rates and expenses as additional training described herein FRANCHISEE will be obligated to complete the training of its employees in the methods and procedures involved in the retail sale of wireless accessories under the System prior to the opening of the Business Unit that is the subject of this Agreement In no event shall Company, its affiliates, or any of the franchisees who conduct the Initial Training be liable to FRANCHISEE in connection with providing or failing to provide the Initial Training and FRANCHISEE's sole remedy with respect to any failure to provide the Initial Training shall be the right to receive the Initial Training Company, in its discretion, reserves the right to waive all or a portion of the training program required under this Paragraph Company has the right to terminate training for any individual that, in Company's judgment, is not able to satisfy the requirements of this Paragraph and/or the requirements established to complete Initial Training and FRANCHISEE must promptly designate a replacement at FRANCHISEE's sole cost and expense

Additional training may be provided to FRANCHISEE, at Company's option and discretion,

(1) if Company mandates such training on a system-wide basis for all or substantially all franchisees, including FRANCHISEE,

(2) if FRANCHISEE reasonably requests additional training and Company agrees to provide such training, and/or

(3) in the event of FRANCHISEE's refusal or inability to maintain the standards required by Company for the Business Unit which are established by Company in Company's discretion, which training may include the implementation of a specialized training program approved by Company for employees of the Business Unit, and FRANCHISEE shall thereafter be responsible for the proper training of its employees with respect to such program FRANCHISEE agrees not to employ any person who fails or refuses to complete FRANCHISEE's training program or is unqualified to perform his or her duties at the Business Unit in accordance with the requirements established for the operation of the Cellairis Business

Units or in accordance with any requirement imposed by the lessor, licensor, sublessor or sub-licensor at the Location of the Business Unit

All additional training shall be provided at Company's then-current daily rate (currently $250 per day or part day) plus, if applicable, the reasonable and actual costs associated with the living expenses of the trainers, including travel, hotel, and meals

Additionally, Company may require FRANCHISEE to attend conferences which may be offered by Company from time to time FRANCHISEE will be responsible for the travel and living expenses of its attendees, and Company may charge a reasonable fee sufficient to cover the costs and expenses of such conferences

B Technical Support

During the Term of this Agreement, Company shall, at its own expense, provide reasonable over-the-phone technical support to FRANCHISEE during Company business hours

C Parts, Products and Services

Company, affiliates of Company, or authorized and approved third party suppliers will use their reasonable commercial efforts to supply, at FRANCHISEE's expense, the Parts and the Products to be sold at retail from the Business Unit to end users, within a reasonable time after the receipt of orders from FRANCHISEE Neither Company nor its affiliates, or any authorized and approved third party supplier, shall be liable for any delay or failure in any delivery of any Parts or Products and all order fulfillments and sales are contingent upon Parts and Products availability and other conditions as described herein Company, affiliates of Company, and authorized and approved third party suppliers shall not be liable to FRANCHISEE, or be in default of this Agreement, for any delay of delivery of the Parts and Products supplied by Company, affiliates of Company, and authorized and approved third party suppliers to FRANCHISEE resulting from any cause beyond the control of Company, affiliates of Company, and authorized and approved third party suppliers, including production and manufacturing problems and delays, delivery problems and delays, labor issues, weather conditions, and the occurrence of events constituting force majeure (defined below) As used in this Agreement, "**force majeure**" means an act of God, war, civil disturbance, act of terrorism, government action, fire, flood, accident, hurricane, earthquake, other calamity, strike or other labor dispute, or any other cause beyond the reasonable control of Company, affiliates of Company, and authorized and approved third party suppliers Company and its affiliates shall establish and have exclusive control over the prices, discounts, specifications, and all other terms and conditions governing their sale of Parts and Products to FRANCHISEE FRANCHISEE recognizes and agrees that Company or its affiliates, may, in their discretion, from time to time during shortages or during special promotions or events, allocate the sales of Parts and Products among franchisees and others within and outside the System

FRANCHISEE recognizes and agrees that depending on availability as well as the terms of the underlying Occupancy Agreement for the Location, FRANCHISEE may not be permitted to carry all Parts, Products, and Services which Company makes available to the System Further, FRANCHISEE recognizes and agrees that Company may, in its discretion, condition the availability to FRANCHISEE of special promotional Parts, Products, and Services, special branded Parts, Products, and Services, or designated premium Parts, Products, or Services upon FRANCHISEE's agreement to comply with established promotional conditions or requirements, upon FRANCHISEE's compliance with this Agreement, or upon such other conditions as Company may elect, in its discretion to impose with respect to access to such special or premium Parts, Products, or Services Company reserves the right to negotiate and have exclusive control over the prices, discounts, and specifications and all other terms and conditions governing the sale of Parts, Products, and Services by authorized and approved third party suppliers to the System, including sales made by such third parties to FRANCHISEE Pricing of Parts, Products, Services, and equipment to be sold by Company or its affiliates to FRANCHISEE is subject to change at any time or from time to time by Company, its affiliates, or any authorized and approved third party supplier effective upon written notice to FRANCHISEE All of the individuals who guarantee this Agreement must also guarantee to Company and its affiliates all of FRANCHISEE's purchases of Products and Services Company or its affiliates, in their discretion, can from time to time in addition to other rights granted herein, establish and require that FRANCHISEE pay for Products and Services on a C O D basis **FRANCHISEE UNDERSTANDS AND AGREES THAT THE ONLY PARTS, PRODUCTS, SERVICES, EQUIPMENT, OR ITEMS THAT MAY BE SOLD BY FRANCHISEE AT OR FROM THE BUSINESS UNIT ARE THOSE PARTS, PRODUCTS, SERVICES, EQUIPMENT, OR ITEMS THAT FRANCHISEE HAS PURCHASED FROM COMPANY, AFFILIATES OF COMPANY, OR FROM THIRD PARTY SUPPLIERS WHO HAVE BEEN PREVIOUSLY AUTHORIZED AND APPROVED BY COMPANY, WHICH AUTHORIZATION AND APPROVAL MAY BE WITHHELD IN COMPANY'S DISCRETION FRANCHISEE UNDERSTANDS AND AGREES THAT COMPANY AND ITS AFFILIATES ARE AND WILL LIKELY REMAIN THE SOLE SOURCE FOR MOST, IF NOT ALL, OF THE PARTS, PRODUCTS, SERVICES, EQUIPMENT, AND ITEMS THAT MAY BE SOLD BY FRANCHISEE AT OR FROM THE BUSINESS UNIT, THAT COMPANY AND ITS AFFILIATES WILL SET THE PRICE AT WHICH SUCH PARTS, PRODUCTS, SERVICES, EQUIPMENT, AND ITEMS ARE SOLD TO FRANCHISEE AND THAT COMPANY AND ITS AFFILIATES EXPECT TO GENERATE PROFITS FROM SUCH SALES** FRANCHISEE is required to purchase and maintain a Parts and Products inventory level sufficient to meet the current needs of its customers Company or its affiliates may, from time to time, introduce new Parts, Products, and Services as well as identify best-selling Parts, Products, and Services The satisfaction of consumer demand for new or popular Parts, Products, and Services is important to the COMPANY, to FRANCHISEE and to the System as a whole FRANCHISEE agrees to use its best efforts to carry in its inventory a substantial percentage of new Products, Parts, and Services and best-selling Parts, Products, and Services FRANCHISEE is not authorized to create any obligation or liability in connection with the sale of Parts, Products, or Services to end users and consumers and the Parts, Products, and Services are to be sold strictly in accordance with those warranties and conditions which the manufacturer may from time to time issue and FRANCHISEE shall honor such warranties in accordance with their terms FRANCHISEE shall extend to its customers warranties on products and services that Company requires and/or extends to FRANCHISEE FRANCHISEE shall not grant more extensive warranties with respect to the products and services unless approved by Company in writing FRANCHISEE shall warrant original repairs performed at the Business Unit against defects in material and workmanship for a time period set forth by Company in the Manual or otherwise in writing, which time period may change from time to time FRANCHISEE shall also offer and/or sell warranties as prescribed by Company in the Manual or otherwise in writing Company reserves the right, in its discretion, to increase or decrease the number of approved distributors or suppliers to the System and to designate itself or its affiliates as an approved distributor or supplier of Parts, Products, and Services and to make a profit or otherwise receive value in kind or rebates, allowances, advantages, concessions, or other benefits from the designated approved distributors or suppliers and/or from the sales by such persons or entities to FRANCHISEE Parts, Products, and Services must be displayed at the Business Unit in accordance with the requirements and specifications established from time to time by Company in the Manual or otherwise

As of the date of this Agreement, Company has designated at least one of its affiliates as a primary vendor for many of the Parts and Products that FRANCHISEE will be required to stock and sell Company may also designate or identify one or more "Alliance Vendors" and/or "Product Vendors" as further described below

(1) __**Alliance Vendors**__ Notwithstanding any provision to the contrary within Paragraph 5 C of this Agreement, in the event FRANCHISEE is compliant with the terms of this Agreement, FRANCHISEE may purchase Products or Parts directly from the list of vendors as provided, added to, removed, and updated from time to time by Company ("**Alliance Vendors**") The list of approved Alliance Vendors will appear after FRANCHISEE logs into the ordering page of www cellairis com Subject to the paragraph below regarding "Product Vendors," the list of Alliance Vendors found on the Cellairis com website are the only approved Alliance Vendors that FRANCHISEE can order Products or Parts

from Company may modify the list, its franchisees' access to the list and other procedures from time to time in its sole discretion

(2) **Product Vendors** Notwithstanding any provisions to the contrary within Paragraph 5 C of this Agreement, in the event FRANCHISEE is compliant with the terms of this Agreement, FRANCHISEE may purchase or source Products or Parts other than from Company, its affiliates, or an Alliance Vendor, provided that FRANCHISEE has received Company's prior written consent, and that all such Products or Parts comply with legal requirements

(a) In the event FRANCHISEE wishes to acquire and sell Products or Parts from other suppliers, then FRANCHISEE shall provide a written request (where email is acceptable) to Company, to the attention of **BOTH** Joseph Brown at josephbrown@cellairis com and Ryan Abbe at ryanabbe@cellairis com (or another person upon the written notification by Company to FRANCHISEE) detailing the exact type of Product or Part that FRANCHISEE desires to purchase, the name of the supplier, contact information for such supplier, and other information that Company desires in order to be able to properly evaluate the possible suppliers, Company will have five business days in which to object to such Products or Parts or source of supply and if Company does not object within the five business day period, FRANCHISEE will be authorized to purchase these Products or Parts for the period of time the other vendor is authorized FRANCHISEE shall only be deemed approved to sell such Products or Parts upon receiving written approval (where email is acceptable) from Company, or after the expiration of five business days and Company does not respond to FRANCHISEE's request, which approval shall be in Company's sole discretion, and which approval shall only last for so long as Company deems fit, in its sole discretion

(b) In the event FRANCHISEE is authorized by Company to procure Products or Parts from such other supplier(s) ("**Other Supplier**") by the tenth (10^{th}) day following the end of each month, FRANCHISEE shall provide Company a copy of all invoices or purchase orders made from such approved Other Suppliers, as it is the intent of the parties that Company shall be able to be in a position to know exactly what Products or Parts are on the shelves (or back stock) of any individual Business Unit (and for back stock purposes, such information shall include any Products or

Parts that are physically at the Business Unit as well as any storage facility located in the same location as the Business Unit or any storage facility located anywhere where Products or Parts are being stored, including personal spaces, garages, warehouses, *etc*

D <u>Location Assistance and Approval</u>

FRANCHISEE assumes all cost, liability, expense, and responsibility for locating (including any costs and expenses associated with engaging Company's designated real estate broker if necessary), obtaining, and developing the Location for the Business Unit As with all supplier, vendor, and service provider payments, Company and its affiliates have the right to receive payments, discounts or other consideration from approved service providers including a designated real estate broker based upon their dealings with FRANCHISEE and/or the System, and Company and its affiliates may use the monies they receive without restriction (See Paragraph 6 P)

The Location of the Business Unit is subject to the prior written approval of Company in Company's discretion Upon FRANCHISEE's selection of a proposed site for the Business Unit, FRANCHISEE shall promptly submit to Company, such site, demographic, and other data and information about the proposed site as is ordinarily required by or reasonably requested by Company, utilizing such forms as may be required by Company Such information may include, but is not limited to, a copy of the site plan, financial information, population information, median household income, traffic flow, and presence of businesses such as cell phone carriers In addition, FRANCHISEE acknowledges and agrees that Company's acceptance of a proposed site may be conditioned upon FRANCHISEE meeting certain other requirements (including, without limitation, the negotiation of additional terms and conditions satisfactory to Company to any Occupancy Agreement or purchase agreement for the proposed site), and if FRANCHISEE does not, or is unable to meet such requirements within a reasonable time, the site will be deemed rejected Company has the right to reject any proposed site should FRANCHISEE or any of its Principal Owners be in default of this Agreement, any other franchise agreement with Company, or any other agreement between FRANCHISEE or any of its Principal Owners and Company or any of its affiliates FRANCHISEE acknowledges and agrees that Company may reject any proposed site for any reason in its discretion, in which event, FRANCHISEE may not develop the Business Unit at the rejected site, but must locate another proposed site for the Business Unit and submit it to Company for acceptance in accordance with this Paragraph To be effective, any approval of a proposed site by Company must be in writing FRANCHISEE hereby acknowledges and agrees that approval by Company of a site does not constitute an assurance, representation, or warranty of any kind, express or implied, as to the suitability of the site for the Business Unit or for any other purpose Approval by Company of the site indicates only that Company believes the site complies with acceptable minimum criteria established by Company solely for its purposes as of the time of the evaluation Both FRANCHISEE and Company acknowledge that the consideration of potential sites often involves a consideration of very dynamic and ever-changing factors such as the demographics of the local population and the economic stability or instability of the surrounding area Such factors are unpredictable and are beyond the control of Company Company shall not be responsible for the failure of a site selected or approved by Company to meet FRANCHISEE's expectations as to revenue or operational criteria Company or its affiliate may assist FRANCHISEE in securing a Location for the Business Unit, however, Company's or its affiliate's assistance in selecting the Location does not represent or warrant its success or suitability and FRANCHISEE agrees that Company and its affiliates shall have no liability whatsoever with respect to any role which they may undertake in assisting the FRANCHISEE in the selection of the Location FRANCHISEE represents and warrants that it has performed its own independent investigation as to the suitability of the Location In order to obtain the approval of the Company for any Location, a copy of the Occupancy Agreement must be provided The terms of the Occupancy Agreement for the Location must include the following provisions

(1) The premises from which the Business Unit is intended to operate (the "**Premises**") must be used only for the operation of a Cellairis Business Unit,

(2) The landlord must consent to FRANCHISEE's use of the Premises as a Cellairis Business Unit,

(3) The landlord must agree to furnish the Company with copies of any and all letters and notices sent to FRANCHISEE, including notices of default, if any, pertaining to the Occupancy Agreement and the Premises, at the same time that these letters and notices are sent to FRANCHISEE,

(4) FRANCHISEE may not sublease, sub-license or assign all or any part of its occupancy rights in the Premises, or extend the term or renew the Occupancy Agreement, without Company's prior written consent,

(5) Landlord must grant to Company the right to enter the Premises to make any modifications necessary to protect the Marks and related proprietary rights and marks, to cure any default under the Occupancy Agreement, or under the Franchise Agreement, and to examine the inventory being sold from the Premises,

(6) Company will have the right, at its sole option and without any obligation whatsoever to do so, to assume FRANCHISEE's occupancy rights under the Occupancy Agreement for the

remainder of its term upon FRANCHISEE's default or termination under the Occupancy Agreement or under the Franchise Agreement, and

(7) Landlord and the FRANCHISEE execute the then current form of Company's Conditional Lease Assignment Agreement See the Conditional Lease Assignment Agreement attached hereto as **Exhibit "2"**

Company reserves the right to designate third parties to provide FRANCHISEE with some or all of the site selection and site evaluation assistance described above Company, for itself and its affiliates, reserves the right, in its discretion, to increase or decrease the number of approved distributors, suppliers, and service providers, including for site selection and site evaluation, to the System and to designate itself or its affiliates as an approved distributor, supplier, or other service provider, and to make a profit or otherwise receive value in kind or rebates, allowances, advantages, concessions or other benefits from the designated approved distributors, suppliers or service providers and/or from the sales by such persons or entities to FRANCHISEE

E **Pricing**

Subject to the requirements of applicable law, Company reserves the right to specify in writing a retail price and/or to establish in writing minimum and/or maximum prices for Parts, Products, and Services In such event, FRANCHISEE shall sell or offer for sale Parts, Products, and Services at the specified retail price or, if applicable, in accordance with the minimum and/or maximum retail prices established by Company from time to time Where no retail price or maximum or minimum price has been specified or established by Company with respect to a particular Part, Product, or Service, FRANCHISEE may sell such Part, Product, or Service at any reasonable price FRANCHISEE chooses FRANCHISEE shall offer and participate in any retail program advertised by Company to the public as available at Cellairis Business Units, including without limitation, those retail programs which specify one or more Parts, Products, or Services at a particular price FRANCHISEE acknowledges and agrees that advertised retail prices and specified maximum and minimum prices for Parts, Products, or Services may vary from region to region to the extent deemed necessary by Company in order to reflect differences in costs and other factors applicable to such regions

6 THE BUSINESS UNIT AND FRANCHISEE'S OBLIGATIONS

A **Limitation**

During the Term of this Agreement, the Location and Premises for the Business Unit shall be used by FRANCHISEE exclusively for the purpose of operating a Business Unit selling Products, Parts, and Services to end-users under the System and the Marks As a material condition to the grant of the Franchise rights set forth in this Agreement, FRANCHISEE must devote FRANCHISEE's full time and best efforts to the day-to-day operation of the Business Unit with no other operational or management commitments in other businesses (except other Business Units operated under franchises granted to such FRANCHISEE by Company or its affiliate) FRANCHISEE agrees to furnish Company with such evidence as Company may request from time to time for the purpose of assuring Company that FRANCHISEE's efforts remain as required under this Agreement

B **Destruction**

In the event the Business Unit shall be damaged or destroyed by fire or other casualty, or be required to be repaired or reconstructed by any authority, FRANCHISEE shall, at its sole expense, cooperate in the repair or reconstruction of the Business Unit within a reasonable time under the circumstances The minimum acceptable appearance for the restored Business Unit will be the then current design and specifications of Business Units within the System

C **Use of Marks**

The Marks will only be used and displayed in the manner and at such locations as are approved and authorized by Company, in writing FRANCHISEE agrees to maintain and display signs reflecting the current requirements for Marks of Cellairis Business Units in the System and shall not place additional signs or posters at the Business Unit without the prior written consent of Company Only signs from sources approved by Company may be utilized at the Business Unit FRANCHISEE shall discontinue the use of and destroy such signs and Marks as are declared obsolete by Company within the reasonable time specified by Company FRANCHISEE hereby grants to Company the right to enter the Business Unit to remove and destroy unapproved or obsolete signs in the event that FRANCHISEE has failed to do so within 30 days after the written request of Company FRANCHISEE shall permit Company or its designated representatives at any time, and from time to time, to review and monitor the activities and operation of the Business Units, and FRANCHISEE shall furnish to Company such information, including samples or specimens of use of the Marks, as to the character and quality of FRANCHISEE's activities and use of the Marks as Company may reasonably request, and FRANCHISEE shall otherwise provide evidence to Company that FRANCHISEE's use of the Marks is in accordance with this Agreement

At the request of Company, from time to time, FRANCHISEE shall refurbish the premises of the Business Unit at its expense, to conform to the trade dress, color schemes and presentation of the Marks as used in the Business Unit to a manner which is consistent with the then-current image for new Cellairis Business Units as directed by Company in its discretion ("**Required Refurbishments**") Required Refurbishments may include structural changes, installation of new equipment and signs, remodeling, redecoration, and modifications to existing improvements

Additionally, FRANCHISEE shall maintain all fixtures, furnishings and equipment including but not limited to lighting, cabinetry, kiosks, and displays in excellent working order (**"Maintenance"**) FRANCHISEE shall timely perform all Maintenance as necessary FRANCHISEE must perform Maintenance within 10 days of Company's written notice, or if the Maintenance is of a nature which cannot reasonably be completed with such 10 day period, such additional time as is necessary so long as FRANCHISEE is working in good faith to promptly complete the Maintenance (which additional time shall not exceed 20 days) In addition to all of Company's remedies at law or in equity, if FRANCHISEE fails to timely perform Maintenance, Company shall be entitled to perform or retain a third party to perform the Maintenance and charge all costs and expenses including an administrative fee to FRANCHISEE FRANCHISEE shall indemnify and hold Company and its affiliates harmless from any damage or Claims resulting from any Maintenance performed by or on behalf of Company For Required Refurbishments and Maintenance, FRANCHISEE agrees to use vendors and suppliers approved by Company, and which may be an affiliate of Company

D **<u>Equipment</u>**

Only equipment approved by Company that meets the criteria and performance standards of the System may be used in the operation of the Business Unit, including but not limited to such point of sale devices and associated software as may be approved or required for purchase by the Company The equipment shall be maintained in a condition that meets any operational standards specified by Company and, as equipment becomes obsolete or inoperable, FRANCHISEE will replace the equipment with the types and kinds of equipment as are then approved for use in Cellairis Business Units If Company determines that additional or replacement equipment is needed because of a change in business considerations, FRANCHISEE will, at its sole cost and expense install the additional equipment or replacement equipment within the reasonable time specified by Company FRANCHISEE shall, at FRANCHISEE's sole cost, install and maintain all equipment designated and required by Company that Company deems in its discretion to be necessary to carry out, offer, and perform all of the services that Company requires to be offered at the Business Unit FRANCHISEE shall, at FRANCHISEE's sole cost, install and maintain the point of sale system (the **"POS system"**) designated and required by Company at the Business Unit The POS system will likely include the associated software required by Company as well as the credit and debit card processing system and services FRANCHISEE shall pay such amounts to Company and/or third parties as may be reasonably required to maintain the POS system and associated software and associated administrative costs Further, FRANCHISEE shall, at FRANCHISEE's sole cost, establish and maintain such telephone, internet, or other connections as may be required to allow Company to monitor sales and other activities at the Business Unit and Company shall have the right to engage in such monitoring and related activities FRANCHISEE is contractually required at its expense to upgrade and update the POS system to remain in compliance with Company's standards and specifications

There are no contractual limitations on the frequency and cost of this requirement Company has the right to electronically and manually access the information that the POS system collects and generates FRANCHISEE must cooperate with Company in helping Company access this information Company will have the right at any time to access FRANCHISEE's POS system to retrieve and compile information concerning the Business Unit There are no contractual limitations on Company's right to access this information and data In addition, Company requires that FRANCHISEE subscribe for internet access with a reputable internet service provider that offers a static IP address FRANCHISEE must purchase, install, maintain, and keep in continuous operation those appropriate communications devices which are reasonably necessary in order to permit the POS system to operate and to provide Company with access to the POS system in conformance with Company's requirements as established from time to time and the requirements of this Agreement

As part of the POS system, the Business Unit must have a separate email address that identifies the Business Unit as a separate business Company will provide this email address to FRANCHISEE in connection with the activation of the POS system Currently, Company is charged a monthly fee per email address from the POS system vendor or technology company Company shall charge FRANCHISEE this fee, and FRANCHISEE shall pay this monthly fee to Company on a yearly basis In addition, Company may require FRANCHISEE to have, or FRANCHISEE may voluntarily select to have, an additional email address with the "Cellairis" name as part of the domain If FRANCHISEE chooses this, or if Company requires this, there will be an additional monthly charge that Company will assess from FRANCHISEE for remittance to the POS system vendor or technology company These monthly fees are referred to as the **"E-mail Fee"**

E **Hours of Operation**

The Business Unit shall, subject to applicable laws, be open for business during those hours specified from time to time by Company to adequately serve the needs and expectations of customers and to present a consistent brand and customer experience, and at a minimum, strictly in accordance with the requirements of the Occupancy Agreement or other_requirements associated with the Location

F **Parts, Products, and Services**

All Parts, Products, and Services that Company may deem appropriate to take full advantage of the potential market and achieve standardization in the System shall be displayed and offered for sale at the Business Unit and provided from the Business Unit No products, services, parts, or equipment that are not authorized and approved by Company in writing will be carried, sold, or provided by the FRANCHISEE or others from the Location or the Business Unit Without limiting the foregoing, FRANCHISEE will not sell any products or services in violation of the trademark, copyright, patent, or other intellectual property laws of the United

States Additionally, unless such statement is expressly approved in advance in writing by Company, FRANCHISEE shall not, directly or indirectly, represent itself, its employees, its repair services, or repair products as being an "authorized repair facility", an "authorized repair service", or an "authorized repair product" (or any similar phrase that implies a relationship with a branded product, company, manufacturer, carrier channel, *etc*) for any branded products, manufacturers, carrier channels, or other companies (such as "An authorized BRAND X repair location" or similar words) FRANCHISEE shall only sell the Parts, Products, and/or Services at retail to consumers from and through the Business Unit and shall not sell such items for redistribution or resale unless otherwise approved in writing by Company in Company's discretion Without limiting the foregoing, FRANCHISEE shall not transship or redirect any Products purchased for resale at the Business Unit to any other location for redistribution or resale including but not limited to other Cellairis Business Units and non-Cellairis businesses FRANCHISEE shall not reproduce or copy any Products sold or offered for sale at the Business Unit or any other Cellairis Business Unit, in any manner, fashion, or media, including making derivatives, alternatives, updates, revisions, modifications, amendments, expansions, condensations, transformations, transpositions, additions to or deletions from, for any personal, private, public, or commercial reason or gain, without the prior written consent by Company With respect to any and all Products and Services, notwithstanding any provision to the contrary, FRANCHISEE shall not sell or offer for sale any Product or Service on any website, electronic, or on-line service that offers products for sale, barter, or trade, including, by way of example only, Amazon com, EBAY, Etsy, or Craigslist All Products and Services must be sold, offered for sale, or provided only at the Business Unit to customers who are present or at the Business Unit at the time of the transaction

G **Business Opening**

FRANCHISEE agrees that it will begin operation of the Business Unit no later than 5 months after the execution of this Agreement unless a later date is expressly approved in writing by Company, if Company in its discretion, determines that FRANCHISEE in good faith is using its best efforts to commence operations within such period Prior to opening, FRANCHISEE must obtain all required state, local, and other required government certifications, permits, and licenses, and furnish to Company copies of all such required permits and licenses including IRS Form W-9, Reseller's Tax Certificate, and Sales and Use Tax Certificate Notwithstanding the foregoing, if Company grants FRANCHISEE an extension to commence operations and subsequently determines in its discretion that FRANCHISEE is not using its best efforts to open and operate the Business Unit within a reasonable period of time following the date of the grant of extension, Company may terminate the extension grant Any termination of the extension grant shall be deemed an Event of Default for purposes of this Agreement

H **Best Efforts and Management**

Consistent with the requirements of Paragraph 6 A of this Agreement, FRANCHISEE agrees that FRANCHISEE is required to devote his, her, or its full time and best efforts and is personally responsible for the management of the Business Unit on a day-to-day basis If FRANCHISEE will not serve as Manager, FRANCHISEE shall hire a qualified Manager, selected and controlled by FRANCHISEE, to operate the day-to-day affairs of the Business Unit, however, FRANCHISEE must remain actively involved in the operations and management of the Business Unit The Manager need not have an ownership interest in a corporate or partnership franchisee FRANCHISEE must carefully monitor, supervise, and be responsible for the performance of anyone designated to manage the operation of the Business Unit Any designated Manager who will operate the Business Unit must satisfactorily complete Initial Training Any Manager must not have an interest in or business relationship with any Competitive Business as defined herein at Paragraph 8 D (3) FRANCHISEE's Manager must devote all of his or her productive time and effort to the management and operation of the Business Unit FRANCHISEE shall cause the Manager to properly perform his or her duties, and if FRANCHISEE knows, discovers, or is advised that the Manager is not properly performing his or her duties, and not operating and managing the Business Unit in accordance with Cellairis' brand standards, FRANCHISEE must immediately take steps to correct the situation to ensure that the Business Unit is operating and serving customers properly Upon request of Company, FRANCHISEE shall advise Company, in writing, of all personnel involved in the operation of the Business Unit and their position including job duties and relationship to FRANCHISEE Failure to comply with this provision is grounds for termination of this Agreement with no right to cure

Company has the right to request that FRANCHISEE require and obtain covenants not to disclose confidential information, and not to compete, in a form satisfactory to Company, from any and all of FRANCHISEE's Managers who have received or will receive Initial Training, other training or confidential information from Company Company has the right to request that FRANCHISEE obtain similar covenants from any of the above persons upon the termination of their employment with FRANCHISEE Company has the right to obtain covenants not to compete from any holder (except for limited partners) of a beneficial interest of FRANCHISEE's securities and any corporation, partnership, or limited liability company directly or indirectly controlling FRANCHISEE if FRANCHISEE is operating as a corporation, partnership, or limited liability company, or of any general partner that is a corporation, partnership, or limited liability company, or any corporation, partnership, or limited liability company directly or indirectly controlling a general partner of FRANCHISEE's (if FRANCHISEE is operating as a partnership), who have received or will receive Initial Training, other training or confidential information FRANCHISEE acknowledges and agrees that execution of covenants with managers and other individuals described herein is necessary for the protectıon of confidentıal ınformatıon, goodwıll, the System, and the FRANCHISEEs operatıng under the System

I **Rıght of Entry and Inspectıon**

Company, ıts agents, and desıgnated representatıves shall have the unrestrıcted rıght to enter the Busıness Unıt to conduct such actıvıtıes, as ıt deems necessary to ascertaın FRANCHISEE's complıance wıth thıs Agreement and complıance wıth the Company's brand standards (and not to evaluate any of FRANCHISEE's employment related actıvıtıes or controls) The ınspectıons may be conducted wıthout prıor notıce at any tıme when FRANCHISEE or one of FRANCHISEE's employees ıs at the Busıness Unıt Company has the rıght to take photographs and vıdeos, ın any medıum, of the Busıness Unıt and the operatıons of the Busıness Unıt The ınspectıons wıll be performed ın a manner that mınımızes ınterference wıth the operatıon of the Busıness Unıt **IN THE EVENT THAT ANY SUCH INSPECTION DETERMINES THAT THE PARTS BEING USED, PRODUCTS BEING SOLD, AND/OR SERVICES BEING PROVIDED FROM THE BUSINESS UNIT ARE BEING USED, SOLD, AND/OR PROVIDED IN VIOLATION OF PARAGRAPH 5 C OR 6 F OF THIS AGREEMENT, THEN, UPON DIRECTION FROM THE PERSONS CONDUCTING SUCH INSPECTION, FRANCHISEE AGREES THAT COMPANY MAY REQUIRE FRANCHISEE TO IMMEDIATELY CLOSE THE BUSINESS UNIT AND/OR DISCONTINUE ALL SALES FROM THE BUSINESS UNIT AND/OR DISCONTINUE PROVIDING SOME OR ALL OF THE PRODUCTS AND SERVICES UNLESS AND UNTIL ANY AND ALL SUCH VIOLATIVE PRODUCTS, PARTS, SERVICES, AND REPRESENTATIONS ARE REMOVED FROM THE BUSINESS UNIT AND THE LOCATION** FRANCHISEE's agreement ın thıs Paragraph 6 I to close the Busıness Unıt and dıscontınue sales shall not ın any manner prejudıce the rıght of the Company, at ıts optıon, to termınate thıs Agreement for such materıal breach In addıtıon to and not ın lımıtatıon of the foregoıng, FRANCHISEE understands and agrees that the sale of products or servıces from the Busıness Unıt ın vıolatıon of the trademark, copyrıght, patent, and ıntellectual property laws of the Unıted States ıs a materıal vıolatıon of thıs Agreement and may expose FRANCHISEE to substantıal cıvıl and crımınal penaltıes and subject the entıre System to bad publıcıty and dısrepute and, therefore, FRANCHISEE agrees that ıf such ınspectıon reveals the lıkelıhood that products or servıces are beıng sold from the Busıness Unıt ın vıolatıon of such laws of the Unıted States then, ın addıtıon to the requırement and agreement that FRANCHISEE must ımmedıately close the Busıness Unıt and dıscontınue all sales from the Busıness Unıt, Company shall have the rıght, ın ıts dıscretıon and wıthout lıabılıty of any kınd or nature to FRANCHISEE, to report ıts fındıngs to FRANCHISEE's lessor or lıcensor and to approprıate governmental authorıtıes for further ınvestıgatıon by them as they may deem necessary and approprıate

FRANCHISEE waives any claims against, or liability of, Company for any wrongful or improper closure of the Business Unit if Company was acting upon information that Company reasonably believes was cause for closure under this Paragraph

Without limiting any other remedies provided in this Agreement or at law or in equity, if during an inspection any unauthorized parts or product is found, Company shall have the right to take the unauthorized parts and product and send it to Company's office or any other address that Company may determine, in the understanding that FRANCHISEE must provide sufficient proof with an invoice that such product was purchased from Company or its affiliate Additionally, Company and its authorized representatives, in Company's discretion, have the right, at any time, to obtain a reasonable number of Parts and Products from the Business Unit, without obtaining the prior consent of FRANCHISEE, as a representative sample for inspection and auditing purposes In such event, FRANCHISEE will be credited for the amount it paid to purchase said Part(s) and Product(s) from Company's affiliate FRANCHISEE will not be credited for any Part(s) or Product(s) that Company determines were purchased from an unauthorized supplier, and Company reserves all remedies under this Agreement as well as at law or in equity

FRANCHISEE acknowledges and agrees that Company may engage or retain a third-party investigatory and assessment service to conduct reviews of the operations of FRANCHISEE and the Business Unit, and such reviews and evaluations may be conducted without prior notice to FRANCHISEE, including the use of "secret shopper" services (collectively **"Secret Shoppers"**) Company shall bear the cost of the Secret Shopper services, except if the results or reports by the Secret Shopper service of the Business Unit or the operations of the Business Unit is below the then-current Company standards for satisfactory operations in accordance with the Manual and and/or other brand standards, whether for one element or facet of Business Unit operation If there is such a violation then we may assess FRANCHISEE a "Secret Shopper Fee" of $100 for each example or occurrence of sub-standard operations, plus the costs associated with the Secret Shopper service

J <u>Operations</u>

FRANCHISEE agrees to operate the Business Unit in compliance with all applicable statutes, laws, and regulations including, without limitation, zoning, disability access, signage, fire and safety, security, fictitious name registrations, sales tax registration, and health and sanitation FRANCHISEE will be solely responsible for obtaining any and all licenses and permits required to operate the Business Unit FRANCHISEE must keep copies of all health, fire, building occupancy, and similar inspection reports on file and available for Company to review FRANCHISEE must immediately forward to Company any inspection reports or correspondence stating that FRANCHISEE is not in compliance with any such laws, rules, ordinances, and regulations FRANCHISEE also agrees to operate the Business Unit in accordance with those mandatory operations standards established by Company from time to time, including, but not limited to, the trademark, copyright, patent, and intellectual property laws of the United States FRANCHISEE shall not knowingly make any false or fraudulent statements to third parties regarding Company, its affiliates, the Business Unit, or the System where such false or fraudulent statements would tend to be injurious to the reputation or goodwill of Company, its Marks, its affiliates, or the System, or which in any manner may improperly interfere with the business affairs or business relations of Company or its franchisees

FRANCHISEE shall maintain and establish the Business Unit at the Location in a safe, orderly, and clean state The Business Unit shall be properly staffed, furnished, and equipped FRANCHISEE will do nothing that would tend to discredit, dishonor, reflect adversely upon, or in any manner injure the reputation of Company, its affiliates, or any other Cellairis Business Unit within the System All employees of the Business Unit are required to wear uniforms and abide by the dress guidelines conforming to the specifications and standards Company may, from time to time, designate in the Manual (as defined in Paragraph 6 L) or otherwise, to present a consistent brand image for Business Units operating under the System FRANCHISEE shall immediately notify Company if it receives notice of an investigation, inquiry, or complaint by a government agency or the lessor and/or threatened proceedings against FRANCHISEE As set forth in the Manual, or otherwise required by Company, FRANCHISEE shall properly address customer complaints including providing refunds when appropriate and in accordance with Company's customer satisfaction and product return policy FRANCHISEE may be charged $100 00 per violation of Company's return policy and such charge shall be in addition to any other remedies Company may have at law or in equity FRANCHISEE agrees that appropriately responding to customer complaints is a vital element in maintaining and enhancing the goodwill of the System FRANCHISEE shall in all dealings with its customers, vendors, and the general public, adhere to the highest standards of honesty, fair dealing, and ethical conduct If Company deems that FRANCHISEE did not fairly handle a customer complaint, Company has the right to intervene and satisfy the customer FRANCHISEE acknowledges and agrees that maintaining good and positive customer relations is a critical tenet of the System and brand standards, and therefore, FRANCHISEE's failure to address customer complaints in a fair, prompt, and reasonable manner is a violation of this Paragraph for which Company has the right to terminate this Agreement In addition to any other rights and remedies that Company may have, FRANCHISEE shall reimburse Company for all costs (including the cost of any replacement or new Product or Service) incurred by Company in servicing a customer of FRANCHISEE's Business Unit pursuant to this Paragraph

K **Insurance**

FRANCHISEE must purchase and continuously maintain during the Term of this Agreement, at a minimum, the insurance coverage that meets the levels required by its lessor, licensor, sublessor, or sublicensor by local law and regulation, and at such amounts as may from time to time be required by Company including

(a) Comprehensive general and product liability insurance at a minimum of the insurance coverage that meets the levels required by the lessor, by local law, and regulation that covers the operation of the Business Unit,

(b) General casualty insurance, including fire and extended coverage, vandalism malicious mischief insurance, for the replacement value of the Location and its contents,

(c) Employer's liability and worker's compensation as required by law, and

(d) Any other type of insurance policies, such as business interruption insurance to the extent required by applicable law, with coverage as Company presently or hereinafter requires

Prior to opening the Business Unit, and at any time upon Company's request, FRANCHISEE must furnish to Company evidence of such insurance as Company shall reasonably request (which may include certificates of insurance, endorsements, binders, or copies of policies), together with information concerning claims and losses under such insurance Such evidence may include (i) an original certificate of insurance, (ii) a copy of the actual additional insured endorsement to the policy issued to FRANCHISEE by the insurer, (iii) a copy of the corresponding "notice of cancellation" endorsement, and (iv) a copy of the declarations page for the policy All policies of insurance required to be provided and maintained by FRANCHISEE under this Agreement must name Company and its affiliates as additional named insureds (without obligation to pay the premium or any deductible amounts, all of which will be paid by FRANCHISEE), and must be carried with such responsible insurance companies and be in such form as is reasonably satisfactory to Company All policies of insurance required to be provided and maintained by FRANCHISEE under this Agreement must require that each insurance carrier provide Company with advance notice of expiration, cancellation, termination, or modification of the applicable policy The "notice of cancellation" endorsement must afford Company 30 days prior written notice in the event of cancelation, non-renewal, or adverse material modification or reduction in coverage Additionally, FRANCHISEE must notify Company at least 30 days prior to the expiration, cancellation, termination, or modification of the applicable policy Company has the right to require FRANCHISEE to increase the types and amounts of insurance coverage as Company may reasonably require If

FRANCHISEE fails to obtain or maintain adequate insurance, Company may, in its discretion, obtain insurance for FRANCHISEE in FRANCHISEE's name and FRANCHISEE shall reimburse Company for the costs of obtaining said insurance Failure of FRANCHISEE to maintain coverage shall not relieve it of any contractual responsibility or indemnification or obligation or liability under this Agreement In the event that Company or its affiliate directly leases or licenses the Location, then Company or its affiliate has the option of obtaining general liability insurance in the amount that the landlord specifies, and FRANCHISEE shall pay Company or its affiliate a fee for Company or its affiliate obtaining such general liability insurance In the event Company or its affiliate obtains the general liability insurance, it is for Company or its affiliate's protection as a lessee and as a sublicensor of the Location This insurance is in addition to and will serve as excess coverage above FRANCHISEE's primary general liability policy that FRANCHISEE is required to obtain under this Paragraph Company or its affiliate may charge FRANCHISEE a mark-up on these services

L **<u>Confidential Operations Manual</u>**

Company shall loan FRANCHISEE for the duration of this Agreement one copy of the Cellairis confidential operations manual and provide access to an intranet of materials (collectively the "**Manual**") The Manual will constitute a confidential trade secret of Company and shall remain the property of Company The Manual cannot be photocopied, reproduced, or disseminated without Company's prior written consent Nothing in this Agreement is intended to interfere with or discourage a good faith disclosure to any governmental entity related to a suspected violation of the law FRANCHISEE cannot and will not be held criminally or civilly liable under any federal or state trade secret law for disclosing otherwise protected trade secrets and/or confidential or proprietary information as long as the disclosure is made in (i) confidence to a federal, state, or local government official, directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law or (ii) a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal FRANCHISEE agrees to strictly comply with all of the mandatory procedures and specifications set forth in any such Manual The Manual may be provided to FRANCHISEE in text and/or electronic format, and may be in the form of various instructional manuals, such as manuals that provide procedures on repairing various devices, an intranet of materials, and instructional videos The Manual is confidential and proprietary and remains Company property Company has the right to modify the Manual as Company deems appropriate, and Company will notify FRANCHISEE of changes in a reasonable and appropriate manner FRANCHISEE must comply with all modifications within the time frames specified by Company The modifications will not alter FRANCHISEE's status and rights under the Franchise Agreement

M Indemnification

FRANCHISEE agrees to and does hereby indemnify, defend, and hold harmless Company and its affiliates and all of their respective shareholders, directors, officers, employees, agents, successors, and assignees (collectively the "**Indemnified Parties**") against and to reimburse any one or more of the Indemnified Parties for all Claims, obligations and damages described in this Paragraph, any taxes described in Paragraph 6 N below, any claims and liabilities directly or indirectly arising out of the Business Unit's operation, the operation of the Business Unit, FRANCHISEE's actions or inactions, or the actions or inactions of any of FRANCHISEE's employee, or FRANCHISEE's breach of this Agreement, except to the extent they arise as a result of Company's own gross negligence or willful misconduct For purposes of this indemnification, **"Claims"** includes all obligations, damages (actual, consequential, special, exemplary, punitive, or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigations and proof of facts, court costs, other expenses of litigation, arbitration, or alternative dispute resolution, and travel and living expenses Company has the exclusive right, in its discretion to defend any such claim at FRANCHISEE's expense This indemnity will continue in effect after the expiration or termination of this Agreement Under no circumstances will Company or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate its or their losses and expenses, in order to maintain and recover fully a claim against FRANCHISEE

N Taxes

FRANCHISEE shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement including, but not limited to, if applicable, state employment tax, state sales tax (including any sales or use tax on equipment purchased or leased) and all other taxes and expenses of operating the Business Unit at the Location FRANCHISEE shall comply with all local, state, and federal laws, rules, and regulations with respect to the calculation, assessment, collection, and remittance of all applicable taxes In no event shall FRANCHISEE permit a tax sale or seizure by levy or execution or similar writ or warrant to occur against the Business Unit, the Location or any tangible personal property used in connection with the operation of the Business Unit Upon the request of Company, FRANCHISEE must furnish to Company evidence of the filing of the appropriate tax forms

O Fixtures and Site Development

(1) Site Approval Upon Company's written acceptance of a proposed site, FRANCHISEE shall proceed promptly to enter into the approved Occupancy Agreement for the accepted site and obtain all

necessary zonıng, buıldıng and other governmental or regulatory approvals and permıts requıred for the establıshment of the Busıness Unıt Company, ın ıts dıscretıon, and wıthout any lıabılıty to FRANCHISEE, may assıst FRANCHISEE ın obtaınıng these approvals and permıts

(2) General Contractor Global Cellular, Inc , at FRANCHISEE's sole expense, shall engage the servıces of a qualıfied general contractor, who ıs reputable and experıenced buıldıng unıts of sımılar retaıl concepts, to supervıse, delegate and/or perform (ı) the constructıon and development of the Busıness Unıt, (ıı) the completıon of all ımprovements, (ııı) the outfittıng of the Busıness Unıt wıth furnıshıngs, fixtures and equıpment, and (ıv) all other servıces that are desıgnated by Company to be performed by such general contractor ın connectıon wıth constructıng the Busıness Unıt (the "**General Contractor**") Company shall have the rıght, but not the oblıgatıon, to desıgnate, at any tıme and for any reason, a sıngle approved General Contractor or furnısh FRANCHISEE wıth a lıst of authorızed General Contractors and requıre FRANCHISEE to engage the servıces exclusıvely from such desıgnated General Contractor(s) ın the constructıon of the Busıness Unıt, whıch desıgnated General Contractor(s) may be an affilıate of Company FRANCHISEE shall be solely responsıble for payment for all servıces provıded by the General Contractor Global Cellular may charge FRANCHISEE a mark-up on these servıces

(3) Archıtectural Fırm Company shall have the rıght to desıgnate one or more supplıers of desıgn servıces and/or archıtecture servıces (an "**Archıtectural Fırm**") to supply such servıces to the System, whıch Archıtectural Fırm may be an affilıate of Company At Company's optıon, Company may authorıze the General Contractor to select an Archıtectural Fırm to assıst ın developıng the Busıness Unıt Upon request by Company, the Archıtectural Fırm shall provıde to Company, for Company's wrıtten acceptance, a proposed prelımınary sıte and constructıon plans and specıficatıons for the Busıness Unıt whıch, ıf accepted, shall not thereafter be modıfied, altered or changed wıthout Company's prıor wrıtten consent If an Archıtectural Fırm ıs needed then ıt would be hıred by Company's affilıate, Global Cellular, Inc and FRANCHISEE wıll be responsıble for makıng any such payments to Company's affilıate for use of such servıces Global Cellular may charge FRANCHISEE a mark-up on these servıces

(4) Constructıon of Busıness Unıt Global Cellular, Inc wıll cause the constructıon of the Busıness Unıt per the accepted sıte and constructıon plans and specıficatıons as soon as possıble and shall

complete construction thereof, including the acquisition and installation of all equipment specified by Company, and have the Business Unit ready to open for business within 5 months after Company's execution of this Agreement Company and its agents shall have the right to inspect the construction site at any reasonable time without prior notice The General Contractor shall obtain all required licenses, permits, and approvals associated with construction of the Business Unit FRANCHISEE understands and agrees that Company, its affiliates, the Architectural Firm, the General Contractor, and approved distributors and suppliers are not responsible and shall have no liability with regard to obtaining and/or maintaining such licenses, permits, and approvals and compliance In the event FRANCHISEE is responsible for the construction of the Business Unit, which responsibility will be determined by Company, in its sole discretion, then FRANCHISEE shall furnish Company with such information relating to the construction of the Business Unit and development of the site as Company may from time to time request, which may include, without limitation, copies of all commitments and plans for construction and financing, the contact name, address and telephone number for any lenders and contractors, and a copy of any construction or financing agreements FRANCHISEE shall commence construction of the Business Unit in accordance with the accepted site and construction plans and specifications as soon as possible and shall complete construction thereof, including the acquisition and installation of all equipment specified by Company, and have the Business Unit ready to open for business within 5 months after Company's execution of this Agreement Company and its agents shall have the right to inspect the construction site at any reasonable time without prior notice FRANCHISEE shall correct, upon Company's request and at FRANCHISEE's sole expense, any deviation from any accepted site or construction plans or specifications FRANCHISEE must also, at its sole expense, engage the services of a qualified and reputable electrician to perform all services necessary to properly wire the Business Unit for electricity It is FRANCHISEE's responsibility to obtain all required licenses, permits, and approvals associated with construction and operation of the Business Unit Without limiting the foregoing, it is FRANCHISEE's responsibility to ensure that the Business Unit and Location are in full compliance with the Americans with Disabilities Act of 1990, as amended ("**ADA**") or similar rules governing public accommodations or commercial facilities for persons with disabilities) Without limiting the foregoing, upon completion of the construction of the Business Unit, FRANCHISEE shall promptly execute the ADA Certification attached hereto as **Exhibit "7"** and deliver the executed ADA

Certification to Company before the Business Unit opens for business FRANCHISEE understands and agrees that Company, its affiliates, the Architectural Firm, the General Contractor, and approved distributors and suppliers are not responsible and shall have no liability with regard to obtaining and/or maintaining such licenses, permits, and approvals and compliance

(5) <u>No Liability of Franchisor</u> FRANCHISEE acknowledges and agrees that (i) Company assumes no responsibility for the quality of any construction because of any inspections made by it or any reports or recommendations made as a result of such inspections, (ii) Company is not liable for any unsatisfactory performance of any contractor, architect, or suppler (including the General Contractor and Architectural Firm), even if such contractor, architect, or supplier was designated by Company, and (iii) Company is not liable for the Business Unit or Location's non-compliance with any law, statute, regulation, ordinance or other requirements including but not limited to the ADA Company shall have the option of approving or denying a request from FRANCHISEE to use a General Contractor and/or Architectural Firm submitted by FRANCHISEE to develop and construct the Business Unit In connection with such request, FRANCHISEE and the proposed General Contractor and/or Architectural Firm shall submit all information and data as Company may require to consider the request Company reserves the right to charge FRANCHISEE a fee in connection with evaluating a request to use a proposed General Contractor and/or Architectural Firm Company may deny such request for any reason, including its determination to limit the number of approved General Contractors and/or Architectural Firms

(6) <u>Fixtures, Furnishings and Equipment</u> FRANCHISEE shall maintain at the Business Unit, at FRANCHISEE's expense, all fixtures, furnishings and equipment as Company may direct from time to time in the Manual or otherwise, and shall refrain from installing or permitting to be installed any fixtures, furnishings, or equipment that do not meet Company's specifications FRANCHISEE shall maintain the Business Unit in a clean, attractive condition and in good repair Company, in its discretion, may designate Company or its affiliates as the sole supplier of all fixtures, furnishings, and equipment to be installed and utilized at the Business Unit In that event, Company, or its affiliates will use their reasonable commercial efforts to timely supply and ship to FRANCHISEE's Location, at FRANCHISEE's expense, all fixtures, furnishings, and equipment for the Business Unit from which the Products and Parts will be sold and Services rendered

The price for the fixtures, furnishings, and equipment, and other associated charges and fees, including shipping costs, shall be paid by FRANCHISEE to Company, or its affiliates, prior to any shipment of these items, and the price for these items and other charges and fees are in addition to any Franchise Fee paid hereunder Neither Company nor its affiliates, or any designated third party supplier shall be liable for any delay or failure in the delivery of the fixtures, furnishings, or equipment to the Location **FRANCHISEE UNDERSTANDS AND AGREES TO THE FOLLOWING (1) THAT COMPANY AND ITS AFFILIATES ARE AND WILL LIKELY REMAIN THE SOLE SOURCE FOR THE FIXTURES, FURNISHINGS, AND EQUIPMENT, INCLUDING THE PHYSICAL INTERACTIVE KIOSK STRUCTURE, (ii) THAT COMPANY AND ITS AFFILIATES WILL SET THE PRICE FOR THE FIXTURES, FURNISHINGS, AND EQUIPMENT (INCLUDING THE COST FOR THE SHIPPING), AND (iii) THAT COMPANY AND ITS AFFILIATES EXPECT TO GENERATE PROFITS FROM SUCH SALES DESCRIBED HEREIN** Company, for itself and its affiliates, reserves the right, in its discretion, to increase or decrease the number of approved distributors, suppliers, and service providers to the System and to designate itself or its affiliates as an approved distributor, supplier, or service provider, including designating itself or its affiliates as the General Contractor and/or Architectural Firm, and to make a profit or otherwise receive value in kind or rebates, allowances, advantages, concessions, or other benefits from the designated approved distributors, suppliers, or service providers, and/or from the sales by such persons or entities to FRANCHISEE The fixtures, furnishings, and equipment must be maintained in accordance with the requirements and specifications established from time to time by Company in the Manual or otherwise **EXCEPT AS EXPRESSLY SET FORTH IN WRITING IN A WARRANTY PROVIDED BY COMPANY OR ITS AFFILIATES WITH ANY PRODUCT(S), COMPANY AND ITS AFFILIATES EXPRESSLY DISCLAIM AND MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES BASED UPON COURSE OF DEALING OR TRADE USAGE WITH RESPECT TO THE FIXTURES, FURNISHINGS, OR EQUIPMENT IN CONNECTION WITH ANY SALE OF THE FIXTURES, FURNISHINGS, OR EQUIPMENT, IN NO EVENT WILL COMPANY OR ITS**

AFFILIATES BE RESPONSIBLE TO FRANCHISEE OR ANY OTHER PERSON OR ENTITY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, OR SIMILAR DAMAGES OR LOST SALES OR PROFITS REGARDLESS OF THE LEGAL THEORY OR FORM OF ACTION, EVEN IF COMPANY OR ITS AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE COMPANY AND ITS AFFILIATES TOTAL AND COLLECTIVE LIABILITY FOR DIRECT DAMAGES HEREUNDER WILL IN ANY EVENT NOT EXCEED THE AGGREGATE PRICE PAID BY FRANCHISEE TO COMPANY OR ITS AFFILIATES PURSUANT TO THE SALE OF THE FIXTURES, FURNISHINGS AND EQUIPMENT

P <u>Supplier Payments</u>

Company and its affiliates have the right to receive payments, discounts, or other consideration from approved suppliers, vendors, and service providers based upon their dealings with FRANCHISEE and other franchisees, and Company and its affiliates may use the monies they receive without restriction for any purpose Company deems appropriate or necessary Suppliers may pay Company or its affiliates based upon the quantities of products or services the System purchases from them Company and its affiliates are not required to give FRANCHISEE an accounting of supplier payments or to share the benefit of supplier payments with FRANCHISEE or other Cellairis franchisees

Q <u>Credit Cards and Other Methods of Payment</u>

At all times, FRANCHISEE must maintain credit-card relationships with the credit and debit-card issuers or sponsors, check or credit verification services, financial-center services, and electronic-funds-transfer systems that Company designates as mandatory, and FRANCHISEE must not use any such services or providers that Company has not approved in writing or for which Company has revoked its approval Company has the right to modify its requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke its approval of any service provider FRANCHISEE must comply with all credit-card policies, including minimum purchase requirements for a customer's use of a credit card as may be established by Company from time to time FRANCHISEE agrees that FRANCHISEE is solely responsible for ensuring compliance with (a) the Payment Card Industry Data Security Standards (see www pcisecuritystandards org) (**"PCIDSS"**) enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted), (b) the Fair and Accurate Credit Transactions Act (**"FACTA"**), and (c) all other standards, laws, rules, regulations, or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments (**"Electronic Payment Requirements"**) If FRANCHISEE is required by one of the credit card companies or another third party (including any governmental body) to provide evidence of compliance with PCIDSS, FACTA, or applicable Electronic Payment Requirements, or upon Company's request, Company may require that FRANCHISEE provide, or make available, to Company copies of an audit, scanning results or related documentation relating to such compliance Any costs associated with an audit or to gain compliance with PCIDSS, FACTA, or any Electronic Payment Requirements shall be borne by FRANCHISEE FRANCHISEE shall also upgrade its POS system and related software, at FRANCHISEE's expense, to maintain compliance with PCIDSS, FACTA, Electronic Payment Requirements, and all related laws and regulations

R **Security Breach**

FRANCHISEE is required to notify Company immediately if FRANCHISEE suspects or becomes aware of a Security Breach (defined below) With the exception of any required notification to the Payment Card Brands under PCIDSS (or other applicable standards), FRANCHISEE agrees that Company will have the option to notify affected persons and regulatory authorities on FRANCHISEE's behalf in accordance with applicable law If, after consultation with FRANCHISEE, Company determines that notification is required or appropriate, FRANCHISEE agrees that FRANCHISEE will bear all costs associated with such notification, which may include, without limitation, any costs for providing credit monitoring to affected persons Upon discovery of a Security Breach, FRANCHISEE further agrees that FRANCHISEE will promptly investigate and remediate, at FRANCHISEE's expense, the source of such Security Breach FRANCHISEE shall pay all costs Company incurs (including legal expenses) in connection with responding to any Security Breach at the Business Unit or involving FRANCHISEE's operations under this Agreement For purposes of this Paragraph, a **"Security Breach"** is any known or suspected unauthorized use, theft, access, disclosure, loss, or acquisition of any confidential information of Company, any customer information, or any information that is stored or contained in FRANCHISEE's POS system

S **Minimum Purchase Requirement**

Before FRANCHISEE opens for business, FRANCHISEE shall purchase from Company's affiliates a minimum amount of Cellairis® branded or Cellairis® packaged Parts and Products that will comprise part of the initial inventory The minimum required initial inventory purchase shall be Four Thousand Five Hundred Dollars ($4,500) for an RMU Business Unit, Six Thousand Dollars ($6,000) for an Interactive Kiosk Business Unit, and Eighteen Thousand Dollars ($18,000) for a Full Store Unit

In addition to the above purchase requirement, FRANCHISEE shall purchase from Company's affiliates not less than Two Thousand Dollars ($2,000) of Cellairis® branded or Cellairis® packaged inventory each month (**"Minimum Monthly Inventory"**), which amount is the wholesale price charged to FRANCHISEE for display and sale at the Business Unit FRANCHISEE acknowledges and agrees that the Minimum Monthly Inventory requirement is reasonable and is not burdensome, and FRANCHISEE expects to sell all of the inventory purchased on a regular basis Failure to purchase the Minimum Monthly Inventory is a breach of this Agreement FRANCHISEE may cure such breach if FRANCHISEE, within the earlier of (a) 15 days following the end of each month in which FRANCHISEE is in default, or (b) 10 days following a notice from Company of the default, purchases an amount of inventory to make up the shortfall in the required Minimum Monthly Inventory Any purchases made to cure such shortfall shall be made solely to cure the default and shall not be counted toward the then-current month's or any other month's Minimum Monthly Inventory requirement In the event there is a shortfall, and such shortfall is not cured, then the remaining balance of the shortfall will be billed FRANCHISEE's account The Minimum Monthly Inventory requirement is in no way intended to imply that FRANCHISEE you will experience gross sales of any particular level

T Digital Marketing Set-Up Fee

At the execution of this Agreement, FRANCHISEE shall pay a non-refundable flat fee in the amount of Four Thousand Dollars ($4,000) to Company or its affiliate a **"Digital Marketing Set-Up Fee"** Company or its affiliate will contact and contract with certain third party marketing, search engine optimization, and customer development entities as part of The Digital Marketing Set-Up Fee which covers various elements of digital marketing for the Business Unit Additionally, the Digital Marketing Set-Up Fee includes customer service and training elements, whereby Company or its affiliate will establish a call forwarding number, which does not require the purchase of a second phone line, but which allows both FRANCHISEE and Company listen to any phone call received at the Business Unit

7 ACCOUNTING PROCEDURES RIGHT TO AUDIT

A Accounting

FRANCHISEE agrees to keep true, accurate, and complete records of the Business Unit in such form as Company now or hereafter may require and, upon request and within 10 days after such request, to furnish Company with a monthly and fiscal year to date profit and loss statement in the format prescribed by Company FRANCHISEE shall also, upon request and within 10 days after such request, submit to Company quarterly balance sheets, the first of which shall be for the period ending 3 months after the Business Unit opens All profit and loss statements and balance sheets must be prepared in accordance with generally accepted accounting principles FRANCHISEE shall also provide Company with a statement of local advertising expenditures made pursuant to Paragraph 8 A (9) below for each calendar quarter and fiscal year to date, in a form satisfactory to Company, along with invoices documenting such expenditures, to be delivered to Company within 15 days after the end of each calendar quarter In addition and irrespective of whether the Company has requested copies of such documents, FRANCHISEE shall retain for a period of at least 36 months and upon request submit to Company copies of all state sales tax returns and all supporting data and records relating to sales made at or from the Business Unit and such additional records as Company may reasonably request from time to time If any of the reports or other information required to be given to Company or its affiliates in accordance with this Paragraph or any other agreement between FRANCHISEE and Company or its affiliates, including the Sub-License Agreement, are not received by Company or its affiliates by the required deadline, Company may charge FRANCHISEE a late submission fee equal to $250 00 per late submission The remedies contained in this Paragraph shall be in addition to any other remedies Company or its affiliates may have at law or in equity

B **<u>Audits of Franchisee</u>**

FRANCHISEE agrees that Company or its representatives, at Company's expense, shall, at all reasonable times, have the right to examine or audit the books, records (including all records relating to the purchase of products to be sold from the Business Unit as well as advertising expenditures), state sales tax returns, or accounts of FRANCHISEE Company shall similarly have the right to examine or audit the books, records, state sales tax returns, or accounts of any and all persons or entities who are guarantors, who have personal liability, or who have joint and severable liability under this Agreement in those instances in which it appears that FRANCHISEE has failed to comply with the requirements of this Agreement In the event the audit discloses that there has been a violation of Paragraph 5 C of this Agreement, then FRANCHISEE shall, within 15 days after the date notice was sent to FRANCHISEE, pay Company the greater of (1) $250 00 or (2) all Company and affiliate costs of the audit including travel, lodging, and wages, reasonably incurred In the event the audit discloses that there has been a repeated violation of Paragraph 5 C of this Agreement, then FRANCHISEE shall, within 15 days after the date notice was sent to FRANCHISEE, pay Company the greater of (1) $500 00 or (2) all Company and affiliate costs of the audit including travel, lodging, and wages, reasonably incurred These remedies for violations of Paragraph 5 C shall be in addition to and not in lieu of any other remedies Company may have at law or in equity, and shall not in any way serve to waive Company's right to default and/or terminate this Agreement for said violations pursuant to Paragraph 10 In the event the audit discloses that there has been an understatement of any payment or expenditure that is due and owing under this Agreement or any other agreement executed by the parties which exceeds 2% percent for any period or periods, then FRANCHISEE shall, within 15 days after the receipt of notice of the audit report, pay Company the amount of each understatement, plus FRANCHISEE shall reimburse Company for all costs of the audit including travel, lodging, and wages, reasonably incurred In the event that Company requests information from FRANCHISEE pursuant to this Paragraph and FRANCHISEE does not provide the requested information within 72 hours of FRANCHISEE's receipt of notice of Company's request, FRANCHISEE shall incur a fee of $250 00 per day for each day that FRANCHISEE fails to timely provide the requested information to Company The remedies contained in this Paragraph shall be in addition to and not in lieu of any other remedies Company may have at law or in equity, and shall not in any way serve to waive Company's right to default and/or terminate this Agreement for said violations pursuant to Paragraph 10

C **Data**

All data (including purchase and sales information relating to the Business Unit) provided by FRANCHISEE to the Company (irrespective as to the manner by which it is provided) or otherwise obtained by the Company with respect to FRANCHISEE or the Business Unit, is and will be owned exclusively by Company, and Company will have the unfettered right to use such data in any manner that Company deems appropriate and in accordance with its privacy policy which can be found at www cellairis com/privacy-policy, without obligation or compensation to FRANCHISEE and Company shall have no liability whatsoever to FRANCHISEE with respect to such use

8 LIMITATIONS OF FRANCHISE

A **Trademarks, Trade Names, Service Marks and Trade Secrets**

(1) **Acknowledgement**

FRANCHISEE acknowledges that ownership of all right, title, and interest to the System and the Marks are and shall remain vested solely in Company and/or Global Cellular, Inc and FRANCHISEE disclaims any right, title, or interest therein or the good will derived therefrom, and all uses of the Marks by FRANCHISEE inure to the benefit of Global Cellular, Inc FRANCHISEE agrees that all materials loaned or otherwise made available to FRANCHISEE and all disclosures made to FRANCHISEE and not to the general public by or at the direction of Company at any time before or during the Term of this Agreement relating to the System, including, without limitation, training methods and any Manual which may exist with respect to the System, financial information, leasing strategy, marketing strategy, and marketing programs are to be considered trade secrets and confidential information of Company for purposes of this Agreement and shall be kept confidential and used by FRANCHISEE only in connection with the operation of the Business Unit FRANCHISEE agrees not to divulge any of the trade secrets or confidential information to any person other than FRANCHISEE's employees and then only to the extent necessary for the operation of the Business Unit Nothing in this Agreement is intended to interfere with or discourage a good faith disclosure to any governmental entity related to a suspected violation of the law FRANCHISEE cannot and will not be held criminally or civilly liable under any federal or state trade secret law for disclosing otherwise protected trade secrets and/or confidential or proprietary information as long as the disclosure is made in (i) confidence to a federal, state, or local government official, directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law or (ii) a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal Without limiting the generality of the foregoing, FRANCHISEE shall use or display the Marks on all signs, forms, stationery, invoices, paper goods, and other items used in connection with the Business Unit and other materials only in the manner and form prescribed by Company and as provided for in this Agreement and FRANCHISEE shall include on such materials and on a sign at the location a notice in the form prescribed by Company or its affiliates specifying substantially the following "The CELLAIRIS trademarks are owned by Global Cellular, Inc and are used under license by an independently owned and operated franchised business"

FRANCHISEE shall permit Company, its affiliates, or their designated representatives, at all reasonable times, to have access to any relevant documents, materials and records pertaining to FRANCHISEE's operation of the Business Unit in order to determine that Franchisee is complying with its obligations under this Paragraph 8 A

(2) **No Impairment**

FRANCHISEE will not, directly or indirectly, at any time during the Term of this Agreement or thereafter, do or cause to be done any act or thing disputing, attacking, or in any way impairing or tending to impair Company's or Global Cellular Inc 's right, title, or interest in the Marks or the System FRANCHISEE shall immediately notify Company of all infringements or limitations of the Marks which come to FRANCHISEE's attention or challenges to FRANCHISEE's use of any of the Marks, and Company and Global Cellular, Inc shall exercise discretion in deciding what action, if any, should be taken in connection therewith FRANCHISEE agrees to cooperate in the prosecution of any action to prevent the infringement, limitation, illegal use, or misuse of the Marks and agrees to be named as a party in any such action if so requested by Company Company agrees to bear the legal expenses incident to FRANCHISEE's participation in such action, except for fees, expenses and other costs of FRANCHISEE's personal legal counsel if FRANCHISEE elects to be represented by counsel of FRANCHISEE's own choosing

(3) **Franchise Name**

In the adoption of a business, trade, corporate or partnership name, FRANCHISEE shall not use any of the Marks, any variations or abbreviations thereof, or any words confusingly similar to the Marks

(4) **Advertising**

a Authorized Material Only

Only those advertising and promotional materials or items which are authorized by Company in writing prior to use shall be used, sold, or distributed, and no display or use of the Marks shall be made without the prior written approval of Company All materials on which the Marks are used must include the designation ® or such other designation as Company may specify

b Coupons, Loyalty Cards, Discounts and Other Promotions

FRANCHISEE agrees, at its sole cost and expense, to participate in and offer all System coupons, loyalty cards, gift cards, discounts, and other promotions (including but not limited to contests or sweepstakes) in accordance with marketing programs Company establishes, and to honor the coupons, loyalty cards, gift cards, discounts, and other promotions issued by other FRANCHISEES under any such program

c Approval of Advertising

Any and all advertising and marketing materials not prepared or previously approved by Company shall be submitted to Company at least 14 days prior to any publication or run date for approval, which may be withheld in Company's discretion Company will provide FRANCHISEE with written notification of its approval or disapproval within a reasonable time and FRANCHISEE cannot use the submitted materials without prior written approval from Company FRANCHISEE must discontinue the use of any approved advertising within 5 days of FRANCHISEE's receipt of Company's request to do so Without limiting the generality of the foregoing, FRANCHISEE, without the express prior written approval of Company, shall not operate, or permit to be operated on its behalf, any internet or world wide web site or page which incorporates any of the Marks or otherwise promotes the Business Unit or System All advertising and promotion by FRANCHISEE must be factually accurate and shall not detrimentally affect the Marks or the System, as determined in Company's discretion

d Social Media

FRANCHISEE must comply with the standards developed by Company for the System, in the manner directed by Company in the Manual or otherwise, with regard to Company's authorization to use, and use of, blogs, common social networks, professional networks, live blogging tools, virtual worlds, files, audio, and video sharing sites and other similar social networking media or tools (including but not limited to Facebook®, Twitter®, Snapchat®, LinkedIn®, Pinterest®, Instagram®, Google Places®, Google+®, Google Adwords®, Vimeo®, Tumblr®, MySpace® or YouTube®) (collectively **"Social Media"**) that in any way reference the Marks or involves the System, Business Unit, Cellairis Business Units or Company regardless of whether it is used for commercial gain or not

(5) **Change of Marks**

Company shall have the right to change, modify, add to, or delete the Marks to be used by FRANCHISEE at any time and for any reason it deems appropriate FRANCHISEE shall pay the costs associated with any such change, modification, addition, or deletion and shall make such necessary changes promptly

(6) **Use of Marks on the Internet**

FRANCHISEE agrees not to register any Internet address name under any Internet domain, class, or category that contains any of the Marks or any abbreviations, acronym, or variation of the Marks FRANCHISEE agrees not to use, publish, or in any way incorporate the Marks in any form of Social Media whether or not such Social

Media platform is used for commercial gain Company and Global Cellular, Inc retain the sole right to advertise on the Internet and create a web site using any of the Marks or any variation of the Marks Company retains the right to pre-approve FRANCHISEE's use of linking and framing between FRANCHISEE's web pages and all other websites FRANCHISEE shall, within 5 days after a request by Company, dismantle any frames and links between FRANCHISEE's web pages and any other websites FRANCHISEE agrees to comply with any and all policies related to the internet (including Social Media) and the use of the Marks in the public domain as established by Company in the Manual or otherwise provided to FRANCHISEE Company may, in its discretion and at FRANCHISEE's expense, establish certain online Social Media pages for the Business Unit, and Company may, in its discretion, provide FRANCHISEE access to these Social Media pages to post content that complies at all times with any and all policies related to the internet (including Social Media) and the use of the Marks in the public domain as established by Company in the Manual or otherwise provided to FRANCHISEE Company shall retain all rights in these Social Media pages and Company may, in its discretion, terminate any or all of these Social Media pages at any time and/or terminate FRANCHISEE's access to post content to these pages

(7) **Additional Marks**

All provisions of this Agreement applicable to the Marks apply to any additional trademarks, service marks, and commercial symbols hereafter authorized for use by and licensed to FRANCHISEE

(8) **Advertising Program**

In addition to all other amounts required to be paid hereunder, during the term hereof, Company (or its designee, which may be Global Cellular, Inc) may, but is not obligated to, establish and administer an advertising fund (the **"Advertising Fund"**) If the Advertising Fund is established, FRANCHISEE must, effective immediately upon written notice to FRANCHISEE, pay to Company, or its designee, a monthly amount, which amount will be designated by Company from time to time, in its discretion, provided that such monthly amount shall not exceed 3% of Gross Sales for the preceding month (the **"Advertising Fee"**), which amount shall be used by the Advertising Fund Advertising Fees shall be paid monthly by the 10th day of each month for the previous month

FRANCHISEE understands and acknowledges that the Advertising Fund is intended to maximize and support general public recognition, brand identity and patronage of Cellairis Business Units for the benefit of all owners and operators of Cellairis Business Units (including all facilities displaying or otherwise utilizing the Cellairis Mark) and the overall System and that Company undertakes no obligation to ensure that the Advertising Fund benefits FRANCHISEE, or any other Cellairis franchisee, in proportion to their respective contributions Company (or its designated entity) is not obligated to make expenditures for FRANCHISEE which are equivalent or proportionate to FRANCHISEE's contribution, or to ensure that any particular franchisee benefits directly or *pro rata* from expenditures by the Advertising Fund FRANCHISEE agrees that all funds contributed to the Advertising Fund may be used to meet any and all costs of maintaining, administering, directing, and preparing national, regional, or local advertising materials, programs, and public relations activities including, without limitation, the costs of preparing and conducting television, radio, magazine, billboard, newspaper, direct response literature, direct mailings, brochures, collateral advertising material, implementing websites for Company or its affiliates who offer Cellairis franchises and/or its and their franchisees, implementing any advertising within any Social Media platform for Company or its affiliates who offer Cellairis franchises and/or its and their franchisees, surveys of advertising effectiveness and other media programs and activities, establishing and administering gift-card programs, customer loyalty programs, employing advertising agencies to assist therewith, and providing promotional brochures, decals, and other marketing materials The expenditure of such funds for advertising is to be under the control of, and in the discretion of, Company at all times, or such other entities designated by Company

If established, the Advertising Fund shall be established and maintained as a separate banking account and monies received shall be accounted for separately from Company's other funds and shall not be used to defray any of Company's general operating expenses, except for such reasonable salaries, administrative costs, and overhead as Company (or its designated entity) may incur in activities reasonably related to the administration or direction of the Advertising Fund and its advertising programs (including, without limitation, conducting market research, preparing advertising and promotional materials, collecting and accounting for contributions to the Advertising Fund, paying for the preparation and distribution of financial statements, legal and accounting fees and expenses, taxes, and other reasonable direct and indirect expenses incurred by

Company or its authorized entity in connection with programs funded by the Advertising Fund) A financial statement of the operations of the Advertising Fund shall be prepared annually (the cost of preparing such statement to be paid out of the Advertising Fund), and shall be made available to FRANCHISEE upon request Company or its designated entity may spend in any fiscal year more or less than the aggregate contribution of all franchisees to the Advertising Fund in that year, and the Advertising Fund may borrow from Company or others to cover deficits or invest any surplus for future use Any lender loaning money to the Advertising Fund shall receive interest at a reasonable rate All interest earned on monies contributed to the Advertising Fund will be used to pay advertising costs before other assets of the Advertising Fund are expended Company may cause the Advertising Fund to be incorporated or operated through a separate entity at such time as Company may deem appropriate, and such successor entity, if established, will have all rights and duties specified in this Paragraph Company (and any designated entity) will not be liable for any act or omission with respect to the Advertising Fund that is consistent with this Agreement and done in the exercise of reasonable business judgment Except as expressly provided in this Paragraph, Company (and any designated entity) assumes no direct or indirect liability or obligation to FRANCHISEE with respect to the maintenance, direction or administration of the Advertising Fund FRANCHISEE expressly acknowledges and agrees that Company (and any designated entity) is not operating or acting as a trustee or fiduciary with respect to the Advertising Fees collected FRANCHISEE agrees to participate in any promotion, marketing, or advertising campaigns created by the Advertising Fund Company (or any designated entity) may reduce contributions of franchises to the Advertising Fund and upon notice to FRANCHISEE, reduce the Advertising Fund's operation or terminate the Advertising Fund and distribute unspent monies to those contributing franchisees in proportion to their contributions in the past FRANCHISEE acknowledges that all copyright or other intellectual property in and to the advertising and promotional activities and materials undertaken and/or created pursuant to this Paragraph shall be the property of Company or its designee, which may be Global Cellular, Inc

(9) **Local Advertising**

FRANCHISEE agrees that, in addition to any other required payment, including but not limited to the payment of the Advertising Fee (if an Advertising Fund is established), FRANCHISEE will spend a reasonable amount each calendar quarter for local market advertising but in no event less than 1% of Gross Sales per calendar quarter The amount of advertising funds expended by FRANCHISEE for individual local market advertising shall be determined by FRANCHISEE, subject to the foregoing minimum requirement All local advertising shall be subject to the approval procedure in Paragraph 8 A (4)c Local advertising expenditures shall not include incentive programs, including without limitation, costs of honoring coupons, costs incurred in honoring sales promotions, salaries, contributions, donations, press parties, in-store fixtures or equipment, displays, and exterior or interior signage If FRANCHISEE fails in any quarter to make advertising expenditures in accordance with this Paragraph, Company shall thereafter have the right, in addition to all remedies at law and equity, but not the obligation, for the following 4 quarters to spend an amount not to exceed 1% of the Gross Sales of the Business Unit on local advertising on behalf of FRANCHISEE, and FRANCHISEE must reimburse Company for such expenses and a reasonable administrative fee

(10) **Advertising Cooperatives**

In connection with the Business Unit and any and all other Cellairis Business Units owned or operated by FRANCHISEE, FRANCHISEE shall participate, if required by Company, in any local, regional, or national cooperative advertising group, consisting of other franchisees of franchised Cellairis Business Units, when and if any such groups are created (each, an **"Advertising Cooperative"**) The particular Advertising Cooperative(s) in which FRANCHISEE may be required to participate shall be designated by Company in its discretion FRANCHISEE's payments to any Advertising Cooperative shall be determined by FRANCHISEE and those other franchisees of the System and/or Company, as the case may be, who are participants in such Advertising Cooperative, as set forth in the by-laws of that Advertising Cooperative FRANCHISEE, however, may not be required to spend more than 2% of Gross Sales per annum for the Business Unit that is subject to this Agreement in connection with any Advertising Cooperative Any by-laws of an Advertising Cooperative and any other written governing documents must be approved in advance by Company in writing and must utilize such voting and advertising processes and procedures as may be directed by Company for all Cellairis Advertising Cooperatives Amounts paid to an Advertising Cooperative shall be credited against payments FRANCHISEE is otherwise required to make for local advertising as required herein Any payments to an Advertising Cooperative shall be in addition to the amounts required to be paid or spent under this Agreement

FRANCHISEE shall enter into such formal agreements with such other franchisees of the System and/or Company, as the case may be, as shall be necessary or appropriate to accomplish the foregoing and FRANCHISEE shall abide by such formal agreements and decisions that the Advertising Cooperative is authorized by Company to make related to advertising and marketing in the area covered by the Advertising Cooperative For clarity, if FRANCHISEE becomes delinquent in its dues or other payments to the Advertising Cooperative or fails to abide by any formal agreements or authorized decisions of the Advertising Cooperative, such delinquency or failure shall be deemed a failure to participate in the Advertising Cooperative and a breach of this Agreement Company may upon 30 days' written notice to FRANCHISEE suspend or terminate an Advertising Cooperative's program or operations As a member, officer, or director of an Advertising Cooperative, at the request of Company, FRANCHISEE shall provide to Company all information requested by Company related to such Advertising Cooperative and FRANCHISEE shall have the obligation to provide such information within 10 days after Company's request to FRANCHISEE

(11) **Booking Service**

Company, at its discretion, may retain a company, which may be an affiliate or third party, to administer a booking and lead generation service (**"Booking Service"**) to assist in providing FRANCHISEE with appointment leads for the Services If and when offered, FRANCHISEE may utilize the Booking Service upon the terms and conditions set forth by the administrator (which may be an affiliate of Company or third party) FRANCHISEE may also use other booking, reservation, and lead generation systems and services so long as they comply with the marketing and advertising requirements set forth in this Paragraph 8 The Booking Service will not be exclusive to the System Company and its affiliates have the right to utilize the Booking Service for other businesses such as other retailers, franchise systems, or service providers, in any location, on any terms and conditions that Company or its designated affiliate or third party deem appropriate, without any compensation to FRANCHISEE, and regardless of their actual or threatened impact on sales at the Business Unit As with all supplier, vendor, and service provider payments, Company and its affiliates have the right to receive payments, discounts, or other consideration from approved service providers based upon their dealings with FRANCHISEE and/or the System, and Company and its affiliates may use the monies they receive without restriction FRANCHISEE's use of the Booking Service does not in any way, either express or implied, guarantee, represent, promise, or assure that FRANCHISEE will receive any customers or revenue

B **Independent Contractor**

FRANCHISEE is an independent contractor and is not an agent, partner, joint venturer, joint employer, or employee of Company, and no trust, confidential, or fiduciary relationship between the parties exists FRANCHISEE is an independent owner and operator of the Business Unit and is responsible for the day-to-day operations of the Business Unit FRANCHISEE shall be the sole and exclusive employer of its employees with the sole right to hire, discipline, discharge, and establish wages, hours, scheduling of employee hours and shifts, benefits, employment policies, and other terms and conditions of employment for its employees without consultation with or approval by Company Company shall have no control over the terms and conditions of employment of FRANCHISEE's employees FRANCHISEE shall comply with all applicable federal, state, and local employment, labor, and wage and hour laws and regulations, and FRANCHISEE acknowledges and agrees that all personnel decisions shall be made by FRANCHISEE, without any influence or advice from Company, and such decisions and actions shall not be, nor be deemed to be, a decision or action of Company FRANCHISEE shall have no right to bind or obligate Company in any way nor shall FRANCHISEE represent that FRANCHISEE has any right to do so In all public records and in FRANCHISEE's relationship with other persons, including but not limited to on stationery, business cards, and business forms and checks, and in emails and on social media and other electronic communications, FRANCHISEE shall indicate independent ownership of the Business Unit and that it is operated under a Franchise granted by Company, and if Company designates such language, then FRANCHISEE shall utilize such language FRANCHISEE shall exhibit at the Business Unit, in such places as may be designated by Company, for viewing by customers, third parties, and employees, a notification that the Business Unit is operated by an independent operator and not by Company FRANCHISEE shall file, and keep on file at all times in the proper public office for the locality involved, a statement showing the actual name of FRANCHISEE as the proprietor of its business, if such is required or permitted by the law of the state and for the locality where the Location is located FRANCHISEE shall not utilize any of the Marks or other indicia of the brand owned by Company or its affiliates in connection with any of FRANCHISEE's employment related documents, including without limitation, employment applications, employment agreements, paychecks, and benefit notices FRANCHISEE upon request will furnish Company with reasonable proof of its compliance with the terms of this Paragraph

C **Unfair Competition, Trade Secrets and Confidential Information**

(1) FRANCHISEE acknowledges the uniqueness of the System and that Company is making its knowledge, know-how, and expertise available to FRANCHISEE for the purpose of operating the Business Unit

FRANCHISEE agrees that it would be an unfair method of competition and a misuse of confidential information for FRANCHISEE to use or duplicate or to allow others to use or duplicate any of the knowledge, know-how, and expertise received from Company for any use other than for the operation of franchised Cellairis Business Units utilizing the System under the Marks FRANCHISEE, therefore, represents and warrants that during the Term of this Agreement, FRANCHISEE will utilize FRANCHISEE's best and continuing efforts to promote and develop the business at the Business Unit and during the Term hereof and at all times thereafter will not directly or indirectly engage in the operation of any business, other than the Business Unit and other Cellairis Business Units franchised from Company, which utilizes or duplicates the System, any trade secrets or confidential information of Company, or the Marks

(2) FRANCHISEE acknowledges and agrees that in connection with the operation of Cellairis Business Units and the System, Company has developed at great expense competitively sensitive proprietary and confidential information which are not commonly known by or available to the public This proprietary and confidential information does not include any information that (a) is commonly known by or available to the public other than as a result of the fault or breach of FRANCHISEE or by any agent, representative, and/or employee of FRANCHISEE, or any third party having a duty of confidentiality to Company or its affiliates, (b) has been voluntarily disclosed to the public by Company, (c) can be shown by overwhelming documentary evidence to have been independently developed by FRANCHISEE without reference to or using the confidential information or trade secrets of Company or its affiliates, or (d) can be shown by overwhelming documentary evidence to have otherwise entered the public domain through lawful means All information which comprises the System including the information and data in the Manual and any other materials provided to FRANCHISEE by Company or any of its affiliates will be presumed to be confidential information of Company Confidential information of Company and its affiliates shall include but in no way be limited to all financial, business, technical, and other information, including all copies thereof (including, without limitation, all agreements, files, books, methods, logs, charts, records, studies, reports, surveys, schedules, plans, statistical information, computer code, programs, software source documents, know-how, inventions, sales techniques, merchandising techniques, sales information, training techniques, product information and development, documentation, specifications, layouts, blue-prints, designs, financial information, marketing information, marketing initiatives, advertising campaigns, mall data, developer information, business plans, customer names and information, supplier names and information, policies, procedures, and franchise information) Failure to include a confidentiality notice on any materials disclosed to FRANCHISEE or any Bound Party

shall not give rise to an inference that the information disclosed is not confidential

(3) FRANCHISEE and each Bound Party (defined below) agree that while this Agreement remains in effect such party will not, directly or indirectly, disclose or publish to any party, or copy or use for such party's own benefit, or for the benefit of any other party, any of Company's proprietary or confidential information, except as required to carry out FRANCHISEE's obligations under this Agreement or as Company has otherwise expressly approved in writing All proprietary and confidential information of Company or its affiliates is the sole and exclusive property of Company or its affiliates as applicable FRANCHISEE and each Bound Party agree that the restriction contained in the preceding sentence will remain in effect with respect to the confidential information for 5 years following termination or expiration of this Agreement for any reason, provided, however, if the confidential information rises to the level of a trade secret, then such restriction shall remain in effect until such time as the information does not constitute a trade secret FRANCHISEE also agrees that it and all of its employees and agents will take appropriate steps to protect Company's or Company's affiliates' confidential information from any unauthorized disclosure, copying, or use At any time upon Company's request, and in any event upon termination or expiration of this Agreement, FRANCHISEE will immediately return any copies of documents where there are materials containing confidential information and will take appropriate steps to permanently delete and render unusable any confidential information stored electronically Nothing in this Agreement is intended to interfere with or discourage a good faith disclosure to any governmental entity related to a suspected violation of the law FRANCHISEE cannot and will not be held criminally or civilly liable under any federal or state trade secret law for disclosing otherwise protected trade secrets and/or confidential or proprietary information as long as the disclosure is made in (i) confidence to a federal, state, or local government official, directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law or (ii) a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal

D **Restrictive Covenants**

(1) Non-Competition during Term In addition to and not in limitation of any other restrictions on FRANCHISEE contained herein, FRANCHISEE, FRANCHISEE's spouse, and FRANCHISEE's Principal Owners, and, if FRANCHISEE is not an individual, its parents, subsidiaries, shareholders, members, partners, and managers, and to the extent that any owner of FRANCHISEE is an entity, each person who ultimately has an ownership interest in any

and all such entity or entities, as applicable, and each of the above-listed persons' spouses (each, a "**Bound Party**"), shall not, during the term of this Agreement, directly or indirectly, for and on behalf of itself, himself, herself, or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), within the United States or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, within the United States

(2) <u>Post-Term Non-Competition</u> In addition to and not in limitation of any other restrictions on FRANCHISEE contained herein, FRANCHISEE and each of the Bound Parties shall not, for a continuous and uninterrupted period of 2 years following the later of the following the occur (I) the effective date of termination or expiration of this Agreement for any reason, or (II) following the effective date of a transfer permitted under Paragraph 9 by FRANCHISEE or any Bound Party, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, or (III) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Paragraph 8 D, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating (i) at the Location, or (ii) within a 10 mile radius of the Location, or (iii) within the state in which the Business Unit is Located, or (iv) within a 10 mile radius of any Cellairis Business Unit in operation and existence as of the termination date, or (v) within the United States of America During the 2-year period following the effective date of termination or expiration of this Agreement, a complete listing of such Cellairis branded retail facilities operating under the Marks and the System will at all times be made available to FRANCHISEE by Company within 30 days after FRANCHISEE's written request to Company The 2-year period of this Post-Term Non-Competition covenant shall apply to FRANCHISEE and each Bound Party individually according to his, her, or its situation, transfer, ownership, expiration or termination, and not with respect to any time period applicable to any other Bound Party In addition, the 2-year period of this Post-Term Non-Competition covenant shall be extended for any Bound Party engaged in violating this covenant until 2 years after the violation has ceased

(3) General For purposes of this Agreement, the term "**Competitive Business**" means any business that (a) operates or grants franchises or licenses to others to operate retail or wholesale businesses that offer for sale, distribute, or sell, or (b) operates a business that offers for sale, distribute, or sell, or (c) provides services or assistance to others in the field of, or (d) offers services related to the retail or wholesale sale of the following products or services (i) wireless device accessories and/or related products for wireless devices, and/or (ii) wireless device repair services (other than another Cellairis Business Unit operated by FRANCHISEE under franchise agreement from Company) Neither FRANCHISEE nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if said Competitive Business's securities are listed on a recognized stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding The parties acknowledge that the covenants contained in Paragraph 8 D are based on the reason and understanding that FRANCHISEE and the Bound Parties will possess knowledge of Company's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Company, the System, and the franchisees FRANCHISEE acknowledges that it is being provided specialized training and operations' methods by Company that FRANCHISEE would not have otherwise known FRANCHISEE acknowledges Company's need for the covenants contained in Paragraph 8 D is reasonable and justified, and that such covenants are fair and reasonable Furthermore, FRANCHISEE acknowledges and agrees that FRANCHISEE, its owners, officers, directors, and other Bound Parties have the skills and intellect to operate, or be employed by, other businesses not within the scope of Competitive Businesses, and these restrictive covenants will not prohibit or hinder these individuals from earning income from other activities FRANCHISEE further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants If any part of this restriction is found to be unreasonable in scope of business, time or distance, such scope of business, time or distance may be reduced by appropriate order of the court or arbitrator to that deemed reasonable It is the expectation and intent of FRANCHISEE and Company that the restrictive covenants set forth in Paragraph 8 D shall be enforceable to the fullest extent permitted by law, specifically including, but not limited to, O C G A §§ 13-8-50 through 59, to protect the legitimate business interests of Company and that, in any action concerning the enforcement of any such covenant, if a court or arbitrator shall determine that any such

covenant is not in compliance with the provisions of O C G A §§ 13-8-50 through 59, or any other aspect of the law, then it is the expectation and intent of FRANCHISEE and Company that such court shall modify such covenant, as provided in O C G A § 13-8-53(d) and O C G A § 13-8-54(b), to make such covenant enforceable to the maximum extent permitted by law and shall grant such relief as is reasonably necessary to protect such legitimate business interests and to achieve the original intent of FRANCHISEE and Company in entering into this Agreement Company shall, as a matter of course, be entitled to apply for and shall receive interim, interlocutory, or permanent injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity Company shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived FRANCHISEE acknowledges that the restrictions imposed in this Paragraph are reasonable and their enforcement will not cause an undue burden upon FRANCHISEE's ability to earn a livelihood

(4) Post-Term Non-Solicitation of Customers In addition to and not in lieu of any other restrictions on FRANCHISEE contained herein, FRANCHISEE and the Bound Parties shall not, for 2 years following the effective date of termination or expiration of this Agreement for any reason, or following the date of a transfer by FRANCHISEE or any Bound Party, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, solicit, or attempt to solicit, directly or indirectly, any of the end-retail customers with whom FRANCHISEE or the Bound Party had "**Material Contact**" during the last 2 years of the Term of the Franchise Agreement, for the purpose of providing products or services competitive with those which were provided by FRANCHISEE from the Business Unit "Material Contact" exists between FRANCHISEE and the Bound Parties and each end-retail customer if FRANCHISEE dealt with the customer in an effort to further the actual or potential business relationship between customer and FRANCHISEE or Company Material Contact shall be deemed to exist between FRANCHISEE and any customer that purchased a Product or Service from the Business Unit and shall include but not be limited to all customers that FRANCHISEE has obtained contact information from such as their address, phone number, e-mail address, and/or Social Media connection

(5) FRANCHISEE understands and acknowledges that Company shall have the right, in its discretion, to reduce the scope of any covenant set forth in Paragraph 8 D in this Agreement, or any portion thereof, without FRANCHISEE's consent, effective immediately upon

receıpt by FRANCHISEE of wrıtten notıce thereof, and FRANCHISEE agrees that ıt shall comply forthwıth wıth any covenant as so modıfied, whıch shall be fully enforceable notwıthstandıng the provısıons of Paragraphs 13 H and 13 N hereof

E **Modıficatıons To The System**

FRANCHISEE understands and agrees that due to changes ın competıtıve cırcumstances, presently unforeseen changes ın the needs of customers, and/or presently unforeseen technologıcal ınnovatıons, the System may need to undergo changes ın order that ıt best serve the ınterests of FRANCHISEE, Company, and the System Accordıngly, FRANCHISEE expressly understands and agrees that Company may from tıme to tıme change the components of the System, deletıng from or modıfyıng those Products, Parts, and Servıces that the Busıness Unıt ıs authorızed to offer, and changıng, ımprovıng, or modıfyıng the Marks Subject to the other provısıons of thıs Agreement, FRANCHISEE expressly agrees to abıde by any such modıficatıons, changes, addıtıons, deletıons, and alteratıons and acknowledges that such modıficatıon, changes, addıtıons, deletıons, and alteratıons may requıre further expendıtures by FRANCHISEE Further, FRANCHISEE agrees to execute any and all documents necessary to effectuate the changes Changes ın software programs or other changes ın the System may requıre FRANCHISEE to upgrade ıts poınt of sale system and ıncur costs ın obtaınıng other or addıtıonal computer hardware, equıpment, and software

F **Use of FRANCHISEE's Images**

FRANCHISEE grants to Company an ırrevocable, worldwıde, royalty-free lıcense to use FRANCHISEE's (and FRANCHISEE's owners' and employees') lıkeness, trade name, trademarks, ımages, ımages of the Busıness Unıt, or other proprıetary marks and all ıntellectual property and ıntellectual property rıghts now owned or hereafter adopted, acquıred, owned, or developed by FRANCHISEE (provıded that such proprıetary marks, ıntellectual property and ıntellectual property rıghts are related to the Busıness Unıt or any agreement between FRANCHISEE and Company or one of ıts affilıates), ın any manner Company deems approprıate ın Company's sole and absolute dıscretıon, ıncludıng Company's use through the websıte representatıon descrıbed ın Paragraph 8 A (6) Thıs provısıon shall survıve the termınatıon or expıratıon of thıs Agreement The rıghts granted hereın wıth respect to FRANCHISEE's owners and employees ıs lımıted to photographs, vıdeos, and other lıkenesses obtaıned durıng normal busıness hours ın conjunctıon wıth the operatıon of the Busıness Unıt FRANCHISEE represents and warrants to Company that ıt wıll have all requısıte permıssıons, authorızatıons, and acknowledgements from such ındıvıduals, and hereby ındemnıfies Company from any and all claıms from any such ındıvıduals

G Use and Assignment of FRANCHISEE Developments

FRANCHISEE agrees to disclose to Company all ideas, concepts, methods, techniques, and products conceived or developed by FRANCHISEE, its affiliates, owners, agents, or employees during the term of this Agreement relating to the development and/or operation of, and/or products and services offered at, the Business Unit FRANCHISEE hereby grants to FRANCHISOR and agrees to procure from its affiliates, owners, agents, or employees a perpetual, non-exclusive, and worldwide right to use any such ideas, concepts, methods, techniques, and products in all retail wireless device accessory and wireless device repair businesses operated by Company or its affiliates, franchisees, licensees, and designees Company shall have no obligation to make any payments to FRANCHISEE with respect to any such ideas, concepts, methods, techniques, or products FRANCHISEE agrees that FRANCHISEE will not use or allow any other person or entity to use any such concept, method, technique, or product without obtaining Company's prior written approval

9 ASSIGNMENT AND TRANSFER CONDITIONS AND LIMITATIONS

A Personal Grant

This Agreement and the Franchise grant are personal to FRANCHISEE, and FRANCHISEE and/or its Principal Owners shall not sell, assign, or transfer this Agreement, or all or substantially all of the assets of the Franchise or Business Unit, or any direct or indirect ownership interest in FRANCHISEE, or any right or ownership interest in the Franchise granted, or the Location, or the Business Unit, nor permit any such assignment or transfer to occur directly, indirectly or contingently by agreement or by operation of law without the prior written consent of Company, as evidenced by a formal consent, in the form specified by Company, and executed by an authorized officer of Company Any such transfer or assignment is referred to herein as an "**Assignment**" or a "**Transfer**" and is subject to rules and procedures set forth in this Agreement, and by Company in writing, including obtaining Company's consent and approved as described herein Any purported Transfer undertaken without the prior written consent of an officer of the Company shall be null and void

B No Pledge

FRANCHISEE shall not pledge, mortgage, hypothecate, give, or create as security for an obligation, or in any manner encumber this Agreement or the Franchise granted herein except with the express prior written consent of Company

C Death/Incapacity

In the event of the death or incapacity of FRANCHISEE or, if this Agreement has been assigned to an entity, the death of the majority owner of such entity, Company shall consent to a Transfer of decedent's interest to the then heirs, surviving spouse, or partner or shareholder owning at least twenty-five percent (25%) of such entity (collectively and individually an **"Heir"**), subject to the following conditions

(1) The Heir must complete and be approved through Company's standard franchisee selection process including satisfactorily demonstrating to Company that the Heir meets the financial, character, ownership, and managerial criteria and such other criteria and conditions as Company shall then be applying in considering applications for new franchises,

(2) The Heir shall have successfully completed Company's Initial Training,

(3) The Heir shall agree, in writing, to assume liability for and to perform all the terms and conditions of this Agreement to the same extent as the original franchisee,

(4) If the Heir is not approved or there is no Heir, the estate of the deceased shall use its best efforts to sell the Business Unit to an acceptable party within 9 months from the date of FRANCHISEE's death or incapacity, and Company shall have an option, but not the obligation, to operate and/or manage the Business Unit for the account of FRANCHISEE's estate until the deceased or incapacitated FRANCHISEE's interest is transferred to another party acceptable to Company Should Company elect to operate and/or manage the Business Unit, Company shall make a complete accounting and shall forward the net income from the operation to FRANCHISEE's estate, less expenses and a reasonable management fee If the conveyance of the Business Unit to a party acceptable to Company has not taken place within the 9-month period, Company shall have the option to terminate this Agreement

D <u>Transfer/Assignment</u>

If FRANCHISEE and its owners are in substantial compliance with the terms of this Agreement, Company shall not unreasonably withhold its approval of a Transfer or an Assignment of this Agreement, any rights in this Agreement, all or substantially all of the assets of the Franchise or Business Unit, or any direct or indirect ownership interest in FRANCHISEE, provided that the proposed assignee or transferee, in the opinion of Company, has sufficient business experience, aptitude, character, and financial resources to own and operate the Business Unit and otherwise meets Company's then applicable standards for new franchisees, and further provided that the following conditions are met prior to or concurrent with the effective date of the Transfer

(1) The Assignment is conducted in compliance with applicable laws and regulations Company reserves the right as a condition to its approval to obtain a copy of the purchase agreement and any other agreements between FRANCHISEE and transferee Company's approval of the Transfer after receipt and/or review of such documents in no way, directly or indirectly, constitutes an assurance, approval, representation, or warranty of any kind, express or implied, as to the suitability, accuracy, or completeness of the submitted documents for the Transfer or for any other purpose,

(2) FRANCHISEE has performed its obligations and duties under this Agreement and FRANCHISEE is not in default under this Agreement, or any other agreement with Company or its affiliates,

(3) FRANCHISEE and transferee have satisfied all of their obligations, including all financial obligations, to Company, Company's affiliates, and suppliers under this Agreement and all other agreements they have with Company whether relating to this Franchise or any other franchise or license with Company or its affiliates,

(4) FRANCHISEE, including all officers, directors, shareholders, all guarantors under this Agreement, and the assignee/ transferee, must execute a general release, in the form which is utilized by Company, of any and all claims against Company, Company's affiliates, and their respective officers, directors, employees, and agents,

(5) The transferee pays a transfer fee to Company of $20,000 for a Full Store, $15,000 for an Interactive Kiosk, or $5,000 for an RMU in lieu of the initial Franchise Fee FRANCHISEE shall promptly notify Company in writing of its request for transfer Upon FRANCHISEE's written request for transfer, 50% of the transfer fee shall be payable to Company, and this sum is non-refundable under any circumstance including in the event that Company does not approve the transfer The remaining fifty percent (50%) is due at the time Company executes the transfer approval document,

(6) The transferee agrees to assume all liabilities and obligations from the prior operation of the Business Unit, including the Occupancy Agreement, and comply with other reasonable requirements Company may impose,

(7) The transferee and/or transferee's management team, including a designated manager, successfully complete the Initial Training program,

(8) The transferee updates and remodels the Business Unit to comply with the then-current standards of Company including purchasing all required furniture, fixtures, and equipment to conform to the then-current System standards,

(9) If Company approves an Assignment or Transfer, Company may, in its discretion, require FRANCHISEE and the guarantors to remain liable for the full and faithful performance of all obligations of the transferee for the remainder of the Term, and

(10) Company's Right of First Refusal Company has a right of first refusal regarding any proposed Transfer or Assignment subject to this Agreement Within 10 days of having received an offer, FRANCHISEE shall provide Company with a true and complete copy of the offer received by FRANCHISEE (and any ancillary agreements, documents or other relevant information) Company shall elect whether to exercise its first right of refusal within 10 days of having received a copy of the offer If there are material changes in the terms of the sale, Company will have additional rights of first refusal and an additional 10 days to consider the revised offer If Company does not exercise its right of first refusal within the time periods set out herein, provided FRANCHISEE has otherwise satisfied the requirements set out in this Paragraph 9 D, FRANCHISEE shall be permitted to assign this Agreement Company's rights under this provision are fully transferable

FRANCHISEE agrees that the foregoing requirements to an Assignment or Transfer are reasonable conditions upon which Company may grant or withhold its consent

E **By Company**

Company shall have the right to sell, assign, transfer, or otherwise dispose of or deal with any or all of its rights and obligations under this Agreement to any individual, firm, association, bank, lending institution, corporation, or other third party (including any affiliates) as it may in its discretion deem appropriate In the event of any such sale, assignment, transfer, or other disposition, Company and its affiliates shall be released from any liability under this Agreement for the obligations transferred, except to the extent that such obligations relate to periods prior to such sale, assignment, transfer, or other disposition This Agreement may be unilaterally assigned by Company and shall inure to the benefit of its successors and assigns FRANCHISEE agrees and affirms that Company or its affiliate may sell itself, its assets, the Marks, and/or the System to a third-party, may go public, may engage in private placement of some or all of its securities, may merge, acquire other corporations, or be acquired by another corporation, and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring Notwithstanding anything to the contrary, FRANCHISEE further agrees and affirms that Company and its affiliates have the right, now or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or non-competitive franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise, or license those businesses and/or facilities as Cellairis Business Units operating under the Marks or any other marks following Company's purchase, merger, acquisition, or affiliation, regardless of the location of these facilities, which FRANCHISEE acknowledges may be proximate to any of FRANCHISEE's Cellairis Business Units With regard to any of the above sales, assignments, and dispositions, FRANCHISEE expressly and specifically waives any claims, demands, or damages arising from or related to the loss of Company's name, the Marks (or any variation thereof), and the System and/or the loss of association with or identification of Company under this Agreement If Company assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Company or its affiliates to remain in the Cellairis business or to offer or sell any products or services to FRANCHISEE

F **Sales Assistance By Company**

Upon the written request of FRANCHISEE, Company will, in its discretion, utilize its reasonable commercial efforts to assist FRANCHISEE in locating a purchaser for the Business Unit and in the sale of the Business Unit and the transfer of Franchise Agreement to a third party purchaser in exchange for payment by FRANCHISEE to Company of 20% of the gross total sales price

G **Insolvency or Bankruptcy**

If FRANCHISEE or any person holding any interest (direct or indirect) in FRANCHISEE becomes a debtor in a proceeding under the Bankruptcy Code or any similar law in the U S or elsewhere, it is the parties' understanding and agreement that any Transfer of FRANCHISEE, FRANCHISEE's obligations and/or rights hereunder, any material assets of FRANCHISEE, or any indirect or direct interest in FRANCHISEE shall be subject to all of the terms of this Paragraph 9, including without limitation the terms of Paragraph 9 A and 9 D

10 DEFAULT AND EFFECT OF TERMINATION

A **Default**

If an act of default hereunder is committed by FRANCHISEE, and FRANCHISEE fails to cure the default after any required notice and within the applicable cure period, Company may, at its option and without prejudice to any other rights or remedies provided for hereunder or by law, terminate this Agreement by written notice The applicable cure period shall be as described below but if a cure period is not specifically mentioned in a Subparagraph, it shall be 15 days In some cases, as identified below, no cure period is allowed and no prior notice may be required

If any applicable law or rule requires a longer notice period or a longer cure period than that provided herein, then the period required under the law or rule shall be substituted for the requirements herein The following are acts of default and shall be good cause for termination

(1) FRANCHISEE fails to operate the Business Unit in accordance with the operating standards and specifications established from time to time by Company FRANCHISEE shall have 5 days after notification to cure the default,

(2) FRANCHISEE sells any Product, Service, or product (including unapproved products) in violation of this Agreement (other than failure to comply with the requirements of Paragraph 5 C , in which case Sub-paragraph (28) below shall govern) FRANCHISEE shall have 5 days after notification to cure the default,

(3) FRANCHISEE purchases and displays for sale any trademarked items that are not authorized or licensed by the trademark owner and those items were not purchased from an approved Company supplier, then Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity cure ,

(4) FRANCHISEE fails to sell all such required Products or provide all such required Services as are or may be designated by Company from time to time, FRANCHISEE shall have 5 days after notification to cure the default,

(5) FRANCHISEE uses equipment not approved by Company FRANCHISEE shall have 5 days after notification to cure the default,

(6) FRANCHISEE fails to maintain the Business Unit in good condition and repair, or fails to make all improvements, alterations, or remodeling requirements as may be determined by Company to be reasonably necessary as and when required,

(7) FRANCHISEE fails to pay when due any monies owed to Company including but not limited to any Royalty to Company FRANCHISEE shall have 5 days after notification to cure the delinquency,

(8) FRANCHISEE fails to pay when due any amount owed to an affiliate of the Company including but not limited to amounts owed for Products or other materials, equipment, or services

FRANCHISEE shall have 5 days after notification to cure the delinquency,

(9) FRANCHISEE (i) fails to submit any financial or other information required by this Agreement or (ii) knowingly submits a financial statement that understates Gross Sales If this act of default occurs, Company shall have the right to immediately terminate this Agreement without notice and FRANCHISEE shall have no opportunity to cure,

(10) FRANCHISEE abandons the franchise relationship without the prior consent of Company at any time during the Term of this Agreement The cessation of operation of the Business Unit at the Location other than with the consent of Company, whether the Location remains vacant or is converted to another use, shall be considered abandonment of the franchise relationship, provided, however, that the Business Unit shall not be deemed abandoned if the cessation is due to circumstances beyond FRANCHISEE's reasonable control (such as lack of electrical power, weather conditions, earthquakes, strikes, and the like) and FRANCHISEE diligently undertakes to resume operations after the reason for such cessation has been abated If this act of default occurs, Company shall have the right to immediately terminate this Agreement without notice and FRANCHISEE shall have no opportunity to cure,

(11) FRANCHISEE (if FRANCHISEE consists of more than one person, the majority owner, and if the FRANCHISEE is a corporation, the corporation) files a petition or application seeking any type of relief under the Bankruptcy Code or any state insolvency or similar law, or someone files a petition or application seeking to have FRANCHISEE adjudicated in bankruptcy court, or seeking other relief against FRANCHISEE under the Bankruptcy Code or any state insolvency or similar law and the petition or application is not dismissed within 90 days after it is filed Subject to the applicable law, the franchise shall terminate immediately without notice or cure period upon the occurrence of this act of default as if that date were the expiration date and FRANCHISEE expressly and knowingly waives any rights that FRANCHISEE may have under the provisions of the Bankruptcy Code and consents to the termination of this Agreement or any other relief which may be sought in a complaint filed by company to lift the provisions of the automatic stay of the Bankruptcy Code Additionally, FRANCHISEE agrees not to seek an injunctive order from any court in any jurisdiction relating to insolvency, reorganization, or

arrangement proceedings that would have the effect of staying or enjoining this provision,

(12) FRANCHISEE admits in writing FRANCHISEE's inability to pay FRANCHISEE's debts as they mature or makes an assignment for the benefit of creditors, or a receiver (permanent or temporary) for any part of FRANCHISEE's property is appointed by a court of competent authority If this act of default shall occur, Company will have the right to immediately terminate this Agreement without notice and FRANCHISEE shall have no opportunity to cure,

(13) A final judgment against FRANCHISEE remains unsatisfied of record for 30 days (unless a supersedeas or other appeal bond has been filed) or if a levy of execution is made upon the Franchise granted by this Agreement or upon any property used in the Business Unit, and it is not discharged within 5 days of said levying,

(14) Conviction of FRANCHISEE or, if FRANCHISEE is a corporation or other entity, conviction of the corporation or other entity or an officer, director, manager, or shareholder of the corporation or other entity in a court of competent jurisdiction of an indictable offense punishable by a term of imprisonment in excess of 1 year If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(15) FRANCHISEE uses or duplicates the System or engages in unfair competition in violation of this Agreement or discloses any trade secrets or confidential information of Company in violation of this Agreement If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(16) FRANCHISEE denies Company the right to inspect the Business Unit or to audit the sales and accounting records of the Business Unit If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(17) Conduct by FRANCHISEE which is deleterious or reflects unfavorably on FRANCHISEE or the System by exhibiting a reckless disregard for the physical and mental well being of employees, customers, Company representatives, or the public at large including, but not limited to, battery, assault, sexual harassment, discrimination, other forms of threatening, outrageous,

or unacceptable behavior, or a violation of any condition imposed on FRANCHISEE by the lessor or licensor regarding behavior or dress code If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(18) Failure by FRANCHISEE to maintain a responsible credit rating by failing to make prompt payment of undisputed bills, invoices, and statements from suppliers of goods and services to the Business Unit,

(19) The sale, assignment, merger, or transfer of any interest of FRANCHISEE in this Agreement in violation of this Agreement,

(20) Failure to restore the Business Unit after damage or destruction,

(21) The knowing and intentional submission by FRANCHISEE of a franchise application and/or other form which contains any false or misleading material statements or omits any material fact If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity cure,

(22) Failure to timely open the Business Unit for business or failure to satisfactorily complete the Initial Training program If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(23) Failure to timely pay any License Payment or other money due to the lessor, licensor, sublessor or sub-licensor (which may include Company or an affiliate of Company as sublessor or sub-licensor) under the applicable Occupancy Agreement, or default under any other term of the Occupancy Agreement within any applicable cure period FRANCHISEE shall have 5 days after notification to cure such default, provided, however, in the event, following a filing or petition in bankruptcy under the US Bankruptcy Code, FRANCHISEE fails to assume the Occupancy Agreement within the time period required under applicable law, this Agreement shall terminate without opportunity to cure,

(24) Failure to maintain insurance in strict compliance with this Agreement,

(25) If required by Company, FRANCHISEE fails to provide a valid credit/charge card that FRANCHISEE has the authority to authorize

Company and any affiliate of Company to process FRANCHISEE shall have 5 days after notification to cure the default,

(26) If required by Company, FRANCHISEE fails to provide a valid bank account that FRANCHISEE has the authority to authorize Company and any affiliate of Company to electronically debit funds FRANCHISEE shall have 5 days after notification to cure the default,

(27) Failure to cure a default FRANCHISEE has under any other agreement with Company or an affiliate within the applicable cure period If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(28) Failure to strictly comply with the requirements of Paragraphs 5 C and 6 F of this Agreement (including the sale from the Business Unit of products which were not purchased by FRANCHISEE in accordance with the requirements of Paragraph 5 C) If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(29) Failure to strictly comply with the requirements of Paragraph 6 I of this Agreement (including the requirement in the event that an inspection determines that there has been a violation of Paragraphs 5 C or 6 F , Company may require FRANCHISEE to immediately close the Business Unit and/or discontinue all sales from the Business Unit and/or discontinue providing some or all of the products and services unless and until any and all such violative products, services, and representations are removed from the Business Unit and the Location) If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(30) FRANCHISEE (a) misuses or makes an unauthorized use of or misappropriates any Marks, (b) commits any act which can be reasonably expected to materially impair the goodwill associated with any Mark, (c) challenges Global Cellular, Inc 's ownership of the Marks, (d) files a lawsuit involving the Marks without Company's consent, or (e) fails to cooperate with Company or Global Cellular, Inc in the defense of any Mark If this act of default shall occur, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE but with no opportunity to cure,

(31) FRANCHISEE fails to satisfy the Minimum Monthly Inventory requirements under Paragraph 6 S, and fails to cure such default as provided for, and within the time provided in, Paragraph 6 S,

(32) Notwithstanding any other provision, if FRANCHISEE commits two breaches or defaults of this Agreement, regardless of whether the second breach or default occurs contemporaneously with the first or any time thereafter, regardless of whether the second breach or default relates to the same or different type of breach or default as the first or falls within the same default subsection as the first event of default, and regardless of whether any of the breaches or defaults are subject to an opportunity to cure or have been cured, upon the second breach or default by FRANCHISEE of this Agreement at any time during the Term, Company shall have the right to terminate this Agreement, such termination to be effective upon notice to FRANCHISEE with no opportunity to cure,

(33) If FRANCHISEE allows any dispute, disagreement, or controversy between or among partners, managers, owners, officers, directors, or stockholders of FRANCHISEE which, in Company's opinion, adversely affects the operation of FRANCHISEE or the Business Unit, or

(34) Failure by FRANCHISEE to comply with any other provisions of this Agreement

The failure of Company to terminate this Agreement upon the occurrence of one or more events of default will not constitute a waiver or otherwise affect the right of Company to terminate this Agreement because of a continuing or subsequent failure to cure one or more of the aforesaid events of default or any other default

In addition to, and notwithstanding the Attorneys' Fee provision in Paragraph 13 K hereof, (i) in the event of FRANCHISEE'S default under Paragraph 10, (ii) in the event of any instance of non-compliance with this Agreement, the Manual, or other policies and System Standards by FRANCHISEE, for which Company notifies FRANCHISEE of such default or non-compliance, (iii) if FRANCHISEE cures a default, or (iv) if Company, in its discretion, elects not to terminate this Agreement upon the occurrence of one or more events of default, then for any of these events, Company may require FRANCHISEE to pay an administrative fee to Company in the amount of $1,000 per occurrence, plus any and all of Company's costs and expenses to enforce compliance by FRANCHISEE or to cure such default, including but not limited to, reasonable accountants', attorneys', investigators', and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses, travel, and living expenses, whether incurred prior to, in preparation for, in contemplation of, or in connection with the filing of any judicial or arbitration proceeding to enforce this Agreement Such administrative fee and other charges are intended to reimburse Company for its time, expense, and other expenditure of resources incurred due to FRANCHISEE's default or non-compliance Company's decision to require FRANCHISEE to pay such administrative fee shall be without prejudice to Company's right to terminate this Agreement and/or to terminate any other rights, options, or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement FRANCHISEE shall be responsible for its own such costs and expenses

B **FRANCHISEE's Right to Terminate**

If FRANCHISEE is in substantial compliance with all terms of this Agreement and Company materially breaches this Agreement and fails to cure such breach within 60 days after written notice thereof is delivered to Company, FRANCHISEE may terminate this Agreement Such termination shall be effective 30 days after delivery to Company of written notice that such breach has not been cured (*i e* 90 days after the first notice) and that FRANCHISEE elects to terminate this Agreement A termination (or attempted termination) by FRANCHISEE other than in strict compliance with the foregoing shall be deemed a termination by FRANCHISEE without cause and a material breach of this Agreement

C **Cross-Defaults**

Any default or breach by FRANCHISEE, its affiliates and/or any guarantor of FRANCHISEE of any of the underlying agreements ancillary to this Agreement including but not limited to any Occupancy Agreement relating to the Location will be deemed a default under this Agreement

Any default or breach by FRANCHISEE, its affiliates and/or any guarantor of FRANCHISEE of any other franchise agreement for a Cellairis Business Unit between Company and FRANCHISEE and/or its affiliates or any guarantor of FRANCHISEE will be deemed a default under this Agreement

Any default or breach by FRANCHISEE, its affiliates and/or any guarantor of FRANCHISEE of any other agreement between Company or its affiliates and FRANCHISEE and/or such other parties will be deemed a default under this Agreement

FRANCHISEE's "affiliates" means any persons or entities controlling, controlled by, or under common control or ownership with FRANCHISEE

D **Suspension of Rights and Services**

FRANCHISEE acknowledges that upon FRANCHISEE's failure to remedy any default specified in any written notice issued to FRANCHISEE under Paragraph 10 A , Company also has the right to (i) cease providing any operational support or services until FRANCHISEE complies to Company's satisfaction with the written notice, (ii) suspend access and use of any websites or intranets owned or operated by Company, (iii) ceasing providing Parts and Products to FRANCHISEE, and (iv) cease having affiliates of Company and authorized and approved third party suppliers provide products and support to FRANCHISEE If Company exercises Company's right to suspend FRANCHISEE's rights, Company will only do so after FRANCHISEE's cure period under the written notice of default has expired FRANCHISEE agrees that Company's exercise of these rights will not constitute an actual or constructive termination of this Agreement nor will it constitute Company's sole and exclusive remedy If Company exercises Company's right not to terminate this Agreement but to implement such suspension and/or removal, Company reserves the right at any time after the appropriate cure period under the written notice has lapsed, to, upon written notice to FRANCHISEE, terminate this Agreement without giving FRANCHISEE any additional corrective or cure period During any period of suspension, all fees due under this Agreement shall continue to be payable by FRANCHISEE Additionally, if FRANCHISEE is in default under this Agreement, Company has the right to withhold or condition Company's consent or approval if needed until FRANCHISEE cures all defaults Company's election of the suspension rights as provided above shall not be a waiver by Company of any breach of this Agreement or any other term, covenant or condition of this Agreement

11 EFFECT OF TERMINATION

Upon termination, expiration or transfer of this Agreement for any reason whatsoever, all of FRANCHISEE's rights hereunder shall terminate and FRANCHISEE shall comply with the provisions set forth below Furthermore, if the termination is the result of FRANCHISEE's breach or default under this Agreement (including FRANCHISEE's abandonment of the franchise relationship without the prior written consent of Company), Company shall, in addition to its rights as set forth below, also be entitled to pursue any and all rights and recover all damages available at law or in equity To that end, FRANCHISEE acknowledges and confirms that by granting FRANCHISEE the Franchise, Company lost the opportunity to grant a franchise to another person or entity or to itself to own and operate a Cellairis Business Unit at the Location Additionally, FRANCHISEE confirms that Company and its affiliates, including but not limited to Global Cellular, Inc , will suffer substantial damages by virtue of the termination of this Agreement, including, without limitation, lost future Royalty payments, lost advertising fees, lost future profits, lost market penetration and goodwill, lost opportunity costs, and the expense Company and its affiliates will incur in developing another franchise for the Location, which damages Company shall have the right to recover from FRANCHISEE

A **Discontinue Use of Marks and Intellectual Property**

FRANCHISEE shall immediately thereafter discontinue use of the System and all Marks, signs, colors, structures, printed goods and forms of advertising indicative of Company's business, patented products, patented equipment, patented fixtures, equipment, fixtures, and all other intellectual property of Company or its affiliates, and return any Manual and any copyrighted materials which have been provided to FRANCHISEE by Company, and if Company requests, shall assign its telephone number(s) to Company and execute any and all documents necessary to do so FRANCHISEE and each guarantor (if any) hereunder agree, that in the event any such party continues to operate or subsequently begins to operate any business, they will not use any reproduction, counterfeit, copy, or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute Global Cellular, Inc 's or Company's rights in and to the Marks and further agree not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Company or Global Cellular, Inc constituting unfair competition FRANCHISEE and each guarantor shall not use any patented products, patented equipment, patented fixtures, equipment, fixtures, or other intellectual property of Company or its affiliates

FRANCHISEE shall immediately assign to Company or its designee all of FRANCHISEE's rights, title, and interest in the telephone numbers, telephone directory listings and advertisements, website URLs (whether acquired by FRANCHISEE in accordance with or in violation of this Agreement), e-mail addresses, online social media websites, pages, or accounts, and governmental licenses or permits used for the operation of the Business Unit Contemporaneous with FRANCHISEE's execution of this Agreement, FRANCHISEE will execute the Internet Web Sites and Telephone Listings Agreement attached hereto as **Exhibit "3"**

B **Pay Amounts Due**

FRANCHISEE shall immediately pay all amounts due to Company, its affiliates, and all other suppliers, as of the date of termination Termination of this Agreement shall not terminate any monetary obligation that FRANCHISEE may owe Company, its affiliates, or any other person or entity as may be required by this Agreement, and shall not entitle FRANCHISEE to any refund of any monies previously paid pursuant to the terms of this Agreement

C **Return Confidential Materials**

FRANCHISEE shall immediately return to Company any and all materials that contain confidential information in whatever form, including but not limited to any operations manuals and materials

D Surviving Obligations

FRANCHISEE's obligations regarding trade secrets, confidential information, non-competition, and non-solicitation shall remain in full force and effect in accordance with their terms, notwithstanding such termination, transfer, or expiration

E Lease or License

If FRANCHISEE enters into an Occupancy Agreement for the site for the Business Unit, FRANCHISEE is required to execute the then current Conditional Lease Assignment Agreement (**Exhibit "2"**) Company may exercise the option to assume Franchisee's Occupancy Agreement within 30 days after either termination or expiration of this Agreement or within 30 days of notice by FRANCHISEE's landlord of its intent to terminate the Occupancy Agreement If FRANCHISEE is a lessee, sublessee, licensee, or sub-licensee of Company or its affiliate, Company or its affiliate has the option to terminate FRANCHISEE's sublease or sub-license in accordance with the provisions of said sublease or sub-license In any event, Company, in its discretion, without incurring any liability to FRANCHISEE, and without obtaining any legal process or any consent from FRANCHISEE, shall have the right and is hereby empowered to take possession of the Location demised by the Occupancy Agreement, expel FRANCHISEE therefrom, and in such event, FRANCHISEE shall have no further right, title, or interest in the Occupancy Agreement In the event that Company does not elect to exercise its option to acquire the Occupancy Agreement for the Location, FRANCHISEE shall make such modifications or alterations to the Location immediately upon termination or expiration as may be necessary to distinguish the appearance of such Location from that of other Cellairis Business Units under the System and shall make such specific additional changes thereto as Company may reasonably request for that purpose, and shall cease using, and shall remove, any Marks, patented products, patented equipment, patented fixtures, or any other intellectual property of Company or its affiliates If FRANCHISEE fails to modify the exterior and interior decor of the Business Unit and the Location as Company requires to eliminate its identification as a Cellairis Business Unit (including the removal of all signs bearing the Marks and all intellectual property elements), Company may take such action to modify the exterior and interior decor of the Business Unit and the location and charge FRANCHISEE for cost of such action FRANCHISEE shall immediately pay Company for the cost of any action taken by Company to modify the exterior and interior decor of the Business Unit and the location Without limiting the foregoing, upon the expiration or termination of this Agreement, Company and its agents and representatives have the right, without incurring any liability to FRANCHISEE, to enter the location or any other premises where the books, records, accounts, or other assets used in connection with the Business Unit are kept, to enforce the provisions of this Paragraph 11, without obtaining any legal process or any consent from FRANCHISEE If Company or its affiliate assumes the Occupancy Agreement for the location, FRANCHISEE shall remain liable for all of its obligations in connection with the prior operation by FRANCHISEE of the Business Unit, and Company assumes no such obligations, contractual or otherwise, including without limitation FRANCHISEE's obligations to pay rent or license fees, salaries, vendors or applicable taxes

12 COMPANY'S RIGHT TO PURCHASE PERSONAL PROPERTY

Within 45 days after the termination or expiration of this Agreement, but not upon an approved Transfer, Company shall have an option, but not an obligation, to buy and FRANCHISEE hereby agrees to sell to Company or its affiliates all of FRANCHISEE's right, title, and interest in any or all Products, Parts, fixtures (including the physical Interactive Kiosk structure (the **"Structure"**)), equipment, inventory, supplies, furniture, improvements, POS system, and other personal property used in connection with the operation of the Business (**"Personal Property"**) The purchase price of the fixtures, equipment, supplies, Structure, furniture, improvements, POS system, and other Personal Property shall be the amortized book value and the purchase price of the inventory shall be the lesser of cost or fair market value The purchase price shall be paid in cash at the closing of the purchase which shall take place no later than 30 days after FRANCHISEE's receipt of notice from Company of its intent to exercise its option to purchase FRANCHISEE will transfer the Personal Property free and clear of all liens and encumbrances, with all sales and transfer taxes paid by FRANCHISEE Company shall have the right to set off against and reduce the purchase price by any and all amounts FRANCHISEE owes to Company and its affiliates At the closing, FRANCHISEE and its Principal Owners shall execute general releases, in a form satisfactory to Company, of any and all claims against Company and its owners, officers, employees, directors, agents, affiliates, successors, and assigns If Company fails to exercise its rights within the time periods set forth above, FRANCHISEE shall be free to otherwise sell or dispose of the property

13 DISPUTE RESOLUTION, INTERPRETATION, GENERAL CONDITIONS

A <u>Interpretation</u>

Paragraph captions are used only for convenience and are in no way to be construed as part of this Agreement or as a limitation of the scope of the particular paragraphs to which they refer Words of any gender used in this Agreement shall include any other gender, and words in the singular shall include the plural, where the context requires

B <u>Non-Waiver</u>

The failure of Company to exercise any right or option given to it under this Agreement, or to insist upon strict compliance by FRANCHISEE with the terms and conditions of this Agreement shall not constitute a waiver of any terms or conditions of this Agreement with respect to any other or subsequent breach, nor a waiver by Company of its right at any time thereafter to require exact and strict compliance with the terms and conditions of the Agreement The rights or remedies set forth in this Agreement are in addition to any other rights or remedies that may be granted by law

C **Governing Law, Forum and Compliance**

(1) Validity This Agreement shall become valid when executed and accepted by Company

(2) Governing Law The Parties agree that the Agreement is deemed made and entered into in the State of Georgia Except to the extent provided by the Federal Arbitration Act (9 U S C § 1 *et seq*) (**"FAA"**) as required hereby, the United States Trademark Act of 1946 (Lanham Act, 15 U S C §1051 *et seq*), or other applicable federal law, the terms of this Agreement are to be interpreted and construed in accordance with the laws of the State of Georgia without regard to its conflicts of laws provisions All matters relating to arbitration will be governed by the FAA

(3) Venue For resolution of any dispute that is not subject to mandatory arbitration under **Paragraph 13 D**, including without limitation, any claims or actions under the Bankruptcy Code, FRANCHISEE and the Bound Parties

a hereby submit and irrevocably consent to the exclusive jurisdiction and venue of the U S District Court for the Northern District of Georgia, Atlanta Division, or to the Superior Court of the State of Georgia located in Fulton County, Georgia, and

b agree not to raise and hereby irrevocably waive, to the fullest extent permitted by law, any objection based upon *forum non conveniens* or any other objection it may now have or hereafter have to venue in the U S District Court for the Northern District of Georgia, Atlanta Division, or to the Superior Court of the State of Georgia located in Fulton County, Georgia It is the express intent of the parties, that in the event a resolution of any dispute is not subject to arbitration under **Paragraph 13 D**, then the parties agree that all claims must be brought only in the above-mentioned courts

(4) Jurisdiction The Parties hereby explicitly and knowingly waive any objection based on the exercise of personal jurisdiction in the

District Court for the Northern District of Georgia, Atlanta Division or to the Superior Court of the State of Georgia located in Fulton County, Georgia and agree that the exercise of personal jurisdiction therein is proper

(5) Waiver of Right to Trial by Jury **THE PARTIES EXPRESSLY AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO A TRIAL BY JURY, IF ANY**

(6) Right to Equitable Relief Nothing in this Agreement affects Company's right to obtain injunctive relief against threatened conduct that will cause irreparable harm, under the usual equity rules including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions

(7) Conduct of Business Anything in this Agreement to the contrary notwithstanding, FRANCHISEE shall conduct its business in a lawful manner and faithfully comply with applicable laws or regulations of the United States and the state, city or other political subdivision in which the Business Unit is located

D Arbitration

(1) Claims Subject to Arbitration Subject to **Paragraph 13 D (2)**, the parties agree that all controversies, claims, or disputes between Company and FRANCHISEE arising out of or relating to

a This Agreement or any other agreement between Company and FRANCHISEE,

b The relationship between FRANCHISEE and Company,

c The scope and validity of this Agreement or any other agreement between Company and FRANCHISEE, specifically including whether any specific claim is subject to arbitration at all (arbitrability questions) except that the parties intend for the court to address the applicability and scope of the exceptions found in Paragraph 13 D (2)a , and/or

d The offer or sale of the franchise opportunity

will be subject to arbitration to be administered by the American Arbitration Association (**"AAA"**) Any claims by or against any affiliate of the Company may be joined, in the Company's sole discretion, in the arbitration Any claim that would constitute a compulsory counterclaim as defined by the then current version of Federal Rule of Civil Procedure 13 and under federal precedent of the U S Supreme Court and the Court of Appeals for the Eleventh Circuit, must be brought in arbitration If a potential compulsory counterclaim is not brought in arbitration, then it is forever barred Company reserves the right, but has no obligation, to advance FRANCHISEE's shares of the costs of any arbitration to allow the arbitration hearings to move forward, but by doing so, Company may not be deemed to have waived or relinquished any right to seek recovery of those costs from FRANCHISEE All claims that are subject to arbitration shall be brought and filed prior to the earlier of (a) the time period set forth in Paragraph 13 M , or (b) before the applicable statute of limitations would bar the institution of legal or equitable proceedings based on the claim, dispute or other matter in question Notwithstanding any state law or regulation that purports to supersede or pre-empt the application of the FAA to this Agreement, Company and FRANCHISEE agree that the FAA controls, and except that as specifically set forth in Paragraph 13 D (2), all claims, controversies, and disputes shall be resolved in arbitration as described and required by this Agreement

(2) Exception of Claims Subject to Arbitration

a Exception of Company Actions Company and FRANCHISEE recognize and agree that certain claims of Company may not be best suited to determination through arbitration and agree that the Company, in its sole discretion, may bring the following types of claims, cases, disputes, and causes of action either in court or in arbitration

i Claims seeking injunctive or other equitable relief to enforce provisions of this Agreement, provided however that non-equitable claims joined with any injunctive claims must be heard separately in arbitration, and that regardless of the forum, any injunctive relief may be given without the necessity of Company posting bond or other security, any bond or other security being hereby waived, and FRANCHISEE acknowledges that the termination of any litigation for injunctive or other equitable relief shall not bar Company from asserting non-equitable claims in an arbitration involving the same parties or causes of action,

ii Claims seeking relief of any kind with respect to FRANCHISEE's violation of any health or safety law,

iii Claims seeking relief of any kind with respect to FRANCHISEE's use of the Marks, iv Claims seeking relief related to of any of the provisions of **Paragraph 8 C and 8 D** above, including without limitation for breach of confidentiality and non-competition provisions,

v Claims related to use or improper use, or misappropriation of Company's Marks, trade secrets, confidential information, or any of Company's intellectual property, and/or

vi Claims, including claims by an affiliate of Company, seeking recovery or any other remedy based on FRANCHISEE's failure to pay any moneys due under this Agreement, any agreement with an affiliate of Company, or any unpaid invoices owed to an affiliate of Company when due

b <u>Exception of FRANCHISEE Actions</u> Company and FRANCHISEE recognize and agree that certain claims of FRANCHISEE may not be best suited to determination through arbitration and agree to specifically except the following types of claims, cases, disputes, and causes of action from arbitration Claims seeking injunctive or other equitable relief to enforce provisions of this Agreement, provided however that non-equitable claims joined with any injunctive claims must be heard separately in arbitration and that all claims seeking any injunctive or equitable relief must be brought solely in aid of arbitration in a venue governed by **Paragraph 13 C**, no other venue being permissible

c <u>No Class Actions</u> No party except Company (including its employees, agents, officers, or directors and its parent, subsidiary, or affiliated companies) and FRANCHISEE (including where applicable the immediate family members, owners, heirs, executors, successors, assigns, shareholders, partners, and guarantors (as applicable)) may join in or become a party to any Arbitration proceeding arising under this Agreement, and the arbitrator will not be authorized to permit any person or entity that is not a party to this Agreement or identified in this paragraph to be involved in or to participate in any Arbitration conducted pursuant to this Agreement Further, in the event that FRANCHISEE or a Principal Owner is a Cellairis franchisee or Principal Owner for another location, any claims related to the other franchisee, other franchise agreement, other sub-licensee, other sub-license agreement, or other location, may not be heard, arbitrated, or litigated in any Arbitration or other proceeding under this Agreement for this location No matter how styled by the party bringing the claim, any claim or dispute is to be arbitrated on an individual basis and not as a class action **FRANCHISEE EXPRESSLY WAIVES ANY RIGHT TO ARBITRATE OR LITIGATE AS A CLASS ACTION OR IN A PRIVATE ATTORNEY GENERAL CAPACITY** Any question regarding the interpretation of enforceability of this prohibition on class-wide arbitration shall be resolved by a court of competent jurisdiction, and not the arbitrator

(3) Selection of the Arbitrator The arbitration shall be presided over by a single arbitrator if both the demand for arbitration, and any counterclaim asserted, each state claims respectively totaling under $500,000 If either the demand for arbitration or any counterclaim asserts claims respectively totaling over $500,000, then the arbitration shall be presided over by a panel of three arbitrators In either event, the arbitrator(s) will be selected through the provisions of the AAA then in effect at the time of filing of the arbitration demand, requiring the AAA to provide potential arbitrators who have significant experience in franchising matters, with a preference being given to members of the American Bar Association Forum on Franchising

(4) Rules Governing Arbitration Subject to any contrary provisions contained in this Agreement, the parties agree that the Commercial Arbitration Rules for the AAA in effect as of the date of this Agreement will govern the conduct and administration of the arbitration, except as to filing fees that may be changes The parties may, however, choose to employ the AAA's Commercial Arbitration Rules in effect as of the time of filing the demand if both parties agree and convey that agreement to the AAA

(5) Location of Arbitration Hearing All arbitration hearings at which evidence will be taken will be held in person at a location within the boundaries of the City of Atlanta, provided that the location has adequate facilities to handle the hearing and accommodate the parties, witnesses, and evidence The arbitrator(s) shall have no authority to select a hearing locale other than as described in this Paragraph 13 D (5)

(6) Evidence and Hearing

a Company and FRANCHISEE agree to pre-hearing discovery in accordance with the Federal Rules of Civil

Procedure, notwithstanding the foregoing, in the event either party seeks to obtain electronically stored information ("**ESI**") as part of discovery, the party requesting such ESI shall pay for the other party's costs of searching, labeling, indexing, and producing the ESI

b Company and FRANCHISEE agree that the Federal Rules of Evidence will govern the admissibility and weight of evidence, including rules regarding the inadmissibility of hearsay

c The parties confirm that the arbitrator may not consider any settlement discussions or offers that might have been made by either party and may not act as a mediator for the parties if the parties proceed to mediation at any point

d The parties to the arbitration agree to keep all matters, including evidence and testimony, confidential unless obligated by law to disclose the information or the information is necessary in an application to confirm or vacate the award in court, following any appeal If any party to the arbitration receives a subpoena to obtain information or documents from the arbitration, the recipient shall notify the other party, providing a copy of the subpoena in sufficient time to allow all parties to oppose the subpoena

(7) Decision of the Arbitrator(s) Unless otherwise specifically agreed to by all parties to the arbitration in writing, the award of the arbitrator(s)

a will be rendered within 30 days of the close of the arbitration hearing record,

b will be a reasoned award,

c may not include punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute,

d may not include consequential damages (except that damages that are, or are based on lost future profits or lost future royalty fees, are not, and shall not be deemed to be, consequential damages),

e will include an award to the prevailing party as determined by the arbitrator(s), all of the prevailing party's costs and fees "**Costs and fees**" mean all reasonable pre-award expenses of the arbitration, including the arbitrator(s)' fees, AAA administrative and filing fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, fees for depositions, including all costs of stenography and videography, and copies of testimony however recorded, witness fees, and attorneys' fees,

f may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules ("**Appellate Rules**"), and will not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired Appeals must be initiated within thirty (30) days of receipt of the arbitrator's award, as provided by the Appellate Rules, by filing a Notice of Appeal with any AAA office, and/or

g following the appeal process the decision rendered by the appeal tribunal may be entered in any court having jurisdiction thereof, subject to **Paragraph 13 C**

(8) Agreement to Arbitrate Negotiated and Freely Given Company and FRANCHISEE both hereby represent, warrant, and affirm that this arbitration clause has been freely negotiated between the parties, that obligations set forth herein have been fully considered by Company and FRANCHISEE and their respective representatives, and are not unduly burdensome to either Company or FRANCHISEE and are within the scope of mutually acceptable obligations established by the parties under this Agreement and thus, are, in Company's and FRANCHISEE's judgment, as evidenced by the parties' respective execution of this Agreement, fair and reasonable

E Severability

Company and FRANCHISEE agree that if any provision of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable The language of all provisions of this Agreement shall be construed according to its fair meaning and not strictly against Company or FRANCHISEE It is the desire and intent of Company and FRANCHISEE that the provisions of this Agreement be enforced to the fullest extent In the event any court shall determine that any provision in this Agreement is not enforceable as written, Company and FRANCHISEE agree that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws of the jurisdiction in which enforcement is sought The provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in the Agreement, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable The Company and FRANCHISEE also agree that each covenant and obligation in this Agreement shall be construed as an agreement independent of any other provision of this Agreement, and that the existence of any claim or cause of action by one party to this Agreement against another party to this Agreement, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by any party to this Agreement of any such covenants or obligations

F **Notices**

(1) All notices to Company shall be in writing and shall be delivered or sent by express, registered or certified mail, or by an overnight delivery service (*e g* , Federal Express, UPS), postage fully prepaid, addressed to it at its offices at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 attention Jason S Adler, Esq , with a mandatory copy to Chris Bussert, Kilpatrick Townsend & Stockton, 1100 Peachtree Street NE, Suite 2800, Atlanta, GA 30309, or at such other address as Company shall from time to time designate in writing

(2) All notices to FRANCHISEE shall be in writing and shall be sent by any of the following means of delivery (i) hand delivered, (ii) sent by express, registered or certified mail, (iii) sent by an overnight delivery service (*e g* , Federal Express, UPS), (iv) facsimile transmission, or (v) E-mail Notices to FRANCHISEE may be sent to any address appearing on any agreements between Company and FRANCHISEE, the Business Unit, or in Company's records for FRANCHISEE FRANCHISEE may change its address for receipt of notices by providing written notice of such change pursuant to the notice requirements to Company Any notice to FRANCHISEE or any of its Principal Owners shall be deemed effective notice to FRANCHISEE and all of its Principal Owners

(3) Notices shall be deemed delivered as follows (i) via hand delivery on the date delivered by hand, (ii) via express, registered or certified mail on the earlier of 3 business days after placement in the United States Mail or the date shown on the return receipt, (iii) via overnight delivery service on the date shown in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made, (iv) via facsimile transmission on the date the transmission occurs, or (v) via E-mail on the date the E-mail is sent

G **Liability of Multiple Franchisees**

If FRANCHISEE consists of more than one person, each person's liability and obligation under this Agreement shall be joint and several

H **Modification**

This Agreement may only be modified or amended by a separate negotiated written document executed by Company and FRANCHISEE that is titled "Amendment to Franchise Agreement" No handwritten or similar attempts by FRANCHISEE to vary the terms of this Agreement are valid and any such attempts are rejected, but such attempted changes shall not operate as a rejection by FRANCHISEE of this Agreement, and FRANCHISEE's execution of this Agreement shall be deemed acceptance of this Agreement in the form provided to FRANCHISEE by Company for signature

I **Binding Effect**

This Agreement shall be binding upon the parties, their heirs, executors, personal representatives, successors, and their permitted assigns

J **Survival**

Any provisions of this Agreement which impose an obligation after termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and be binding on the parties The parties to this Agreement specifically agree that the provisions related to jurisdiction, venue, and arbitration in Paragraphs 13 C and 13 D shall survive the termination or expiration of this Agreement

K **Attorneys' Fees**

In any arbitration or litigation to enforce the terms of this Agreement, all attorney's fees and costs (including, but not limited to, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigations and proof of facts, court costs, other expenses of litigation, arbitration, or alternative dispute resolution, and travel and living expenses) (including those incurred on appeal) incurred as a result of the litigation or arbitration (including any attorneys' fees and costs incurred in enforcing the right to recover fees and costs as set forth in this paragraph) shall be paid to the prevailing party by the other party Attorneys' fees include a charge for the service of in-house counsel at the market rate for independent counsel of similar experience The term prevailing party as used in this Paragraph shall include, without limitation, either a party that prevails on the ultimate merits of a dispute or a party that prevails with respect to the primary issue(s) or relief sought in an arbitration or litigation even if the ultimate merits of a dispute are not resolved By way of example, if FRANCHISEE initiates litigation with respect to claims that are subject to mandatory arbitration pursuant to Paragraph 13 D of this Agreement and Company files a motion to dismiss or motion to compel arbitration that is granted, Company will be considered the prevailing party with respect to such litigation and shall be entitled to recover the attorneys' fees and costs it incurred in such litigation pursuant to this paragraph

L **Time is of the Essence**

Time is of the essence of this Agreement

M **Damages And Timing Of Claims**

THE PARTIES AGREE THAT NEITHER PARTY SHALL HAVE THE RIGHT TO RECEIVE OR COLLECT PUNITIVE OR EXEMPLARY DAMAGES, CONSEQUENTIAL DAMAGES, OR LOST PROFITS FROM THE OTHER PARTY WITH REGARD TO ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP BETWEEN FRANCHISEE AND COMPANY (INCLUDING EACH OF COMPANY'S AFFILIATES), OR THE OPERATION OF THE FRANCHISE AND THE BUSINESS UNIT BROUGHT BY ANY PARTY TO THIS AGREEMENT AGAINST ANOTHER PARTY TO THIS AGREEMENT, SHALL BE COMMENCED AT THE EARLIER OF (1) WITHIN ONE YEAR FROM THE DISCOVERY OF THE FACTS GIVING RISE TO ANY SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE BARRED, PROVIDED, HOWEVER, THAT THIS TIME LIMITATION SHALL NOT APPLY TO ANY UNPERFORMED FINANCIAL OBLIGATION OF FRANCHISEE TO COMPANY AND EACH OF COMPANY'S AFFILIATES, OR (2) WITHIN THE APPLICABLE STATUTE OF LIMITATIONS FOR SUCH CLAIM OR ACTION THE PARTIES UNDERSTAND THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW IN ADDITION TO THE FOREGOING, ANY CLAIM OR ACTION BY FRANCHISEE AGAINST COMPANY OR ITS AFFILIATES RELATING TO ANY PAYMENT(S) MADE BY FRANCHISEE TO COMPANY OR ITS AFFILIATES SHALL BE COMMENCED AT THE EARLIER OF (1) WITHIN ONE YEAR FROM THE DATE PAYMENT WAS RECEIVED BY COMPANY OR ITS AFFILIATES OR SUCH CLAIM OR ACTION SHALL BE BARRED, OR (2) WITHIN THE APPLICABLE STATUTE OF LIMITATIONS FOR SUCH CLAIM OR ACTION THE PARTIES UNDERSTAND THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW FRANCHISEE AND THE BOUND PARTIES AGREE THAT THEIR SOLE RECOURSE FOR CLAIMS ARISING BETWEEN THE PARTIES SHALL BE AGAINST COMPANY AND ITS SUCCESSORS AND ASSIGNS FRANCHISEE AND THE BOUND PARTIES AGREE THAT THE OWNERS, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS OF COMPANY AND ITS

AFFILIATES SHALL NOT BE PERSONALLY LIABLE NOR NAMED AS A PARTY IN ANY ACTION BETWEEN COMPANY AND FRANCHISEE AND ANY BOUND PARTY

N **Entire Agreement**

This Agreement and all addenda, schedules, and exhibits attached hereto constitutes the entire agreement of the parties and supersedes all prior negotiations, commitments, representations, and undertakings of the parties with respect to the subject matter of this Agreement No representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, have been made or relied upon by the parties other than those set forth herein Nothing in this Agreement or in any related agreement is intended to disclaim the representations Company made in its most recent Franchise Disclosure Document that Company delivered to FRANCHISEE or FRANCHISEE's representative

O **Counterparts**

This Agreement may be signed in multiple counterpart copies, each of which will be deemed an original This Agreement may be signed with full legal force and effect using electronic signatures and records

P **Rights of Company are Cumulative**

The rights of Company hereunder are cumulative and no exercise or enforcement by Company of any right or remedy hereunder shall preclude the exercise or enforcement by Company of any other right or remedy hereunder or which Company is otherwise entitled by law to enforce

Q **No Liability**

FRANCHISEE agrees that no past, present, or future director, officer, employee, incorporator, member, partner, shareholder, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney, or representative of Company's will have any liability for (i) any of Company's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Company based on, in respect of, or by reason of, the relationship between FRANCHISEE and Company, or (iii) any claim against Company based on any alleged unlawful act or omission

R **Business Judgment**

FRANCHISEE understands and agrees that Company may operate and change the System and its business in any manner that is not expressly and specifically prohibited by this Agreement Whenever Company has expressly reserved in this Agreement or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant FRANCHISEE a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, Company may make such decision or exercise its right and/or discretion on the basis of Company's judgment of what is in Company's best interests, including without limitation Company's judgment of what is in the best interests of the franchise network, at the time Company's decision is made or its right or discretion is exercised, without regard to whether (1) other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Company, (2) Company's decision or the action taken promotes Company's financial or other individual interest, (3) Company's decision or the action it takes applies differently to FRANCHISEE and one or more other franchisees or Company's company-owned or affiliate-owned operations, or (4) Company's decision or the exercise of its right or discretion is adverse to FRANCHISEE's interests In the absence of an applicable statute, Company will have no liability to FRANCHISEE for any such decision or action Company and FRANCHISEE intend that the exercise of Company's right or discretion will not be subject to limitation or review If applicable law implies a covenant of good faith and fair dealing in this Agreement, Company and FRANCHISEE agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Company the right to make decisions, take actions and/or refrain from taking actions not inconsistent with FRANCHISEE's rights and obligations hereunder

14 WARRANTIES AND REPRESENTATIONS OF FRANCHISEE

FRANCHISEE makes the following representations with the understanding that Company is relying on them as a material inducement to enter into this Agreement

A FRANCHISEE has been advised to make an independent investigation of Company's operations Company has not and does not represent that FRANCHISEE can expect to attain a specific level of sales, profits, or earnings FRANCHISEE has been advised to obtain independent professional advice regarding this Agreement FRANCHISEE understands that it may sustain losses as a result of the operation or the closing of the Business Unit FRANCHISEE understands that the business venture contemplated by this Agreement involves a high degree of financial risk and depends to a large degree on FRANCHISEE's skills, abilities, initiative, and hard work FRANCHISEE understands that FRANCHISEE may be required to purchase all of the Products and Services to be sold from the Business Unit from Company or from Company's affiliates, that FRANCHISEE must comply with a monthly minimum purchase requirement, must obtain the services of designated vendors and suppliers which may also be Company or its affiliates, and that these parties will establish the purchase price for such Products, Services, and other services in their discretion and that these parties expect to make a profit from such sales and services rendered FRANCHISEE also understands that

FRANCHISEE ıs free to obtaın an appropriate approvable Location for the Business Unit from any available source but that if FRANCHISEE elects to sublicense or sublease the Location for the Business Unit from Company or from Company's affiliates then these parties will establish the occupancy rate for such Location in their discretion and that these parties expect to make a profit from such sublicense or sublease

B **NO STATEMENT, REPRESENTATION, OR OTHER ACT, EVENT, OR COMMUNICATION, EXCEPT AS SET FORTH HEREIN, IS BINDING ON COMPANY IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT** FRANCHISEE represents that FRANCHISEE has not received any information, from Company, its affiliates, or any of their respective officers, employees, or agents, which is inconsistent with, or contrary to, the terms and conditions described in this Agreement or the information in the FDD provided to FRANCHISEE

C The execution and delivery by FRANCHISEE of this Agreement and the consummation of the transactions contemplated hereby will not result in a violation of or conflict with or result in any breach of, or default under the terms, conditions, or provisions of, any judgment, law, or regulation, or any agreement (including, but not limited to any non-competition agreements) or instrument to which the FRANCHISEE or any of the guarantors are bound

D FRANCHISEE represents that FRANCHISEE and FRANCHISEE's spouse, and, if FRANCHISEE is not an individual, its shareholders, members, partners, and managers, as applicable, and their spouses (each, a "**Bound Party**"), does **not** directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined above), regardless of location or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location

E FRANCHISEE represents that FRANCHISEE has read the underlying Occupancy Agreement for the Location and is aware of the termination provisions contained therein

F FRANCHISEE and all other signatories to this Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will constitute, when executed and delivered, the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

15 ANTI-TERRORISM LAWS

Anti-Terrorism Laws FRANCHISEE and its owners agree to comply with and/or to assist Company to the fullest extent possible in Company's efforts to comply with Anti-Terrorism Laws In connection with such compliance, FRANCHISEE and its owners certify, represent, and warrant that none of their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that FRANCHISEE and its owners are not otherwise in violation of any of the Anti-Terrorism Laws

A "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States (**"Executive Order 13224"**), the Terrorism Sanctions Regulation (Title 31, Part 595 of the U S Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U S Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U S Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control, and any other government agency with jurisdiction over the parties to this Agreement and/or their actions) addressing or in any way relating to terrorist acts and/or acts of war

B FRANCHISEE and its owners certify that none of them, their respective employees, agents, bankers, affiliates or anyone associated with them is listed in the Annex to Executive Order 13224 FRANCHISEE agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex (A copy of the Annex can be accessed on the internet at the following address http //www state gov/j/ct/rls/other/des/122570 htm)

C FRANCHISEE certifies that it has no knowledge or information that, if generally known, would result in (a) FRANCHISEE, (b) FRANCHISEE's owners, employees, agents, bankers, or affiliates or (c) anyone associated with FRANCHISEE to be listed in the Annex to Executive Order 13224

D FRANCHISEE is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and FRANCHISEE specifically acknowledges and agrees that FRANCHISEE's indemnification responsibilities set forth in Paragraph 6 M above of this

Agreement pertain to FRANCHISEE's obligations under this Paragraph 15 D

E Any misrepresentation under this Paragraph or any violation of the Anti-Terrorism Laws by FRANCHISEE or FRANCHISEE's owners, agents, bankers, employees and affiliates shall constitute grounds for immediate termination of this Agreement and any other agreement FRANCHISEE has entered with Company or an affiliate of Company

16 MULTIPLE UNIT OWNER RELEASE

In the event that FRANCHISEE or one or more owners of FRANCHISEE is a Cellairis franchisee or has an ownership interest in a Cellairis franchisee or another Cellairis Business Unit, excluding the franchise and Business Unit which is the subject of this Agreement, in consideration of Company permitting FRANCHISEE and/or its owners to own, operate, or have an ownership in multiple Cellairis franchises or Business Units (**"Multiple Cellairis Ownership"**), FRANCHISEE and its owners who have Multiple Cellairis Ownership interests for itself and themselves, their personal representatives, past and present parent entities, subsidiaries, divisions, affiliated entities, partners, shareholders, members, directors, officers, successors and assigns (collectively the **"Franchisee Releasing Parties"**) unconditionally and irrevocably release and discharge Company and Global Cellular, Inc and their past and present parent entities, subsidiaries, divisions, affiliated entities, successors and assigns, owners, directors, officers, agents, and attorneys (collectively the **"Company and Global Released Parties"**) from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses of any kind whatsoever (based upon any legal or equitable theory, whether contractual, common law, statutory, federal, state, local or otherwise) (collectively **"Claims"**), whether known or unknown, suspected or unsuspected, which Franchisee Releasing Parties ever had, now have, or may have against Company and Global Released Parties pertaining to any and all of the other Cellairis franchises and Business Units, including but not limited to Claims arising out of or in any way connected to or involved with or under the business relationship between the parties, any franchise agreement executed between a franchisee and Company, any sublease or sub-license agreement executed between a franchisee and Global Cellular, Inc, and any purchase of product, fixtures, rent payments, license fee or other items purchased or paid for by a franchisee from Company, Global Cellular, Inc or any of the Company and Global Released Parties Franchisee Releasing Parties represent and warrant that they have not assigned, sold, or otherwise conveyed any such Claims as described without limitation in this Paragraph The parties further acknowledge and agree that this release does not apply to this Agreement or the grant of the franchise under this Agreement

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________

Title ____________________________

FRANCHISEE ____________________

By ______________________________

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APPENDIX 1

TO FRANCHISE AGREEMENT

Credit/Charge Card Authorization Form

This authorizes Cellairis Franchise, Inc and any of its affiliates to use the Credit/Charge Card listed below in accordance with the terms of the Franchise Agreement and any other agreement with Cellairis Franchise, Inc or any of its affiliates

Type of Card (circle one) Visa MasterCard American Express

Name as it appears on Card ______________________________

Card Number ______________________ Expiration Date __________

Security Code No ____________

Billing Address for Card if different than above ____________________

____

____

I hereby authorize Cellairis Franchise Inc and its affiliates to process charges against the credit/charge card identified above in order to pay all fees charges and any other amounts owed pursuant to the terms of the Franchise Agreement entered into with Cellairis Franchise Inc and any other agreement with Cellairis Franchise Inc or its affiliates (including Royalty fees Rent or License Payments POS fees, the cost of any Products or Services purchased from Cellairis Franchise Inc or its affiliates and any other amounts owing to Cellairis Franchise Inc or its affiliates under the Franchise Agreement or any other agreement with Cellairis Franchise Inc or its affiliates including interest and late fees), and, if necessary, to initiate adjustments for any transactions charged in error These charges are related to the operation of a franchised business and the amount of each charge will vary from month to month

Authorized Card User's Signature ______________________________

APPENDIX 2

TO FRANCHISE AGREEMENT

Electronic Funds Transfer Authorization Form

This authorizes Cellairis Franchise, Inc and any of its affiliates to use the banking information provided below in accordance with the terms of the Franchise Agreement

Name of bank ______________________________

Address of bank ______________________________

Name of account holder ______________________________

Name as it appears on account ______________________________

Address of account holder ______________________________

Account Number ______________________________

Routing Number ______________________________

Type of Account   Checking OR Savings

I hereby authorize Cellairis Franchise Inc and its affiliates to debit the checking/savings account identified above in order to pay all fees charges and any other amounts owed pursuant to the terms of the Franchise Agreement entered into with Cellairis Franchise Inc and any other agreement with Cellairis Franchise Inc or its affiliates (including Royalty fees Rent or License Payments POS fees the cost of any Products or Services purchased from Cellairis Franchise Inc or its affiliates and any other amounts owing to Cellairis Franchise Inc or its affiliates under the Franchise Agreement or any other agreement with Cellairis Franchise, Inc or its affiliates including interest and late fees) and if necessary to initiate adjustments for any transactions debited in error These debits are related to the operation of a franchised business and the amount of each debit will vary from month to month

Authorized Owner's Signature ______________________________

CELLAIRIS OFFICE USE ONLY

Account Code ______________________________

Mall Name / Location ______________________________

Date ________________ User ______________________________

EXHIBIT "1" to Franchise Agreement
PERSONAL GUARANTY AND SUBORDINATION AGREEMENT

IN CONSIDERATION of and as an inducement to the execution of the Franchise Agreement (**"Franchise Agreement"**) this Personal Guaranty and Subordination Agreement is made and entered into effective as of the ____ day of _______, 20__ by and between CELLAIRIS FRANCHISE, INC , a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 (**"Company"**), and ______________________, with a principal address at ______________________ (**"Franchisee"**), each of the undersigned guarantors (**"Guarantors"**) is a Bound Party as defined in the Franchise Agreement and each of the Guarantors by this Personal Guaranty and Subordination Agreement (**"Guaranty Agreement"**) hereby personally and unconditionally guarantee to Company, its affiliates, and their successors and assigns for the term of the Franchise Agreement and thereafter as provided in the Franchise Agreement and in this Guaranty Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Franchise Agreement and each of the Guarantors, hereby agrees to be personally bound by and personally liable for the breach of each and every provision in the Franchise Agreement, including all ancillary agreements executed in conjunction with the Franchise Agreement, including but not limited to the Sub-License Agreement (to the extent a Sub-License Agreement is entered), and all financial obligations to Company and any of its affiliates The Guarantors also agree to be personally and unconditionally bound by each and every undertaking, agreement, and covenant set forth in the Franchise Agreement The Guarantors hereby personally and unconditionally guarantee all debts and obligations which Franchisee may incur to Company or to affiliates of Company or to such companies that may in the future be affiliated with Company with respect to the provision of any products or services to Franchisee, as a result of any obligations under the Franchise Agreement or as a result of purchases of Products or services by Franchisee from Company or its affiliates Each Guarantor jointly and severally agrees to make all payments and perform all obligations under this Guaranty Agreement

To the extent permitted by law, each Guarantor hereby expressly waives (i) all rights to payments and claims for reimbursement or subrogation that any of the Guarantors may have against Franchisee arising as a result of the Guarantors' execution of and performance under this Guaranty Agreement, for the express purpose that none of the Guarantors shall be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Company, (ii) any right to require Company to (a) proceed against Franchisee for any payment required under the Franchise Agreement, (b) proceed against or exhaust any security from Franchisee, (c) take any action to assist any of the Guarantors in seeking reimbursement or subrogation in connection with this Guaranty Agreement, or (d) pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee, (iii) any benefit of, any right to participate in, any security now or hereafter held by Company, and (iv) acceptance and notice of acceptance by Company of the Guarantors' undertakings under this Guaranty Agreement, (v) all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, (vi) protest, (vii) notices of dishonor, (viii) notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, (ix) any other notices (including any notice of the purchase or sale of Products, inventory goods by Franchisee, the maturing of bills and the failure to pay the same), and (x) legal or equitable defenses to which any of the Guarantors may be entitled The personal guaranty established by this Guaranty Agreement will not be affected by the modification, extension, or renewal of any agreement between Franchisee and Company or its affiliates, the taking of a note or other obligation from Franchisee or others, the taking of security for payment, the granting of an extension of time for payment, the filing by or against Franchisee of bankruptcy, insolvency, reorganization of other debt or relief afforded Franchisee under the Federal Bankruptcy Act or under any other State or Federal statute or by the decision of any court or any other matter, whether similar or dissimilar to any of the foregoing, and the guaranty established by this Guaranty Agreement will cover the terms and obligations of any modifications, notes, security agreements, extensions, or renewals Without affecting the obligations of the undersigned under this Guaranty Agreement, Company may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Franchise Agreement, any other agreement between Franchisee and Company or its affiliates, or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any Guarantors, make advances for the purpose of performing any obligations of Franchisee under the Franchise Agreement, assign the Franchise Agreement or the right to receive any sum payable thereunder, and the Guarantors each hereby jointly and severally waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Franchise Agreement Company shall have no present or future duty or obligation to the Guarantors under this Guaranty Agreement, and each of the Guarantors waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other Guarantor, or any collateral securing any obligations of Franchisee to Company The obligations of the Guarantors will be unconditional in spite of any defect herein and the validity of Franchisee's obligations or liability to Company or any other circumstances whether or not referred to in this Guaranty Agreement that might otherwise constitute a legal or equitable discharge of surety or Guarantor

This is an irrevocable, unconditional, and absolute guarantee of payment and performance by Franchisee and the Guarantors agree that the Guarantor's liability under this Guaranty Agreement will be immediate and will not be contingent upon the exercise and enforcement by Company of whatever remedies it may have against Franchisee or others or the enforcement of any lien or realization upon an security Company may at any time possess Each Guarantor agrees that any current or future indebtedness by Franchisee to any Guarantor(s) will also be subordinate to any indebtedness owed by Franchisee to Company The Guarantors will promptly modify any financing statements on file with the state agencies to specify that Company's rights are senior to those of Guarantor

The Guarantors further agree that as long as Franchisee owes any money to Company (other than royalty payments that are not past due), Franchisee will not pay and the Guarantors will not accept payment of any part of any indebtedness owed by

Franchisee to any of the Guarantors, either directly or indirectly, without the consent of Company **In connection with any litigation or arbitration to determine the Guarantors' liability under this Guaranty Agreement, the Guarantors expressly waive the Guarantors' right to trial by jury, if any, and agree to pay the costs and the reasonable attorneys' fees as fixed by any court** If Company is required to enforce this Guarantee Agreement in a judicial or arbitration proceeding, and prevails in such proceeding, Company shall be entitled to reimbursement of its costs and expenses (including those incurred on appeal), including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding If Company is required to engage legal counsel in connection with any failure by the Guarantors to comply with this Guarantee Agreement, the Guarantors shall reimburse Company for any of the above-listed costs and expenses Company incurs Attorneys' fees include a charge for the service of in-house counsel at the market rate for independent counsel of similar experience

If this Guaranty Agreement is signed by more than one individual, each individual signing this Guaranty Agreement will be jointly and severally liable for the obligations created in it This Guaranty Agreement will remain in full force and effect until all obligations arising out of and under the Franchise Agreement, including all renewals and extensions, are fully paid and satisfied as well as all obligations with respect to debts owed by Franchisee to affiliates of Company with respect to Products or services sold or otherwise provided by such affiliates to Franchisee Capitalized terms which are not defined herein shall have the same meaning as defined in the Franchise Agreement

Without limiting the foregoing in any manner, the Guarantors each have carefully read the Franchise Agreement and each of the Guarantors hereby jointly and severally expressly agrees to be individually bound by all of the covenants contained in Paragraphs 6 C , 6 I , 8 D , 13 C , 13 D , and 13 M of the Franchise Agreement, and acknowledge and agree that this Guarantee does not grant the Guarantors any right to use the "Cellairis"® marks or system licensed to Franchisee under the Franchise Agreement

Each Guarantor acknowledges and agrees that it has made an independent examination, review, and investigation of the Cellairis franchise opportunity, Company, Franchisee, and Franchise Agreement, as Guarantor deems necessary and appropriate, and shall have sole responsibility to obtain from Franchisee any information required by Guarantor concerning the Franchise Agreement, Franchisee, the Cellairis franchise opportunity, and Company Further, Guarantor acknowledges that it is not relying on Company for any such information in connection with its decision to execute this Guaranty Agreement

Subject to the arbitration obligations and other obligations of Paragraph 13 D of the Franchise Agreement and the provisions below, each of the Guarantors agrees that all actions arising under this Guarantee Agreement, the Franchise Agreement, or otherwise as a result of the relationship between Company and the Guarantors, must be commenced in the state or federal court of general jurisdiction in Georgia, and each of the Guarantors irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts Nonetheless, each of the Guarantors agrees that Company may enforce this Guarantee Agreement and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled

As provided in Paragraph 13 C of the Franchise Agreement, the parties agree that this Guaranty Agreement shall be deemed made and entered into in the State of Georgia and shall be governed and construed under and in accordance with the laws of the State of Georgia without regard to its conflicts of law

The signatories to this Guaranty Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Guaranty Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Guaranty Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

IN WITNESS WHEREOF, each of the Guarantors has hereunto affixed their signatures and seals effective as of the date first above indicated

By ______________________________

Name ___________________________

Address _________________________

By ______________________________

Name ___________________________

Address _________________________

CELLAIRIS FRANCHISE, INC

By ______________________________

Title ____________________________

EXHIBIT "2" to Franchise Agreement
CONDITIONAL LEASE ASSIGNMENT AGREEMENT

This CONDITIONAL LEASE ASSIGNMENT AGREEMENT (**"Agreement"**) is made and entered into effective as of the ____ day of _______, 20__, by and between CELLAIRIS FRANCHISE, INC, a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 (**"Franchisor"**), and ______________________________________, with a principal address at ____ (**"Lessee"**) and ______________________________________, with a principal address at ____ (**"Lessor"**)

RECITALS

WHEREAS, under the terms of the Lease Agreement, attached hereto as **Exhibit "A"**, Lessor has agreed to lease to Lessee certain premises (the **"Premises"**) located at the following street address

____

____

WHEREAS, Franchisor has accepted the Premises as a suitable location for Lessee's operation, subject to the provisions of its franchise agreement (the **"Franchise Agreement"**) and further subject to the terms and conditions set forth herein

NOW, THEREFORE, in consideration of the mutual covenants herein contained other good and valuable consideration, including the acceptance by Franchisor of the Premises as a location for a "Cellairis" retail operation, the parties hereby agree as follows

1 **Use of the Premises** Lessee shall use the Premises only for the operation of a "Cellairis" retail operation pursuant to the Franchise Agreement and for no other purposes whatsoever

2 **Signage** Lessor hereby consents to Lessee's use and display on the Premises of such exterior and interior signs, posters, promotional materials and equipment, furnishings, and decor as are currently required by Franchisor pursuant to the Franchise Agreement In the event that such requirements are changed in the future, Lessor agrees that it will not unreasonably withhold its consent to Lessee's compliance with such changes In the event that local ordinances or zoning requirements prohibit the use of the Franchisor's standard signage, Franchisor will not unreasonably withhold its consent to the modification of its standard signage to comply with such requirements

3 **Assignment** Lessor hereby acknowledges that Lessee has agreed under the Franchise Agreement that, in the event of termination or expiration of the Franchise Agreement or Lessee's default under the Lease, Lessee shall, at Franchisor's option,

assign to Franchisor any and all interest of Lessee in the Lease, including any rights to renew the Lease or to sublease the Premises, and Lessor hereby consents to such assignment, subject to the following conditions

(A) Franchisor shall notify Lessor in writing within 30 days after termination or expiration of the Franchise Agreement or Franchisor's receipt of any notice of default by Lessee under the Lease if Franchisor elects to accept assignment of the Lease, Franchisor's failure to accept assignment of the Lease upon any default of Lessee under the Lease shall not be deemed a waiver of Franchisor's future right to accept such assignment in the event of any future default by Lessee,

(B) If Franchisor elects to accept assignment of the Lease, Franchisor shall execute and deliver to Lessor a lease containing the same terms and conditions (including rental rates) as the Lease, provided, however, that Franchisor's leasehold interest shall not be subject to any default claims that may exist between Lessor and Lessee,

(C) If Franchisor elects to accept assignment of the Lease, Franchisor shall take possession of the Premises within 30 days after notice of such election to Lessor, and Franchisor shall commence payment of rent upon taking possession of the Premises,

(D) Nothing herein shall affect Lessor's right to recover from Lessee any and all amounts due under the Lease or to exercise any rights of Lessor against Lessee as provided under the Lease, but will have no rights to terminate the Lease or to disturb the quiet possession of the Premises by Franchisor or any future assignee of Franchisor

4 <u>**Consent to Assignment**</u> This Agreement will remain in effect during the entire term of the Lease and any and all renewals or extensions of the Lease Lessor agrees that the Lease may not be amended, assigned, extended, renewed, or surrendered, nor may the Premises or any part of it be sublet, nor may the Lease, or any interest therein, be assigned or encumbered by Lessee without obtaining the prior written consent of Franchisor

5 <u>**Exercise of Option by Franchisor**</u> Franchisor may exercise the option described in Section 3 of this Agreement to accept an assignment of the Lease or enter into a new lease containing the same terms and conditions of the Lease, by giving written notice to Lessee and Lessor of its election to do so In such event, Lessee must vacate the Premises immediately upon the receipt of such notice

6 <u>**Assignment to Third Party**</u> At any time after giving notice of its election to accept assignment of the lease or after or entering into a new lease containing the same terms and conditions of the Lease, Franchisor may request to assign its lease, or sublease the Premises, to a third party Lessor agrees not to unreasonably

withhold its consent to any such assignment or sublease on the same terms as the Lease provided however, that if Lessor refuses to consent to such assignment or sublease by Franchisor, Franchisor shall have no further obligations thereunder Notwithstanding anything set forth in the Lease to the contrary, the Lessee and/or Franchisor shall have the right to assign the Lease or any interest therein, or sublet the Premises or any portion thereof without the consent of Lessor, to

(A) a parent or affiliate of Lessee,

(B) Franchisor or any successor or affiliate thereof,

(C) wholly owned by Lessee, Lessee's parent or a subsidiary of Lessee,

(D) a corporation with which Lessee merges,

(E) a result of a reorganization, or the surviving corporation of a business restructuring, or

(F) any *bona fide* franchisee of the Franchisor

7 **Notices** Lessor agrees to furnish Franchisor with copies of any and all letters and notices to Lessee pertaining to any default by Lessee under the Lease at the same time and in the same manner as any such notice is sent to Lessee Lessee agrees to furnish Franchisor with prompt written notice of any and all amendments, waivers, extensions, renewals, or other modifications of the Lease All notices hereunder shall be mailed or delivered to the addresses set forth above, unless changed from time to time by any party through written notice mailed or delivered to the other parties Within 15 days after Lessee's right to cure any default expires, Franchisor or any affiliate thereof shall have the right but not the obligation, to cure any such default

8 **Entry of Franchisor** Lessor and Lessee hereby acknowledge that Lessee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Premises operated by Lessee at any time for the purpose of conducting inspections, protecting Franchisor's proprietary marks, and correcting deficiencies of Lessee Lessor and Lessee hereby agree not to interfere with or prevent such entry by Franchisor, its employees or agents

9 **De-Identification** Lessor and Lessee hereby acknowledge that in the event the Franchise Agreement expires or is terminated, Lessee is obligated under the Franchise Agreement to take certain steps to de-identify the location as a "Cellairis" Lessor agrees to cooperate fully with Franchisor in enforcing such provisions of the Franchise Agreement against Lessee, including allowing Franchisor, its employees, and agents to enter and remove signs, décor, patented fixtures, and materials bearing or displaying any marks, designs, logos, or intellectual property of Franchisor or its affiliates, provided, however, that Lessor shall not be required to

bear any expenses thereof Lessee agrees that if Lessee fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, Franchisor may cause all required de-identification to be completed at Lessee's expense

10 **<u>General Provisions</u>**

(A) Lessor agrees not to construct or change any improvements or landscaping in any manner which would impair the visibility of or access to the Premises, or the amount of parking available for use by Lessee

(B) This Agreement shall be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators The rights and obligations herein contained shall continue notwithstanding changes in the persons or entities that may hold any leasehold or ownership in the land of building Any party hereto may record this Agreement or a memorandum hereof

(C) Any party hereto may seek equitable relief, including, without limitation, injunctive relief or specific performance, for actual threatened violation or nonperformance of this Agreement by any other party Such remedies shall be in addition to all other rights provided for under this or other agreements between any of the parties The prevailing party in any action shall be entitled to recover its legal fees together with court costs and expenses of litigation

(D) Nothing contained in this Agreement shall affect any term or condition in the Franchise Agreement between Lessee and Franchisor Nothing herein shall be deemed to constitute a guaranty or endorsement by Franchisor of the terms and conditions of the Lease between Lessor and Lessee In the event that Franchisor, in its discretion, determines not to accept assignment of the Lease as permitted hereunder, neither Lessor nor Lessee shall have any claims against Franchisor No terms or conditions contained in the Lease shall be binding on Franchisor unless and until it elects to accept assignment of the Lease hereunder

(E) If Lessee has an obligation to continuously operate its business at the Premises, Lessee may cease operating for up to 90 days, from time to time, to perform repairs, enhancements or renovations, as required by the Franchise Agreement

(F) The signatories to this Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

IN WITNESS WHEREOF, the parties intending to be legally bound have executed this Agreement

LESSOR
(Name)

By ______________________________

Title ____________________________

LESSEE
(Name)

By ______________________________

Title ____________________________

FRANCHISOR

CELLAIRIS FRANCHISE, INC

By ______________________________

Title ____________________________

EXHIBIT "3" to Franchise Agreement
INTERNET WEB SITES AND TELEPHONE LISTINGS AGREEMENT

THIS INTERNET WEB SITES AND TELEPHONE LISTINGS AGREEMENT (the "**Listing Agreement**") is made and entered into as of the _____ day of _______________, 201___ (the "**Effective Date**"), by and between Cellairis Franchise, Inc a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 ("**Franchisor**"), and ______________________________, with a principal address at ________________________________("**Franchisee**")

WITNESSETH

WHEREAS, Franchisee desires to enter into a Cellairis Franchise, Inc Franchise Agreement (the "**Franchise Agreement**"), and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Listing Agreement,

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows

1 DEFINITIONS

All terms used but not otherwise defined in this Internet Listing Agreement shall have the meanings set forth in the Franchise Agreement "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof

2 TRANSFER, APPOINTMENT

2 1 Interest in Internet Web Sites and Telephone Listings Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of the Franchise Agreement, certain right, title, and interest in and to certain telephone numbers and regular, classified, yellow-page, and other telephone directory listings, and certain domain names, hypertext markup language, online social media websites, pages or accounts (including but not limited to blogging sites, Facebook®, Twitter®, LinkedIn®, Pinterest®, Instagram®, Snap Chat®, Google Places®, Google+®, Google Adwords®, Vimeo®, Tumblr®, MySpace® or YouTube®), uniform resource locator addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines (collectively, the "**Web Sites and Listings**") related to the Business Unit or the Marks (all of which right, title, and interest is referred to herein as "**Franchisee's Interest**") Franchisee shall provide Franchisor with all

usernames, passwords and any additional information necessary to access the Web Sites and Listings

2 2 Transfer On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately direct all telephone companies, telephone directory publishers, telephone directory listing agencies, Internet Service Providers, domain name registries, online social media websites, Internet search engines, and other listing agencies (collectively, the **"Internet and Telephone Companies"**) with which Franchisee has Web Sites and Listings (i) to transfer all of Franchisee's Interest in such Web Sites and Listings to Franchisor, and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer In the event Franchisor does not desire to accept any or all such Web Sites and Listings, Franchisee will immediately direct the Internet and Telephone Companies to terminate such Internet Web Sites and Listings or will take such other actions with respect to the Internet Web Sites and Listings as Franchisor directs

2 3 Appointment, Power of Attorney Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Listing Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Listing Agreement Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Listing Agreement Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following

(i) Direct the Internet and Telephone Companies to transfer all Franchisee's Interest in and to the Internet Web Sites and Telephone Listings to Franchisor,

(ii) Direct the Internet and Telephone Companies to terminate any or all of the Internet Web Sites and Telephone Listings, and

(iii) Execute the Internet and Telephone Companies' standard assignment forms or other documents in order to effect such transfer or termination of Franchisee's Interest

2 4 Certification of Termination Franchisee hereby directs the Internet and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated

2 5 Cessatıon of Oblıgatıons After the Internet and Telephone Companıes have duly transferred all Franchısee's Interest ın such Internet Web Sıtes and Telephone Lıstıngs to Franchısor, as between Franchısee and Franchısor, Franchısee wıll have no further ınterest ın, or oblıgatıons under, such Internet Web Sıtes and Telephone Lıstıngs Notwıthstandıng the foregoıng, Franchısee wıll remaın lıable to each and all of the Internet and Telephone Companıes for the sums Franchısee ıs oblıgated to pay such Internet and Telephone Companıes for oblıgatıons Franchısee ıncurred before the date Franchısor duly accepted the transfer of such Interest, or for any other oblıgatıons not subȷect to the Franchıse Agreement or thıs Lıstıng Agreement

3 MISCELLANEOUS

3 1 Release Franchısee hereby releases, remıses, acquıts, and forever dıscharges each and all of the Internet and Telephone Companıes and each and all of theır parent corporatıons, affılıates, dırectors, officers, stockholders, employees, and agents, and the successors and assıgns of any of them, from any and all rıghts, demands, claıms, damage, losses, costs, expenses, actıons, and causes of actıon whatsoever, whether ın tort or ın contract, at law or ın equıty, known or unknown, contıngent or fixed, suspected or unsuspected, arısıng out of, asserted ın, assertable ın, or ın any way related to thıs Lıstıng Agreement

3 2 Indemnıficatıon Franchısee ıs solely responsıble for all costs and expenses related to ıts performance, ıts nonperformance, and Franchısor's enforcement of thıs Agreement, whıch costs and expenses Franchısee wıll pay Franchısor ın full, wıthout defense or setoff, on demand Franchısee agree that ıt wıll ındemnıfy, defend, and hold harmless Franchısor and ıts affılıates, and ıts and theır dırectors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assıgns of any and all of them, from and agaınst, and wıll reımburse Franchısor and any and all of them for, any and all loss, losses, damage, damages, claıms, debts, claıms, demands, or oblıgatıons that are related to or are based on thıs Lıstıng Agreement

3 3 No Duty The powers conferred on Franchısor hereunder are solely to protect Franchısor's ınterests and shall not ımpose any duty on Franchısor to exercıse any such powers Franchısee expressly agrees that ın no event shall Franchısor be oblıgated to accept the transfer of any or all of Franchısee's Interest ın any or all such Internet Web Sıtes and Telephone Lıstıngs

3 4 Further Assurances Franchısee agrees that at any tıme after the date of thıs Lıstıng Agreement, Franchısee wıll perform such acts and execute and delıver such documents as may be necessary to assıst ın or accomplısh the purposes of thıs Lıstıng Agreement

3 5 Successors, Assıgns, and Affılıates All Franchısor's rıghts and powers, and all Franchısee's oblıgatıons, under thıs Lıstıng Agreement shall be bındıng on Franchısee's successors, assıgns, and affılıated persons or entıtıes as ıf they had duly executed thıs Lıstıng Agreement

3 6 Effect on Other Agreements Except as otherwise provided in this Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein

3 7 Survival This Listing Agreement shall survive the Termination of the Franchise Agreement

3 8 Joint and Several Obligations All Franchisee's obligations under this Listing Agreement shall be joint and several

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date

FRANCHISOR

CELLAIRIS FRANCHISE, INC

By ______________________________
Name ____________________________
Title _____________________________

FRANCHISEE

If an Individual

Signature _________________________
Printed Name ______________________

If other than an Individual

[INSERT ENTITY NAME]

By ______________________________
Name ____________________________
Title _____________________________

EXHIBIT "4" to Franchise Agreement

FRANCHISEE Information

1 FRANCHISEE's legal organization (circle one) (a) sole proprietorship, (b) partnership, (c) corporation, (d) limited liability company, or (e) other

2 If FRANCHISEE is not a sole proprietor, list of all its partners, members, shareholders, or others holding any ownership interest in FRANCHISEE, and to the extent that any owner is an entity, each person who ultimately has an ownership interest in any and all such entity or entities

Name and address		% interest	Active in Operation of Business? (yes/no)
(a)	__________ __________ __________	____	____
(b)	__________ __________ __________	____	____
(c)	__________ __________ __________	____	____
(d)	__________ __________ __________	____	____

3 If FRANCHISEE is not a sole proprietor, list of FRANCHISEE's officers, directors, managers, and/or general partners

	Name	Title
(a)	__________	__________
(b)	__________	__________
(c)	__________	__________
(d)	__________	__________

4 If any of the individuals listed in response to questions 2 or 3 have an ownership interest in any other franchised Cellairis® Business Unit

Name	Business Unit Location	% interest
(a)		
(b)		
(c)		
(d)		

The undersigned certifies that all information contained in this **Exhibit 4** is accurate and complete, and agrees to notify Company promptly (and in any case within 15 days) upon any change in the information required to be disclosed in this **Exhibit 4**

FRANCHISEE

If an Individual

Signature ______________________
Printed Name ____________________

If other than an Individual

[INSERT ENTITY NAME]

By ___________________________
Name _________________________
Title __________________________

EXHIBIT "5" to Franchise Agreement

State-Specific Addenda

(See Attached)

CALIFORNIA AMENDMENT TO THE FRANCHISE AGREEMENT

The following Amendment modifies the Cellairis Franchise Agreement (the **"Agreement"**) with respect to Cellairis franchises offered and sold to either a resident of the State of California or a non-resident who will be operating a Cellairis franchise in the State of California, as follows

1 Transfer Guidelines Paragraph 9 D of the Agreement is hereby supplemented by the addition of the following subsections "(11)" and "(12)"

(11) Among the potential qualifications that the transferee must possess, and/or the processes that must be followed by FRANCHISEE and the transferee, are the following

a the transferee must satisfy the Company's minimum net worth, liquid asset, equity/debt ratio, and credit score requirements,

b the transferee must submit a complete and accurate franchise application, and payment of all applicable transfer and application fees,

c the transferee must complete and pass all background checks,

d there must not be any felony convictions or other crimes of transferee that may adversely affect the Marks, the System, or the Company, and there must not be a pleading of no contest to any other of these by the transferee,

e no previous claims by the transferee or FRANCHISEE against another franchisor or an affiliate,

f the operation or ownership of the Business Unit or franchisee entity will not violate any contracts with any third party,

g the FRANCHISEE or transferee will not own or control an excessive number of Business Units, and that threshold may be determined by Company in its sole discretion,

h the transferee must not have a pattern or practice of litigiousness, and

i there must not be a significant number of customer complaints against the transferee's previous business operations, whether as part of the Cellairis network or in other businesses

(12) Company may expand upon, and provide more details related to, the conditions for transfer and Company's consent as described in this Paragraph 9, and may do so in the Manual or otherwise in writing Company may, but is not obligated to, provide the additional details regarding the transfer conditions and company's consent to FRANCHISEE

2 Repurchase Requirements Paragraph 12 of the Agreement is hereby supplemented by the addition of the following paragraph at the end of Paragraph 12

In connection with Company's right to purchase the personal property of, or other assets of, FRANCHISEE or the Business Unit upon termination, expiration, or non-renewal of this Agreement, whether permitted or required by this Agreement or by a federal, state, or local law or regulation, FRANCHISEE shall do, and comply with, the following as a pre-condition to any sale or acquisition

(1) FRANCHISEE must conduct a physical inventory of the Business Unit, as of the date of the notice of termination, expiration or non-renewal, and shall provide an inventory report to Company in the form and manner specified by Company

(2) Company shall not be required to purchase any inventory that was not previously authorized for sale at the Business Unit, nor any inventory for which FRANCHISEE does not have legitimate and verifiable evidence of purchase

(3) Company shall purchase only (a) such inventory which is new and in its original packaging, (b) such display inventory which is new and saleable, and (c) such equipment that is in good working order All such inventory and equipment shall be identified on the physical inventory report furnished to Company, and Company shall not purchase or pay for any inventory or equipment that may be listed on the report but is not delivered to Company at the time of purchase

(4) The POS system, including all component hardware, software, electronic files, email addresses, and passwords, shall be included in the equipment that Company purchases

IN WITNESS WHEREOF, Company and Franchisee have signed and sealed this Amendment, as of the _____ day of ___________, 20__

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________
Title ______________________________

FRANCHISEE ____________________

By ______________________________

ILLINOIS AMENDMENT TO THE FRANCHISE AGREEMENT

The followıng Amendment modıfies and supersedes the Cellaırıs Franchıse Agreement (the **"Agreement"**) wıth respect to Cellaırıs franchıses offered or sold to eıther a resıdent of the State of Illınoıs or a non-resıdent who wıll be operatıng a Cellaırıs franchıse ın the State of Illınoıs pursuant to the Illınoıs Franchıse Dısclosure Act of 1987, Ill Comp Stat §§ 705/1 through 705/44 (the **"Act"**), as follows

1 Any provısıon ın the Agreement that desıgnates jurısdıctıon or venue ın a forum outsıde of the State of Illınoıs ıs voıd, provıded that the Agreement may provıde for arbıtratıon ın a forum outsıde of the State of Illınoıs

2 Pursuant to Sectıon 27 of the Act, no actıon shall be maıntaıned under Sectıon 26 of the Act to enforce any lıabılıty created by the Act unless brought before the expıratıon of 3 years after the act or transactıon constıtutıng the vıolatıon upon whıch ıt ıs based, the expıratıon of one year after the FRANCHISEE becomes aware of facts or cırcumstances reasonably ındıcatıng that he may have a claım for relıef ın respect to conduct governed by the Act, or 90 days after delıvery to the FRANCHISEE of a wrıtten notıce dısclosıng the vıolatıon, whıchever shall first expıre No cause of actıon barred under exıstıng law on the effectıve date of the Act shall be revıved by the Act Every cause of actıon under the Act survıves the death of any person who mıght have been a plaıntıff or defendant

3 Each provısıon of thıs Amendment shall be effectıve only to the extent, wıth respect to each such provısıon, that the jurısdıctıonal requırements of the Illınoıs Franchıse Dısclosure Act are met ındependently wıthout reference to thıs Amendment

IN WITNESS WHEREOF, Company and Franchısee have sıgned and sealed thıs Amendment, as of the _____ day of ___________, 20_

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________
Tıtle ______________________________

FRANCHISEE ____________________

By ________________________________

MARYLAND APPENDIX TO THE FRANCHISE AGREEMENT

For citizens of Maryland and Franchises to be located within Maryland, and in recognition of the requirements of the Maryland Franchise Regulation and Disclosure Law, Md Code Ann Bus Reg §§ 14-201 to 14-233, the following is an amendment to the Franchise Agreement to include the following

1 The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A § 101 *et seq*)

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

3 Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise The limitations on the period of time arbitration and/or litigation claims must be brought shall not act to reduce the 3 year statute of limitations afforded a FRANCHISEE for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law

4 Any acknowledgements or representations of the FRANCHISEE which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

5 Paragraph 14 B is amended by adding "This representation does not apply to any liability under the Maryland Franchise Registration and Disclosure Law "

IN WITNESS WHEREOF, Company and Franchisee have signed and sealed this Amendment, as of the _____ day of ___________, 20_

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________

Title ______________________________

FRANCHISEE ______________________

By ______________________________

MINNESOTA AMENDMENT TO THE FRANCHISE AGREEMENT

For citizens of Minnesota and Franchises to be located within Minnesota, the following is an amendment to the Franchise Agreement

1 Minnesota law provides FRANCHISEEs with certain rights regarding termination and nonrenewal of their franchises With respect to franchises governed by Minnesota law, the franchisor will comply with Minn Stat Ann Sec 80 C 14, Subd 3, 4, and 5, which require, except in certain specified cases, (1) that a FRANCHISEE be given 90 days notice of termination (with 60 days to cure) and 180 days notice for nonrenewal of a franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld

2 The franchisor will protect the FRANCHISEE's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the FRANCHISEE from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name

3 Minn Rule Part 2860 4400D may prohibit a FRANCHISEE to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, sections 80C 01 to 80C 22, provided, that this part shall not bar the voluntary settlement of disputes

4 Minn Stat Sec 80C 21 and Minn Rule Part 2860 4400J may prohibit the franchisor from requiring a FRANCHISEE to waive his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes, provided that this part shall not bar an exclusive arbitration bar

5 The FRANCHISEE cannot consent to the franchisor obtaining injunctive relief The franchisor may seek injunctive relief See Minn Rules 2860 4400J Also, a court will determine if a bond is required

6 The Limitations of Claims section must comply with Minnesota Statutes, Section 80C 17, Subd 5

IN WITNESS WHEREOF, Company and Franchisee have signed and sealed this Amendment, as of the _____ day of ___________, 20__

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________

Title ______________________________

FRANCHISEE ____________________

By ______________________________

NORTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

For cıtızens of North Dakota and Franchıses to be located wıthın North Dakota the North Dakota Securıtıes Commıssıoner requıres that certaın provısıons contaıned wıthın the Franchıse Agreement be amended to become more consıstent wıth North Dakota Law, as detaıled ın Sectıon 51-19-01 *et seq* Therefore, to the extent that the Franchıse Agreement contaıns provısıons that are ınconsıstent wıth the followıng, such provısıons shall be amended as follows

1 If FRANCHISEE ıs requıred to sıgnıng a general release, as stated wıthın Paragraph 4 B (5), such release shall exclude claıms arısıng under North Dakota Franchıse Investment Law,

2 If the Franchıse Agreement requıres a payment of lıquıdated damages and termınatıon penaltıes, such as those ın Paragraphs 11 and 13, these requırements may be unenforceable under the North Dakota Franchıse Investment Law,

3 Covenants not to compete as stated wıthın Paragraph 8 D are enforceable only under certaın condıtıons accordıng to North Dakota Law If the Franchıse Agreement contaıns a covenant not to compete whıch ıs ınconsıstent wıth North Dakota Law, the covenant may be unenforceable,

4 If the Franchıse Agreement requıres lıtıgatıon to occur ın jurısdıctıons other than the State of North Dakota, as stated wıthın Paragraphs 13 C and D , then such requırement ıs voıd wıth respect to claıms under the North Dakota Franchıse Investment Law,

5 If the Franchıse Agreement requıres that ıt be governed by a law other than the State of North Dakota, as stated wıthın Paragraph 13 C , to the extent that such law conflıcts wıth the North Dakota Franchıse Investment Law, the North Dakota Franchıse Investment Law wıll control, and

Each of the above provısıons shall be effectıve only to the extent that the jurısdıctıonal requırements of the North Dakota Franchıse Investment Law, wıth respect to each ındıvıdual provısıon, are met ındependent of thıs Amendment to the Franchıse Agreement Thıs Amendment to the Franchıse Agreement shall have no force or effect ıf such jurısdıctıonal requırements are not met

IN WITNESS WHEREOF, Company and Franchisee have signed and sealed this Amendment, as of the _____ day of ___________, 20__

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________

Title ______________________________

FRANCHISEE ____________________

By ______________________________

WASHINGTON STATE FRANCHISE AGREEMENT ADDENDUM

The State of Washington has a statute, RCW 19 100,180, which may supersede the Franchise Agreement in your relationship with us in the areas including termination and renewal of your Franchise There may be court decisions which may supersede the Franchise Agreement in your relationship with us in the areas 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, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

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

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

The undersigned does hereby acknowledge receipt of this addendum

Dated this __________ day of ____________________ 20________

COMPANY CELLAIRIS FRANCHISE, INC

By ______________________________

Title ______________________________

FRANCHISEE ____________________

By ______________________________

EXHIBIT "6" to Franchise Agreement
COMMENCEMENT DATE

Commencement Date ____________________

Exhibit "7" to Franchise Agreement
ADA CERTIFICATION

Cellairis Franchise, Inc ("**Franchisor**") and ____________________ ("**Franchisee**") are parties to a franchise agreement dated ________________, 20____ (the "**Franchise Agreement**") for the operation of a Cellairis business unit at ________ ____ (the "**Business Unit**") In accordance with Paragraph 6 O (4) of the Franchise Agreement, Franchisee certifies to Franchisor that, to the best of Franchisee's knowledge, the Business Unit and its adjacent areas comply with all applicable federal, state, and local accessibility laws, statutes, codes, rules, regulations, and standards, including but not limited to the Americans with Disabilities Act, and all regulations imposed by state, local, and municipal authorities Franchisee acknowledges that it is an independent contractor and the requirement of this certification by Franchisor does not constitute ownership, control, leasing, or operation of the Business Unit Franchisee acknowledges that Franchisor has relied on the information contained in this certification Furthermore, Franchisee agrees to indemnify Franchisor and the affiliates, officers, directors, and employees of Franchisor in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified party(ies) as a result of any matters associated with Franchisee's compliance with the Americans with Disabilities Act and all regulations imposed by state, local, and municipal authorities, as well as the costs, including attorneys' fees, related to the same

____
Franchisee

By ____________________________

Name __________________________

Title ___________________________

Exhibit "8" to Franchise Agreement
ACKNOWLEDGEMENT OF LEGAL REPRESENTATION

Each of the undersigned hereby represents and warrants to Cellairis Franchise, Inc that they retained and were represented by an attorney knowledgeable and experienced in franchising and business transactions in conjunction with their evaluation of the Cellairis franchise opportunity and the execution of the Cellairis Franchise Agreement

FRANCHISEE

____

By ______________________________
Name ______________________________
Title ______________________________
Date ______________________________

FRANCHISEE OWNER(S)

By ______________________________
Name ______________________________
Date ______________________________

By ______________________________
Name ______________________________
Date ______________________________

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EXHIBIT "E"

SUB-LICENSE AGREEMENT

SUB-LICENSE AGREEMENT

THIS SUB-LICENSE AGREEMENT (hereinafter referred to as the "**Sub-License Agreement**"), is made effective as of the _____ day of __________, 20___, between **GLOBAL CELLULAR, INC**, a Georgia corporation, with its principal place of business located at 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005 (hereinafter referred to as the "**Company**") and ____________________________________ (hereinafter referred to as the "**Sub-licensee**"),

WHEREAS, Sub-licensee is a Franchisee under that certain Cellairis® Franchise Agreement dated _______________, 20___ (hereinafter referred to as the "**Franchise Agreement**") with Cellairis Franchise, Inc (hereinafter referred to as "**Cellairis**") relating to the Premises described below,

WHEREAS, Company has heretofore entered into a Lease, License, or other occupancy agreement (herein referred to as the "**Underlying Agreement**") with ____ as lessor/landlord/licensor (hereinafter referred to as the "**Landlord**") and in which Company is the licensee, lessee, and/or tenant (depending on the terms of the Underlying Agreement) relating to the operations of carts, interactive kiosks or similar Business Units (as defined in the Franchise Agreement) at the following location _____________________________ (hereinafter referred to as the "**Premises**"),

WHEREAS, Sub-licensee wishes to sub-license the Premises from Company pursuant to the terms of this Sub-license Agreement pursuant to which Sub-licensee will operate the franchised Business Unit from the Premises in strict compliance with the obligations of this Sub-License Agreement, the Franchise Agreement, and the Underlying Agreement

NOW THEREFORE, Company, in consideration of the agreements to be performed by Sub-licensee hereinafter set forth, hereby agrees with Sub-licensee as follows

1 <u>**Issuance of Sub-license**</u> Company hereby sub-licenses the Premises to the Sub-licensee and Sub-licensee sub-licenses from Company the Premises for the term commencing on _________ __, 20__ ("**Commencement Date**"), and ending on _______________ __, 20___ (unless extended or terminated as provided in this Sub-license Agreement) ("**Term**") upon the following terms and conditions

A minimum annual Fee of $_________ per annum, payable in equal monthly installments, commencing upon the Commencement Date and continuing thereafter through and including the last day of the first License Year of the Term (such monthly installment being hereinafter called "**Fee**"), A minimum annual Fee of $_________ per annum, payable in equal monthly installments, each and every month during the second License Year of the Term (such monthly installment being hereinafter called "**Fee**"),

A minimum annual Fee of $_________ per annum, payable in equal monthly installments, each and every month during the third License Year of the Term (such monthly installment being hereinafter called "**Fee**"),

A minimum annual Fee of $__________ per annum, payable in equal monthly installments, each and every month during the fourth License Year of the Term (such monthly installment being hereinafter called "**Fee**"),

A minimum annual Fee of $__________ per annum, payable in equal monthly installments, each and every month commencing upon the fifth License Year of the Term and continuing thereafter through and including the last month of the Term (such monthly installment being hereinafter called "**Fee**")

The Fees for each License Year shall collectively be referred to as "**Fees**" Such Fees shall be paid by Sub-licensee as follows Fees shall be payable in advance so that it is received by Company on or before the 25th day of the previous month during the term of this Sub-License Agreement (As an example of this provision, the Fee that is due for September would be due and must be paid to Company and received by the Company no later than August 25) If the Commencement Date begins on a day other than the first day of a month, Sub-licensee shall pay on the Commencement Date a prorated partial Fee for the period prior to the first day of the next calendar month, and thereafter Fee payments shall be made by Sub-licensee and received by Company not later than the 25th day of the previous month as set forth above "**License Year**" as used herein, means a period of twelve consecutive calendar months during the Term, the first License Year commencing on the Commencement Date, or, in the event such Commencement Date is other than the first day of the month, the first License Year shall commence on the first day of the first month immediately following such Commencement Date

2 **<u>Payment of Fees</u>** Sub-licensee agrees to pay the Fees set forth herein to Company in the manner set forth in Paragraph 1 of this Sub-License Agreement Company reserves the right and may require, in its sole discretion, from time to time that Sub-licensee remit payment of Fees through alternative methods of payment including but not limited to electronic funds transfers Sub-licensee agrees to comply with Company's payment instructions in every respect All Fees, additional fees (as described in Paragraph 15 of this Sub-License Agreement), and any other charges shall be paid to Company without notice or demand and without abatement, deduction, or set-off, except as otherwise expressly provided in this Sub-License Agreement

A Automatic Credit/Charge Card Payment

Company may, in its discretion, require that all Fee payments to Company or any subsidiary or affiliate of Company and any other amounts owing to Company or any subsidiary or affiliate of Company pursuant to this Sub-License Agreement be paid by credit/charge card payment which shall be automatically processed each month by Company As a material condition of this Sub-License Agreement, Company requires that Sub-licensee provide it with Sub-licensee's credit/charge card information by accurately completing **Exhibit "A"** to this Sub-License Agreement at the time Sub-licensee signs this Sub-License Agreement and that Sub-licensee promptly update such information immediately after any change so that there is no interruption whatsoever By signing this Sub-License Agreement, Sub-licensee authorizes Company and any subsidiary or affiliate of Company to charge Sub-licensee's credit/charge card for the Fees due each month payable to Company or any subsidiary or affiliate of Company, and any other amounts owing to Company or any subsidiary or affiliate of Company pursuant to this Sub-License Agreement Sub-licensee shall perform the acts and sign those documents, including the authorization form attached as **Exhibit "A"** to this Sub-License Agreement, that Company and/or Sub-licensee's credit/charge issuer may require to accomplish payment Sub-licensee expressly warrants and represents that the credit/charge card information provided to Company in **Exhibit "A"** is accurate and that Sub-licensee has the authority to authorize Company and any subsidiary or affiliate of Company to charge the credit/charge card provided in **Exhibit "A"** Sub-licensee further acknowledges that it is under the express obligation and duty to ensure that the information provided in **Exhibit "A"** is accurate at all times during the term hereof, and that the credit/charge card provided in **Exhibit "A"** is valid If at any time, the credit/charge card provided in **Exhibit "A"** becomes invalid, Sub-licensee shall immediately provide Company with credit/charge card information for an alternative credit/charge card and authorize Company to charge the alternative credit/charge card for all fees due to Company and any subsidiary or affiliate of Company If Sub-licensee (i) fails or is unable to provide a credit/charge card, or (ii) withdraws approval to charge a credit/charge card without designating a replacement credit/charge card, such failure, inability, or withdrawal shall constitute a material breach of this Sub-License Agreement justifying revocation or termination upon notice by the Company to Sub-licensee in accordance with Paragraph 13 of this Sub-License Agreement Nothing contained herein shall constitute a waiver of the right of the Company to demand immediate cash payment of any and all sums currently due and owing

B Electronic Funds Transfer

Company may, in its discretion, elect to utilize an electronic funds transfer payment program, under which Company and any subsidiary or affiliate of Company may electronically debit from Sub-licensee's bank account the Fee due each month by Company and any other amounts owing to Company or any subsidiary or affiliate of Company pursuant to this Sub-License Agreement As a material condition of this Sub-License Agreement, Company requires that Sub-licensee provide it with Sub-licensee's banking information by accurately completing **Exhibit "B"** to this Sub-License Agreement at the time Sub-licensee signs this Sub-License Agreement and that Sub-licensee promptly update such information immediately after any change so that there is no interruption whatsoever By signing this Sub-License Agreement, Sub-licensee authorizes Company and any subsidiary or affiliate of Company to electronically transfer Sub-licensee's bank account for the Fee due each month payable to Company or any subsidiary or affiliate of Company, and any other amounts owing to Company or any subsidiary or affiliate of Company pursuant to this Sub-License Agreement Sub-licensee shall perform the acts and sign those documents, including the authorization form attached as **Exhibit "B"** to this Sub-License Agreement that Company and/or Sub-licensee's bank may require to accomplish payment Sub-licensee expressly warrants and represents that the banking information provided to Company in **Exhibit "B"** is accurate and that Sub-licensee has the authority to authorize Company and any subsidiary or affiliate of Company to electronically debit Sub-licensee's bank account provided in **Exhibit "B"** Sub-licensee further acknowledges that Sub-licensee is under the express obligation and duty to ensure that the information provided in **Exhibit "B"** is accurate at all times during the term hereof, and that the banking information provided in **Exhibit "B"** is valid If at any time, the banking information provided in **Exhibit "B"** becomes invalid, Sub-licensee shall immediately provide Company with banking information for an alternative bank account and authorize Company to charge the alternative bank account for all fees due to Company and any subsidiary or affiliate of Company If Sub-licensee (i) fails or is unable to provide a bank account, or (ii) withdraws approval to charge a bank account without designating a replacement bank account, such failure, inability or withdrawal shall constitute a material breach of this Sub-License Agreement justifying revocation or termination upon notice by the Company to Sub-licensee in accordance with Paragraph 13 of this Sub-License Agreement Nothing contained herein shall constitute a waiver of the right of the Company to demand immediate cash payment of any and all sums currently due and owing

C Interest, Late Charges, and Declined or Rejected Payments

Any payment due to Company not paid when due shall bear interest at the maximum rate allowed by Georgia law or, if no maximum rate relating to this transaction is in effect in the State of Georgia, 18% per annum In addition to any interest charged, any payments not paid when due shall also bear a late charge of one hundred dollars ($100 00) per day In the event such late fee shall be void or unenforceable under either Georgia law or the laws of the jurisdiction where the Premises are located, then the highest rate of interest permitted under the laws of the jurisdiction where the Premises are located shall be charged Nothing in this

Sub-License Agreement shall be construed to mean that Sub-licensee is to pay, or has contracted to pay, any sum in excess of that which may lawfully be charged or contracted for under any applicable law The intention of the parties is to conform strictly to applicable usury laws and it is agreed that if excess is inadvertently collected it shall be applied to reduce the Fee by the amount owed under Paragraph 1 above All payments required to be made to Company under this Sub-License Agreement shall be made in Alpharetta, Georgia, or at such addresses and to such parties as Company may designate in writing from time to time Sub-licensee agrees to make prompt payment, without deduction or set-off, of all charges which are due to Company and its affiliates Such payments cannot be withheld on grounds of a claimed non-performance by Company or its affiliates of any of their obligations hereunder

In the event any payment to Company is denied or rejected by the credit card issuer or financial institution for any reason whatsoever, Company, in addition to all rights under this Sub-License Agreement or which may be available at law or in equity, shall have the right to process such denied or rejected payment by one of the other alternative means of payment set forth in this Sub-License Agreement, provided, however, Company shall be under no obligation to so process any such declined or rejected payment, and Company hereby reserves the right to revoke or terminate this Sub-License Agreement as set forth herein

D Application of Payments, Billing Disputes

Company and its affiliates shall have the right and discretion to apply and/or allocate payments made by or on behalf of Sub-licensee to any amounts due and owing Company and/or its affiliates, regardless of any instruction, direction, requirement or proposed allocation set forth by Sub-licensee Sub-licensee shall pay Company and its affiliates promptly for all Fees, additional fees (as described in Paragraph 15 of this Sub-License Agreement), and any other charges when due under this Sub-License Agreement If Company or an affiliate issues to Sub-licensee an invoice or demand for payment, Sub-licensee shall make such payment within the time frame indicated, or promptly if no such deadline is indicated (under this Agreement or the invoice) If Sub-licensee disputes any aspect of any invoice, Sub-licensee shall advise Company and affiliate (if applicable) within 60 days of the date of the invoice If no such dispute is provided within such time frame, such invoice shall be deemed accepted, and Sub-licensee waives any rights or claims

3 **Underlying Agreement** Sub-licensee acknowledges and agrees that (i) Sub-licensee's privilege to use the Premises is as a sub-licensee of Company regardless of the nature of the agreement between Company and the Landlord, (ii) this Sub-License Agreement is expressly made subject to all the terms and conditions of the Underlying Agreement, and (iii) **in the event that the Underlying Agreement expires or is terminated by Landlord, irrespective of the cause or circumstance,**

then this Sub-License Agreement shall immediately so terminate or expire and be deemed revoked without any liability whatsoever of Company to Sub-licensee except that Sub-licensee may obtain from Company, as Sub-licensee's sole and entire remedy, any unearned Fees paid in advance which shall be refunded to Sub-licensee only if such termination is not the result of a breach by Sub-licensee of this Sub-License Agreement The Underlying Agreement, as redacted, is attached hereto and is incorporated herein as **<u>Exhibit "C"</u>** The obligations and terms and conditions of the Underlying Agreement attached as **<u>Exhibit "C"</u>** are hereinafter referred to collectively as the "**Requirements**" All of the obligations of the Underlying Agreement are incorporated into this Agreement as if fully set forth herein (including without limitation, any holdover rights), with each reference to Landlord in the Underlying Agreement being deemed to include both Landlord and Company and with each reference therein to Company as the tenant/lessee/licensee (as the case may be) being deemed to mean Sub-licensee Sub-licensee shall only have the privileges expressly given to it by Company under this Sub-License Agreement and shall not be granted any additional rights that Company may have in the Underlying Agreement including, but not limited to, any rights of first refusal, nor shall this Sub-License Agreement grant Sub-licensee any rights that Company may have in the Underlying Agreement to the extent said rights would grant Sub-licensee any rights beyond those of a licensee as opposed to a lessee Sub-licensee shall use the Premises in accordance with the terms of the Requirements and shall not do or omit to do anything which will breach any of the terms of the Requirements Sub-licensee shall assume the obligation for performance of all of Company's obligations under the Underlying Agreement and the Requirements The parties specifically agree that Company does not assume the obligations of the Landlord under applicable provisions of the Underlying Agreement or other Requirements, but shall exercise reasonable business judgment in attempting to cause the Landlord to perform its obligations under the Underlying Agreement The parties agree that Company shall have no liability whatsoever to Sub-licensee for any failure of the Landlord to perform its obligations under the Underlying Agreement Without limiting the foregoing, Sub-licensee agrees that it does not and shall not have or claim at any time any leasehold interest, nor a license coupled with an interest, nor any other interest or estate of any kind or extent whatsoever in any part of the Premises Sub-licensee is only given a non-exclusive license which is personal to and non-transferable by Sub-licensee

4 **<u>Deposit</u>** Upon execution of this Sub-License Agreement, Sub-licensee shall deposit with Company a security deposit equal to one (1) month's Fees ("**Deposit**") as security for Sub-licensee's faithful performance of Sub-licensee's obligations hereunder If Sub-licensee fails to pay Fees or other charges due hereunder, or otherwise defaults with respect to any provision of this Sub-license Agreement, Company may use, apply, or retain all or any portion of the Deposit for the payment of any Fees or other charge in default or for the payment of any other sum to which Company may become obligated by reason of Sub-licensee's default, or to compensate the Company for any loss or damage which the

Company may suffer thereby If Company so uses or applies all or any portion of the Deposit, Sub-licensee shall within five (5) days after written demand therefore deposit cash with Company in an amount sufficient to restore the Deposit to the full amount hereinabove described and Sub-licensee's failure to do so shall be a material breach of this Sub-License Agreement Alternatively Company may, in its sole discretion, elect to restore the Deposit to the full amount hereinabove by seeking payment under the methods described in Paragraphs 2(A) and 2(B) above Company shall not be required to keep the Deposit separate from its general accounts or segregate the Deposit in any fashion, and any interest earned thereon shall be the sole property of Company If Sub-licensee performs all of Sub-licensee's obligations hereunder, the Deposit, or so much thereof as has not theretofore been applied by Company, shall be returned, without payment of interest or other increment for its use to Sub-licensee (or at Company's option, to the last assignee, if any, of Sub-licensee's interest hereunder) at the expiration of the term hereof, and after Sub-licensee has vacated the Premises in accordance with this Sub-License Agreement and the Underlying Agreement No fiduciary or trust relationship is created herein between the Company and Sub-licensee with respect to the Deposit

5 <u>**Payment of First Month's Fees**</u> Immediately upon execution of this Sub-License Agreement, Sub-licensee shall pay to Company the Fees and other charges for the first month of the Term of this Sub-License Agreement in accordance with the method of payment provided for in Paragraphs 2(A) or 2(B) of this Sub-License Agreement or such other method as agreed to in writing between the parties

6 <u>**Compliance with Regulations**</u> Sub-licensee shall comply promptly with all laws, ordinances, requirements, and regulations of the Federal, state, county, municipal, and other authorities (including but not limited to the trademark laws of the United States), the fire insurance underwriters, and insurance organizations or associations relating to the Premises and the operation of the franchised business unit at the Premises Sub-licensee shall comply with the Franchise Agreement entered into with Cellairis and a breach or default by Sub-licensee under the Franchise Agreement shall constitute a material breach of this Sub-License Agreement Without limiting the foregoing, Sub-licensee will not sell any products in violation of the trademark laws of the United States and shall purchase all products for resale from the Premises strictly in accordance with the provisions of Paragraph 5 C of the Franchise Agreement Sub-licensee shall only sell the products and/or services at retail to consumers from and through the Premises and shall not sell such items for redistribution or resale unless otherwise approved in writing by Company in Company's discretion

7 <u>**Viewing Premises**</u> Sub-licensee shall use the Premises exclusively for the operation of a Cellairis® franchised location at the Premises pursuant to the Franchise Agreement between the Sub-licensee and Cellairis, which Franchise Agreement is

incorporated herein and made a part hereof and Sub-licensee shall use the Premises solely as permitted under the Requirements At any time during the term, the Company, Cellairis, the Landlord, or agents of any one of them, may enter the Premises for the purpose of examining its condition, making repairs in any part, or determining Sub-licensee's compliance with this Sub-License Agreement and the Franchise Agreement The inspections may be conducted without prior notice at any time when Sub-licensee or one of Sub-licensee employees is at the Premises However, Company and Cellairis do not assume any liability for the care or supervision of the Premises or appurtenances and shall have no obligation to so view or inspect the Premises Company has the right to take photographs and videos, in any medium, of the Premises The inspections will be performed in a manner that minimizes interference with the business operation IN THE EVENT THAT ANY SUCH INSPECTION DETERMINES THAT THERE IS A VIOLATION OF PARAGRAPH 5 C OR 6 F OF THE FRANCHISE AGREEMENT, THEN, UPON DIRECTION FROM THE PERSONS CONDUCTING SUCH INSPECTION, SUB-LICENSEE AGREES THAT COMPANY MAY REQUIRE SUB-LICENSEE TO IMMEDIATELY CEASE OPERATIONS AT THE PREMISES AND/OR DISCONTINUE ALL SALES FROM THE PREMISES UNLESS AND UNTIL ANY AND ALL SUCH VIOLATION HAS BEEN CURED Sub-licensee's agreement in this Paragraph 7 to close the Premises and discontinue sales shall not in any manner prejudice the right of the Company, at its option, to terminate this Sub-License Agreement for such material breach Sub-licensee waives any claims against, or liability of, Company for any wrongful or improper closure of the Premises if Company was acting upon information that Company reasonably believes was cause for closure under this Paragraph

8 **Assignment** Sub-licensee shall not assign, mortgage, or pledge this Sub-License Agreement, or sub-license the whole or any part of the Premises without Company's prior written consent and without the consent of Cellairis, which consent may be withheld by Cellairis under the circumstances described in the Franchise Agreement and which consent may be conditioned upon the requirements set forth in the Franchise Agreement Any such consent shall apply solely to the particular transaction consented to and shall not constitute Company's or Cellairis' waiver of the provisions of this Sub-License Agreement Company and Sub-licensee agree that Company may freely assign this Sub-License Agreement

9 **Insurance** Sub-licensee shall not leave the Premises unoccupied during the Term, or by any act of commission or omission cause an increase in the rate of insurance or the cancellation of any insurance policy Company will, on an annual basis (or such shorter basis as Company, in its discretion, may wish to require) bill Sub-licensee for general liability insurance coverage relating to the Premises The billed amount shall be paid by Sub-licensee to Company within thirty (30) days from the date of the invoice and, in default of such payment, the amount may be added to the next installment of Fees as additional fees Sub-licensee is aware that Company marks up the cost of the insurance which is billed by third party insurers to Company in order

to cover administrative expenses and to provide an element of profit This insurance is in addition to and will serve as excess coverage above Sub-licensee's primary general liability policy that Sub-licensee is required to obtain under the Franchise Agreement In addition, Sub-licensee must obtain and pay for worker's compensation coverage to the extent required by applicable law and Sub-licensee may wish and elect, in Sub-licensee's discretion to obtain supplemental liability insurance at Sub-licensee's sole expense In the event that (in Company's sole discretion) Sub-licensee is permitted to obtain its own general liability insurance and, with respect to any other insurance which is obtained by Sub-licensee, Sub-licensee shall furnish Company with copies of the public liability insurance policies given and such policies shall be given by companies and in amounts satisfactory to Company

10 **Signs** Sub-licensee shall not install advertisements or signs on any part of the Premises without Company's written consent and shall do so strictly in accordance with the Requirements and the Franchise Agreement

11 **Condition** Sub-licensee accepts the Premises in the condition existing as of the date of this Sub-License Agreement and by taking occupancy of the Premises, Sub-licensee agrees that the Premises are in good, safe, and usable condition Sub-licensee acknowledges that neither Company nor Company's subsidiaries, affiliates, or agents have made any representations or warranties whatsoever concerning the Premises, its condition, the Underlying Agreement, or the use to which it may be put, except as may be expressly provided in writing in the Underlying Agreement and the Franchise Agreement The parties hereby expressly agree that Company, its subsidiaries, affiliates, and agents shall not have any duty or responsibility to repair, replace, or maintain any part of the Premises

12 **Indemnification** Company, its subsidiaries, affiliates, and agents shall not be liable and Sub-licensee agrees to defend, indemnify, and hold Company, its subsidiaries, affiliates, and agents, the Landlord, and the Premises harmless from any and all liability and claims of liability, damage, or injury to persons or property, from any cause whatsoever, arising on or about the Premises, arising out of or in any way connected with the operation of the franchised location operating at the Premises or any activity whatsoever carried on by Sub-licensee, its agents, or employees on the Premises This obligation to indemnify shall include reasonable attorneys' fees and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand is to be made or may be made The Company, its subsidiaries, affiliates, and agents shall not be responsible for any defect or change of condition in the Premises, or for any damage thereto, or to any person, or to goods or things contained therein due to any cause except Company's act or negligence and, without limiting any of the foregoing, Sub-licensee shall indemnify Company, its subsidiaries, affiliates, and agents from all claims, demands, and actions arising in connection with Sub-licensee's use of the property, or the use by any person occupying the Premises during the term hereof, or by reason

of any breach or non-performance of any covenant herein, or Sub-licensee's violation of any law, regulation, or Requirements

13 **Default and Remedies/Governing Law/Arbitration/Cross Default**

A If Sub-licensee fails to perform or observe any of its covenants under this Sub-license within five (5) days after Company gives it notice of default, Company may immediately (a) revoke, terminate, or cancel this Sub-License Agreement by notifying Sub-licensee and upon such revocation, termination, or cancellation, Sub-licensee shall be liable to Company for all damages sustained by it by reason of Sub-licensee's breach of covenant and of the revocation, termination, or cancellation, or (b) re-enter the Premises without notice and upon re-entry, license all or any part thereof as agent for Sub-licensee If the Premises are licensed in accordance with the provisions of (b), Company may receive the Fees, applying it first to the payment of any expense Company incurs in entering and licensing the Premises, and then to the payment of the Fees and fulfillment of Sub-licensee's covenants hereunder If Sub-licensee defaults, it shall pay and be liable for the several installments of Fees that would under this Sub-License Agreement become due had no default occurred, regardless of whether the demised Premises are re-licensed or remain vacant, and whether the vacancy is in whole or in part or for a period less than the whole or remainder of the term Sub-licensee shall be credited at the end of each month within the term (but not beyond) with any net amounts actually received by Company during that month for the use or occupancy of all or part of the Premises provided that Company has been fully reimbursed for all sums and liabilities it has paid or incurred for any of the above purposes (which Sub-licensee also shall pay and be liable for) Such payments shall be made either directly by Company or out of monies actually received for the use of the Premises after Company has received undisputed possession Company's maintenance of any action or proceeding to recover possession of the Premises or any installment or installments of Fees or other monies that may be due or become due from Sub-licensee shall not preclude Company from also instituting and maintaining subsequent actions or proceedings to recover possession of the Premises or of any subsequent payment or payments of Fees or other monies that may be due or become due from the Sub-licensee A waiver by Company of Sub-licensee's breach of any one or more covenants or conditions contained herein shall not bar or limit in any manner any of Company's rights or remedies for a subsequent breach of the same covenant or condition Notwithstanding anything in this Sub-License Agreement to the contrary, this Sub-License Agreement is conditioned upon the faithful performance by Sub-licensee of the Franchise Agreement between Cellairis and Sub-licensee, and a default in the terms of the Franchise Agreement shall be a default of this Sub-License Agreement

In addition to, and notwithstanding the Attorneys' Fee provision in Paragraph 13 E hereof, (i) in the event of Sub-licensee's default under Paragraph 13, (ii) in the event of any instance of non-compliance with this Sub-License Agreement for which Company notifies Sub-licensee of such default or non-compliance, (iii) if Sub-licensee cures a default, or (iv) if Company, in its discretion, elects not to terminate this Sub-License Agreement upon the occurrence of one or more events of default, then for any of these events, Company may require Sub-licensee to pay an administrative fee to Company in the amount of $1,000 per occurrence, plus any and all of Company's costs and expenses to enforce compliance by Sub-licensee or to cure such default, including but not limited to, reasonable accountants', attorneys', investigators', and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses, travel, and living expenses, whether incurred prior to, in preparation for, in contemplation of, or in connection with the filing of any judicial or arbitration proceeding to enforce this Sub-License Agreement Such administrative fee and other charges are intended to reimburse Company for its time, expense, and other expenditure of resources incurred due to Sub-licensee's default or non-compliance Company's decision to require Sub-licensee to pay such administrative fee shall be without prejudice to Company's right to terminate this Agreement and/or to terminate any other rights, options, or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement Sub-licensee shall be responsible for its own such costs and expenses

B **Governing Law** The Parties agree that the Sub-License Agreement is deemed made and entered into in the State of Georgia Except to the extent provided by the Federal Arbitration Act (9 U S C § 1 *et seq*) ("**FAA**") as required hereby, the United States Trademark Act of 1946 (Lanham Act, 15 U S C § 1051 *et seq*), or other applicable federal law, the terms of this Sub-License Agreement shall be interpreted and construed in accordance with the laws of the State of Georgia without regard to its conflicts of laws provisions All matters relating to arbitration will be governed by the FAA

a <u>Venue</u> For resolution of any dispute that is not subject to mandatory arbitration under Paragraph 13 C , including without limitation, any claims or actions under the Bankruptcy Code, Sub-licensee

i hereby submits and irrevocably consents to the exclusive jurisdiction and venue of the U S District Court for the Northern District of Georgia, Atlanta Division, or to the Superior Court located in Fulton County, Georgia, and ii agrees not to raise and hereby irrevocably waives, to the fullest extent permitted by law, any objection based upon *forum non conveniens* or any other objection it may now have or hereafter have to personal jurisdiction or venue in the U S District Court for the Northern District of Georgia, Atlanta Division, or to the Superior Court of the State of Georgia located in Fulton County, Georgia It is the express intent of the parties, that in the event a resolution of any dispute is not subject to arbitration under **Paragraph 13 D**, then the parties agree that all claims must be brought only in the above-mentioned courts

b Jurisdiction The Parties hereby explicitly and knowingly waive any objection based on the exercise of personal jurisdiction in the District Court for the Northern District of Georgia, Atlanta Division or to the Superior Court of the State of Georgia located in Fulton County, Georgia and agree that the exercise of personal jurisdiction therein is proper

c **Waiver of Right to Trial by Jury THE PARTIES EXPRESSLY AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO A TRIAL BY JURY, IF ANY**

d Right to Equitable Relief Nothing in this Sub-License Agreement shall bar Company's right to obtain injunctive relief against threatened conduct that will cause irreparable harm, under the usual equity rules including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions

C **Arbitration**

a Claims Subject to Arbitration Subject to Paragraph 13 C b, the parties agree that all controversies, claims, or disputes between Company and Sub-licensee arising out of or relating to

i This Sub-License Agreement or any other agreement between Company and Sub-licensee,

ii The relationship between Sub-licensee and Company,

iii The scope and validity of this Agreement or any other agreement between Company and Sub-licensee, specifically including whether any specific claim is subject to arbitration at all (arbitrability questions) except that the parties intend for the court to address the applicability and scope of the exceptions found in Paragraph 13 C b, and/or

iv Any agreement relating to the purchase of products or services by Sub-licensee from Company

will be subject to arbitration to be administered by the American Arbitration Association (**"AAA"**) Any claims by or against any affiliate of the Company may be joined, in the Company's sole discretion, in the arbitration Any claim that would constitute a compulsory counterclaim as defined by the then current version of Federal Rule of Civil Procedure 13 and under federal precedent of the U S Supreme Court and the Court of Appeals for the Eleventh Circuit, must be brought in arbitration If a potential compulsory counterclaim is not brought in arbitration, then it is forever barred Company reserves the right, but has no obligation, to advance Sub-licensee's shares of the costs of any arbitration to allow the arbitration hearings to move forward, but by doing so, Company may not be deemed to have waived or relinquished any right to seek recovery of those costs from Sub-licensee All claims that are subject to arbitration shall be brought and filed prior to the earlier of (a) the time period set forth in Paragraph 13 F , or (b) before the applicable statute of limitations would bar the institution of legal or equitable proceedings based on the claim, dispute or other matters in question Notwithstanding any state law or regulation that purports to supersede or pre-empt the application of the FAA to this Sub-License Agreement, Company and Sub-licensee agree that the FAA controls, and except that as specifically set forth in Paragraph 13 C b , all claims, controversies, and disputes shall be resolved in arbitration as described and required by this Agreement

b <u>Exception of Claims Subject to Arbitration</u>

i <u>Exception of Company Actions</u> Company and Sub-licensee recognize and agree that certain claims of Company may not be best suited to determination through arbitration and agree that the Company, in its sole discretion, may bring the following types of claims, cases, disputes and causes of action either in court or in arbitration

(1) Claims seeking injunctive or other equitable relief to enforce provisions of this Agreement, including but not limited to proceedings to recover possession of the Premises, provided however that non-equitable claims joined with any injunctive claims must be heard separately in arbitration, and that regardless of the forum, any injunctive relief may be given without the necessity of Company posting

bond or other security, any bond or other security being hereby waived and Sub-licensee acknowledges that the termination of any litigation for injunctive or other equitable relief shall not bar Company from asserting non-equitable claims in an arbitration involving the same parties or causes of action,

(2) Claims, including claims by Cellairis, seeking recovery or any other remedy based on Sub-licensee's failure to pay any moneys due under this Agreement, any agreement with Cellairis, or any unpaid invoices owed to Cellairis or Company when due

c Exception of Sub-licensee Actions Company and Sub-licensee recognize and agree that certain claims of Sub-licensee may not be best suited to determination through arbitration and agree to specifically except the following types of claims, cases, disputes, and causes of action from arbitration Claims seeking injunctive or other equitable relief to enforce provisions of this Sub-License Agreement, provided however that non-equitable claims joined with any injunctive claims must be heard separately in arbitration and that all claims seeking any injunctive or equitable relief must be brought solely in aid of arbitration in a venue governed by Paragraph 13 B , no other venue being permissible

d No Class Actions No party except Company (including its employees, agents, officers, or directors and its parent, subsidiary, or affiliated companies) and Sub-licensee (including where applicable the immediate family members, owners, heirs, executors, successors, assigns, shareholders, partners, and guarantors (as applicable)) may join in or become a party to any Arbitration proceeding arising under this Sub-License Agreement, and the arbitrator will not be authorized to permit any person or entity that is not a party to this Agreement or identified in this paragraph to be involved in or to participate in any Arbitration conducted pursuant to this Sub-License Agreement Further, in the event that Sub-licensee or one or more owners of Sub-licensee is a sub-licensee or is an owner of a sub-licensee of Company for another location, or is a franchisee or an owner of a franchisee of Cellairis for another location, any claims related to the other sub-licensee, other sub-license, other franchisee, other franchise agreement, or other location, may not be heard, arbitrated, or litigated in any Arbitration or other proceeding under this Sub-license or the franchise agreement for this location No matter how styled by the party bringing the claim, any claim or dispute is to be arbitrated on an individual basis and not as a class action **SUB-LICENSEE EXPRESSLY WAIVES ANY RIGHT TO ARBITRATE OR LITIGATE AS A CLASS ACTION OR IN A PRIVATE ATTORNEY GENERAL CAPACITY** Any question regarding the interpretation of enforceability of this prohibition on class-wide arbitration shall be resolved by a court of competent jurisdiction, and not the arbitrator

e Selection of the Arbitrator(s) The arbitration shall be presided over by a single arbitrator if both the demand for arbitration and any counterclaim asserted each state claims respectively totaling under $500,000 If either the demand for arbitration or any counterclaim asserts claims respectively totaling over $500,000, then the arbitration shall be presided over by a panel of three arbitrators In either event, the arbitrator(s) will be selected through the provisions of the AAA then in effect at the time of filing of the arbitration demand, requiring the AAA to provide potential arbitrators who have significant experience in franchising matters, with a preference being given to members of the American Bar Association Forum on Franchising

f Rules Governing Arbitration Subject to any contrary provisions contained in this Agreement, the parties agree that the Commercial Arbitration Rules for the AAA in effect as of the date of this Agreement will govern the conduct and administration of the arbitration, except as to filing fees that may be changes The parties may, however, choose to employ the AAA's Commercial Arbitration Rules in effect as of the time of filing the demand if both parties agree and convey that agreement to the AAA

g Location of Arbitration Hearing All arbitration hearings at which evidence will be taken will be held in person at a location within the boundaries of the City of Atlanta, provided that the chosen location has adequate facilities to handle the hearing and accommodate the parties, witnesses, and evidence The arbitrator(s) shall have no authority to select a hearing locale other than as described in this Paragraph

h Evidence and Hearing

i Company and Sub-licensee agree to pre-hearing discovery in accordance with the Federal Rules of Civil Procedure, notwithstanding the foregoing, in the event either party seeks to obtain electronically stored information ("**ESI**") as part of discovery, the party requesting such ESI shall pay for the other party's costs of searching, labeling, indexing and producing the ESI

ii Company and Sub-licensee agree that the Federal Rules of Evidence will govern the admissibility and weight of evidence, including rules regarding the inadmissibility of hearsay

iii The parties confirm that the arbitrator may not consider any settlement discussions or offers that might have been made by either party and may not act as a mediator for the parties if the parties proceed to mediation at any point

iv The parties to the arbitration agree to keep all matters, including evidence and testimony, confidential unless obligated by law to disclose the information or the information is necessary in an application to confirm or vacate the award in court, following any appeal If any party to the arbitration receives a subpoena to obtain information or documents from the arbitration, the recipient shall notify the other party, providing a copy of the subpoena in sufficient time to allow all parties to oppose the subpoena

i <u>Decision of the Arbitrator(s)</u> Unless otherwise specifically agreed to by all parties to the arbitration in writing, the award of the arbitrator(s)

i will be rendered within 30 days of the close of the arbitration hearing record,

ii will be a reasoned award,

iii may not include punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute

iv may not include consequential damages (except that damages that are, or are based on lost future profits, are not, and shall not be deemed to be, consequential damages), v will include an award to the prevailing party as determined by the arbitrator(s), all of the prevailing party's costs and fees **"Costs and fees"** mean all reasonable pre-award expenses of the arbitration, including the arbitrator(s)' fees, AAA administrative and filing fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, fees for depositions, including all costs of stenography and videography, and copies of testimony however recorded, witness fees, and attorneys' fees,

vi may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules (**"Appellate Rules"**), and will not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired Appeals must be initiated within thirty (30) days of receipt of the arbitrator's award, as provided by the Appellate Rules, by filing a Notice of Appeal with any AAA office, and/or

vii following the appeal process the decision rendered by the appeal tribunal may be entered in any court having jurisdiction thereof, subject to the exclusive jurisdiction set forth in Paragraph 13 B

J <u>Agreement to Arbitrate Negotiated and Freely Given</u> Company and Sub-licensee both hereby represent, warrant, and affirm that this arbitration clause has been freely negotiated between the parties, that obligations set forth herein have been fully considered by Company and Sub-licensee and their respective representatives, and are not unduly burdensome to either Company or Sub-licensee and are within the scope of mutually acceptable obligations established by the parties under this Agreement and thus, are, in Company's and Sub-licensee's judgment, as evidenced by the parties' respective execution of this Agreement, fair and reasonable

D **Cross- Default** Any default or breach by Sub-licensee, its affiliates, and/or any guarantor of Sub-licensee of this Sub-License Agreement will be deemed a default under the Franchise Agreement, and any default or breach of the Franchise Agreement by Sub-licensee and/or such other parties will be deemed a default or breach under this Sub-License Agreement Sub-licensee's "affiliates" means any persons or entities controlling, controlled by, or under common control or ownership with Sub-licensee, provided, however, any transfer or assignment of this Sub-License Agreement shall be subject to Paragraph 8 above

E **Attorney's Fees** In any arbitration or litigation to enforce the terms of this Sub-License Agreement, all attorney's fees and costs (including, but not limited to, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigations and proof of facts, court costs, other expenses of litigation, arbitration, or alternative dispute resolution, and travel and living expenses) (including those incurred on appeal) incurred as a result of the litigation or arbitration (including any attorneys' fees and costs incurred in enforcing the right to recover fees and costs as set forth in this paragraph) shall be paid to the prevailing party by the other party Attorneys' fees include a charge for the service of in-house counsel at the market rate for independent counsel of similar experience The term prevailing party as used in this Paragraph shall include, without limitation, either a party that prevails on the ultimate merits of a dispute or a party that prevails with respect to the primary issue(s) or relief sought in an arbitration or litigation even if the ultimate merits of a dispute are not resolved By way of example, if Sub-licensee initiates litigation with respect to claims that are subject to mandatory arbitration pursuant to Paragraph 13 C of this Sub-License Agreement and Company files a motion to dismiss or motion to compel arbitration that is granted, Company will be considered the prevailing party with respect to such litigation and shall be entitled to recover the attorneys' fees and costs it incurred in such litigation pursuant to this paragraph

F **Damages And Timing Of Claims THE PARTIES AGREE THAT NEITHER PARTY SHALL HAVE THE RIGHT TO RECEIVE OR COLLECT PUNITIVE OR EXEMPLARY DAMAGES, CONSEQUENTIAL DAMAGES, OR LOST PROFITS FROM THE OTHER PARTY WITH REGARD TO ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS SUB-LICENSE AGREEMENT, THE RELATIONSHIP BETWEEN SUB-LICENSEE AND COMPANY (INCLUDING EACH OF COMPANY'S AFFILIATES), OR THE OPERATION OF THE BUSINESS LOCATED AT THE PREMISES BROUGHT BY ANY PARTY TO THIS SUB-LICENSE AGREEMENT AGAINST ANOTHER PARTY TO THIS SUB-LICENSE AGREEMENT, SHALL BE COMMENCED AT THE EARLIER OF (1) WITHIN ONE YEAR FROM THE DISCOVERY OF THE FACTS GIVING RISE TO ANY SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE BARRED, PROVIDED, HOWEVER, THAT THIS TIME LIMITATION SHALL NOT APPLY TO ANY UNPERFORMED FINANCIAL OBLIGATION OF SUB-LICENSEE TO COMPANY AND EACH OF COMPANY'S AFFILIATES, OR (2) WITHIN THE APPLICABLE STATUTE OF LIMITATIONS FOR SUCH CLAIM OR ACTION THE PARTIES UNDERSTAND**

THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW IN ADDITION TO THE FOREGOING, ANY CLAIM OR ACTION BY SUB-LICENSEE AGAINST COMPANY OR ITS AFFILIATES RELATING TO ANY PAYMENT(S) MADE BY SUB-LICENSEE TO COMPANY OR ITS AFFILIATES SHALL BE COMMENCED AT THE EARLIER OF (1) WITHIN ONE YEAR FROM THE DATE PAYMENT WAS RECEIVED BY COMPANY OR ITS AFFILIATES OR SUCH CLAIM OR ACTION SHALL BE BARRED, OR (2) WITHIN THE APPLICABLE STATUTE OF LIMITATIONS FOR SUCH CLAIM OR ACTION THE PARTIES UNDERSTAND THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW SUB-LICENSEE AGREES THAT ITS SOLE RECOURSE FOR CLAIMS ARISING BETWEEN THE PARTIES SHALL BE AGAINST COMPANY AND ITS SUCCESSORS AND ASSIGNS SUB-LICENSEE AGREES THAT THE OWNERS, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS OF COMPANY AND ITS AFFILIATES SHALL NOT BE PERSONALLY LIABLE NOR NAMED AS A PARTY IN ANY ACTION BETWEEN COMPANY AND SUB-LICENSEE

14 <u>**Revocation, Termination Option And Right, and Effect of Termination**</u>

A Notwithstanding anything to the contrary herein contained, Company shall have the option and right to immediately revoke and terminate this Sub-License Agreement upon the happening of any of the following events (a) if the Franchise Agreement expires and is not renewed or is terminated for any reason whatsoever or otherwise terminates, irrespective of the reason for such termination, (b) if the Underlying Agreement should be cancelled, should expire, or should be terminated for any reason at any time, or (c) if Sub-licensee should suffer or permit the occurrence of any act or thing which would constitute an event of default by Company pursuant to the terms of the Underlying Agreement or the Requirements **RECOGNIZING THAT ANY FAILURE OR REFUSAL BY SUB-LICENSEE TO STRICTLY OBSERVE THE REQUIREMENTS OF THE UNDERLYING AGREEMENT MAY PUT IN JEOPARDY MULTIPLE LICENSES BETWEEN COMPANY AND THE LANDLORD AS WELL AS BENEFICIAL RELATIONS BETWEEN THE COMPANY AND THE LANDLORD, THE PARTIES AGREE THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN CONTAINED, IN THE EVENT THAT SUB-LICENSEE SHOULD SUFFER OR PERMIT THE OCCURRENCE OF ANY ACT OR THING WHICH WOULD CONSTITUTE AN EVENT OF DEFAULT BY COMPANY PURSUANT TO THE TERMS OF THE UNDERLYING AGREEMENT OR THE REQUIREMENTS, COMPANY SHALL**

HAVE THE RIGHT, AT ITS OPTION, TO IMMEDIATELY REVOKE AND TERMINATE THIS SUB-LICENSE AGREEMENT WITHOUT PRIOR NOTICE OR AN OPPORTUNITY TO CURE In addition, Company may revoke and terminate this Sub-License Agreement if any one or more of the following events occur proceedings in bankruptcy, or under any other act for the relief of debtors, are instituted by or against Sub-licensee, Sub-licensee compounds its debts, or assigns over its estate or effects for payment thereof, any execution issues against Sub-licensee or any of its effects, a receiver of trustee is appointed for Sub-licensee's property, or this Sub-License Agreement by operation of law devolves upon or passes to any party or parties other than Sub-licensee personally In any such event, Company may immediately revoke and terminate this Sub-License Agreement by notifying the Sub-licensee

B Upon such revocation and termination, Company shall, in addition to its rights as set forth within this Paragraph, also be entitled to pursue any and all rights and recover all damages available at law or in equity Sub-licensee acknowledges and agrees that all present and future sums due from Sub-licensee shall immediately become due and payable __**UPON ANY SUCH REVOCATION AND TERMINATION OF THIS SUB-LICENSE AGREEMENT, SUB-LICENSEE AGREES TO SURRENDER AND DELIVER THE PREMISES TO COMPANY UPON DEMAND** Sub-licensee understands and acknowledges that this is a license and not a lease, and Sub-licensee acknowledges that Sub-licensee's obligation to surrender and deliver the Premises to Company upon demand is not subject to any right of Sub-licensee or requirement of Company to bring an action in the nature of an eviction or dispossession which Sub-licensee expressly waives

C Upon expiration, revocation, or termination of this Sub-License Agreement, Company shall have the right to remove Sub-licensee and any parties claiming rights or privileges under Sub-licensee and their property from the Premises, and lock and bar Sub-licensee and all parties claiming rights or privileges under Sub-licensee from doing business at the Premises, and Sub-licensee agrees that any property of any kind, character, or manner that is not removed by Sub-licensee shall be deemed transferred to Company and Company shall have the right to dispose of all such property at Sub-licensee's sole expense Furthermore, in the event Sub-licensee does not leave the Premises, then Sub-licensee agrees to remove, change, modify and shall not use any patented equipment, patented fixtures, equipment, fixtures, trade dress, or other intellectual property of Company or its affiliates If Sub-licensee fails to modify the exterior and interior décor of the Premises as Company requires to eliminate its identification as an authorized Cellairis® location (including the removal of all signs bearing the Marks (as defined within the Franchise Agreement) and all intellectual property elements), Company may take such action to modify the exterior and interior decor of the Premises and the location and charge Sub-licensee for cost of such action Sub-licensee shall immediately pay Company for the cost of any action taken by Company to modify the exterior and interior décor of the Premises Without limiting the foregoing, upon the revocation, expiration, or termination of this Sub-License Agreement, Company and its agents and representatives have the right, without incurring any liability to Sub-licensee, to enter the Premises to enforce the provisions of this Paragraph 14, without obtaining any legal process or any consent from Sub-licensee If Company or its affiliate assumes the Underlying Agreement for the location, Sub-licensee shall remain liable for all of its obligations in connection with the prior operation by Sub-licensee of the Premises, and Company assumes no such obligations, contractual or otherwise, including without limitation Sub-licensee's obligations to pay rent or license fees, salaries, vendors or applicable taxes

D In addition to the rights stated above, in the event Sub-licensee does not vacate the Premises upon demand, Sub-licensee hereby expressly consents to the entry of an injunctive order from any court of competent jurisdiction and agrees not to oppose the entry of injunctive orders or to take any position inconsistent therewith Company shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived by Sub-licensee, and without being required to establish irreparable harm or a balance of convenience Company's option and right to revoke and terminate hereunder is in addition to and not in lieu of its other rights under law and in equity and as set forth in this Sub-License Agreement

E Sub-licensee's obligations regarding trade secrets, confidential information, shall remain in full force and effect in accordance with their terms, notwithstanding such termination, revocation, or expiration

15 **Additional Fees**

A If Company makes any expenditure for which Sub-licensee is responsible, or if Sub-licensee fails to make any required payment under this Sub-License Agreement, Company may add such amount to any current or future installment of Fees If any term of Underlying Agreement shall be effective under any circumstances to increase or escalate the Fees during the Term of this Sub-License Agreement, such amount shall be promptly paid by Sub-licensee to Company as additional fees Some Landlords may require Company to license multiple sites in multiple malls and Company may be required to pay sums to Landlord relating to either (a) an annual lump sum payment associated with such multiple locations or (b) fees for sites which are much less likely to be developed In such cases, Company reserves the right to allocate additional fees to Sub-licensee which represents a discretionary amount relating to such charges by the Landlord plus an additional fee associated with Company's costs of administration and profit to the Company

B **Percentage Fees** In addition to Fees, Sub-licensee shall also pay Company ______ percent times the amount of "Gross Sales" (as defined in subparagraph 15(F)) during each License Year or partial License Year which exceeds the annual sales breakpoint described below for such period (hereinafter called **"Percentage Fees"**) If the License Year is less than twelve (12) full calendar months, then annual sales breakpoint for such License Year shall be an amount equal to the product obtained by multiplying the annual sales breakpoint by a fraction, the numerator of which shall be the number of days in such License Year and the denominator of which shall be three hundred sixty-five (365) The annual sales breakpoint shall be as follows

(i) $________ per annum from the Commencement Date through and including the expiration of the first License Year,
(ii) $________ per annum during the second License Year,
(iii) $________ per annum during the third License Year,
(iv) $________ per annum during the fourth License Year, and
(v) $________ per annum from the commencement of the fifth License Year and continuing for the remainder of the Term (prorated for any partial License Year)

C Sub-licensee shall (a) not later than the **5th** day after the close of each calendar month, deliver to both Company and Landlord a written statement certified under oath by Sub-licensee or an officer of Sub-licensee, showing Gross Sales made in such calendar month, and (b) not later than **15** days after the end of each License Year deliver to both Company and Landlord a statement of Gross Sales for such License Year the correctness of which is certified by Sub-licensee or an officer of Sub-licensee or an independent Certified Public Accountant If Sub-licensee fails to prepare and deliver any statement of Gross Sales required hereunder, within the time or times specified above, then Company shall have the right, in addition to the other rights and remedies set forth in this Sub-license Agreement, to (i) collect from Sub-licensee a sum which shall be **$250 00** and which shall be deemed liquidated damages for administrative and overhead expenses resulting from such failure, and (ii) estimate Sub-licensee's Gross Sales for any non-reported period and bill Sub-licensee's Percentage Fees accordingly Company reserves the right, at Company's option, to adjust Percentage Fees billings when actual Gross Sales reports are received

D Percentage Fees shall become due and payable in each License Year on the 5th day of the month immediately following the month during which Gross Sales exceed the annual sales breakpoint, and thereafter shall be paid monthly on all additional Gross Sales made during the remainder of such License Year, such payments to be made concurrently with the submission by Sub-licensee to Company of the written statement of monthly Gross Sales as provided for herein of, if Company elects in its sole discretion, by the methods set forth in Paragraphs 2(A) and 2(B) above

E **Audit** Sub-licensee will preserve for at least three years all original books and records disclosing information pertaining to Gross Sales and such other information respecting Gross Sales as Company and Landlord require Company and its agents shall have the right during business hours to examine and audit such books and records, and Landlord shall have the right to audit such books and records in accordance with the Underlying Agreement If such examination or audit by Company discloses a liability for Percentage Fees three percent or more in excess of the Percentage Fees paid by Sub-licensee for any period, or if Sub-licensee shall have failed to furnish Company any monthly statement of Gross Sales during any License Year, Sub-licensee shall promptly pay Company the cost of said audit (including, without limitation, reasonable travel costs) and the deficiency in Percentage Fees, which deficiency shall be payable in any event Sub-licensee shall also be responsible for the payment of any audits, penalties, underpayments, and other charges due Landlord in accordance with the Underlying Agreement

F **"Gross Sales"** for purposes of this Sub-License Agreement shall have the meaning ascribed to it in the Underlying Agreement

16 <u>Notices</u>

a All notices to Company shall be in writing and shall be delivered or sent by express, registered or certified mail, or by an overnight delivery service (*e g*, Federal Express, UPS), postage fully prepaid, addressed to it at its offices at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 attention Jason S Adler, Esq , with a mandatory copy to Chris Bussert, Kilpatrick Townsend & Stockton, 1100 Peachtree Street NE, Suite 2800, Atlanta, GA 30309, or at such other address as Company shall from time to time designate in writing

b All notices to Sub-licensee shall be in writing and shall be sent by any of the following means of delivery (i) hand delivered, (ii) sent by express, registered or certified mail, (iii) sent by an overnight delivery service (*e g*, Federal Express, UPS), (iv) facsimile transmission, or (v) E-mail Notices to Sub-licensee may be sent to any address appearing on any agreements between Company and Sub-licensee, the Premises, or in Company's records for Sub-licensee Sub-licensee may change its address for receipt of notices by providing written notice of such change pursuant to the notice requirements to Company Any notice to Sub-licensee or any of its Principal Owners (as defined in Paragraph 1(A) of the Franchise Agreement) shall be deemed effective notice to Sub-licensee and all of its Principal Owners

c Notices shall be deemed delivered as follows (i) via hand delivery on the date delivered by hand, (ii) via express, registered or certified mail on the earlier of 3 business days after placement in the United States Mail or the date shown on the return receipt, (iii) via overnight delivery service on the date shown in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made, (iv) via facsimile transmission on the date the transmission occurs, or (v) via E-mail on the date the E-mail is sent

17 **Waiver** Both parties, for themselves and to the extent not limited by the applicable policy, their respective insurers, waive their respective rights against the other for damages caused by fire or other perils covered by insurance when the damages are sustained in connection with the occupancy of the Premises

18 **Binding Effect** The provisions of this instrument shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and permitted assigns, subject to Paragraph 8 above

19 **Non-Waiver** The failure of Company to exercise any right or option given to it under this Sub-License Agreement, or to insist upon strict compliance by Sub-licensee with the terms and conditions of this Sub-License Agreement shall not constitute a waiver of any terms or conditions of this Sub-License Agreement with respect to any other or subsequent breach, nor a waiver by Company of its right at any time thereafter to require exact and strict compliance with the terms and conditions of the Sub-License Agreement The rights or remedies set forth in this Sub-License Agreement are in addition to any other rights or remedies that may be granted by law

20 **Time of the Essence** Time is of the essence of this Sub-License Agreement

21 **No Agency** The parties hereto agree that the business relationship created by this Sub-License Agreement is solely that of sub-licensor and sub-licensee Nothing contained in this Sub-License Agreement shall make Sub-licensee an agent, legal representative, partner, subsidiary, joint venturer, or employee of Company Sub-licensee shall have no right or power to, and shall not bind or obligate Company in any way, manner or thing whatsoever, nor represent that it has any right to do so

22 **Non Circumvention** Recognizing the mutual benefits associated with the relationship between Company and the Landlord (including the managers and agents of Landlord), Company and Sub-licensee wish to agree upon certain non circumvention requirements which shall be strictly observed by Sub-licensee Both during the Term of this Sub-License Agreement and for a period of two (2) years after the expiration or termination of this Sub-License Agreement, irrespective of the cause of any such termination, Sub-licensee agrees that the Sub-licensee will not directly or indirectly through related parties circumvent the relationship between Landlord and Company by entering into agreements with Landlord (including the managers and agents of Landlord) by which Sub-licensee will directly or indirectly (except through other sub-licenses between Sub-licensee and Company) lease, license, or enter into any form of occupancy agreement for space in any shopping mall located within fifty (50) miles of the Premises for the purpose of selling cellular telephone accessories or wireless device accessories, cellular telephone or wireless device repair services, and other related products and services

23 **Representations and Warranties of Sub-licensee** Sub-licensee makes the following representations with the understanding that Company is relying on them as a material inducement to enter into this Sub-License Agreement Sub-licensee has been advised to make an independent investigation of Company's operations Company has not and does not represent that Sub-licensee can expect to attain a specific level of sales, profits, or earnings from operations at the Premises Sub-licensee has been advised to obtain independent professional advice regarding this Sub-License Agreement Sub-licensee understands that it may sustain losses as a result of the operation or the closing of the Business Unit at the Premises Sub-licensee understands that the business venture contemplated by this Sub-License Agreement involves a high degree of financial risk and depends to a large degree on Sub-licensee's skills, abilities, initiative, and hard work Sub-licensee understands that, pursuant to the requirements of the Franchise Agreement, Sub-licensee may be required to purchase all of the products and services to be sold from the Premises from Company or from Company's subsidiaries or affiliates, that these parties will establish the purchase price for such products and services in their discretion and that these parties expect to make a profit from such sales Sub-licensee also understands that Sub-licensee was free to obtain an appropriate approvable location for the operation of the Cellairis® business unit from any available source but that now that Sub-licensee has elected to sub-license the Premises from Company then Company has established the Fee rate for such Premises in its discretion and that Company expects to make a profit from such Fees and Sub-licensee also understands that as a result of this Sub-License Agreement, Sub-licensee is bound by the non circumvention requirements set forth in the preceding Paragraph

24 **Headings** Headings in this Sub-License Agreement are for reference and convenience only and shall not be used to interpret or construe its provisions

25 **Counterparts** This Sub-License Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument

26 **Entire Agreement** This instrument supersedes all agreements previously made between the parties relating to its subject matter There are no other understandings or agreements between them, except as otherwise provided or referenced herein

27 **Holdover** In the event Sub-licensee remains in possession of the Premises beyond the expiration of the Term, such holding over shall not create a tenancy or renewal of this Sub-License Agreement, but instead shall be for successive ten (10)-day terms until either party provides the other party with at least ten (10) days' prior written notice In such event, Sub-licensee shall comply with all terms and conditions of this Sub-License Agreement, including but not limited to, the payment all Fees and other monetary obligations that are due during such holdover period until the expiration of the holdover period In the event Company or its subsidiaries or affiliates requires additional time to obtain a replacement franchisee or sub-licensee, Sub-licensee agrees to continue to occupy and use the Premises pursuant to this Sub-License Agreement for such period, if any, Company or its subsidiaries or affiliate requests

28 **Relocation** Sub-licensee acknowledges and agrees that the location of the Premises may change from time to time pursuant to the Underlying Agreement or pursuant to any existing or future written agreement between Company, its subsidiaries, and affiliates, and Landlord In such event, the term "Premises" shall be revised to thereafter mean the Premises to which Sub-licensee has been relocated, effective as of the relocation date specified by Company TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, SUB-LICENSEE HEREBY RELEASES COMPANY, ITS SUBSIDIARIES, AND AFFILIATES AND HEREBY WAIVES ANY AND ALL CLAIMS, ACTIONS, CAUSES OF ACTION, COSTS, EXPENSES, DAMAGES, OR OTHER LIABILITY RELATED IN ANY MANNER TO ANY SUCH RELOCATION OF THE PREMISES

29 **Personal Guaranty** The individual owners of Sub-licensee shall personally guaranty all obligations of Sub-licensee under this Sub-License Agreement, including without limitation all payment obligations under Paragraphs 1 and 15, and shall execute the Personal Guaranty and Subordination Agreement in the form attached hereto as **Exhibit "D"**

30 **Bankruptcy**

A **Assumption of Sub-License Agreement** Neither Sub-Licensee's interest in this Sub-License Agreement, nor any estate hereby created in

Sub-Licensee, nor any interest herein or therein, shall pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law, except as may specifically be provided pursuant to the Bankruptcy Code (11 USC §101 *et seq*), as the same may be amended from time to time (the "**Code**") It is understood and agreed that this Sub-License Agreement is a lease of real property in a shopping center as such lease is described in Section 365 of the Code and, among other provisions, is entitled to the protections of Code § 365(b)(3) regarding adequate assurance of future performance

In the event that an order for relief is entered against Sub-Licensee, whether voluntarily or involuntarily, and Sub-Licensee becomes a debtor under any section of the Code, and assuming that this Sub-License Agreement, the Franchise Agreement, or the Underlying Agreement has not been canceled or terminated as provided herein, then Sub-Licensee may not assume or assign this Sub-License Agreement to any third party unless, at the time of such assumption, Sub-Licensee cures (as that term is defined by the Code) any monetary defaults existing under this Sub-License Agreement, including without limitation, the Company's costs, expenses, accrued interest, and attorneys' fees incurred as a result of the default

B **Adequate Assurance of Future Performance** In the event this Sub-License Agreement is not canceled and terminated as provided herein, then Sub-Licensee may not assign this Sub-License Agreement unless Sub-Licensee and Sub-Licensee's proposed assignee shall have assumed all of the obligations arising under this Sub-License Agreement on or after the date of such assignment, shall comply with all provisions of this Paragraph 30, shall comply with and meet all of the requirements of the Franchise Agreement, as determined in Company's sole and absolute discretion, and provide adequate assurance of future performance to Company of the source of Fees, rent, and other consideration payable under this Sub-License Agreement and any obligations of Sub-Licensee under the Franchise Agreement so long as the assumption or assignment of this Sub-License Agreement will not breach the Underlying Agreement, including without limitation, the use of the Premises, and that Sub-Licensee will continue to operate the business at the Premises in strict accordance with the requirements of this Sub-License Agreement and the Franchise Agreement Company may, at its sole discretion, require such other assurances and documents at the time of such assumption or assignment Sub-Licensee, upon demand by Company, shall execute and deliver to Company an instrument confirming such assignment or, alternatively, shall provide Company with a copy of the Bankruptcy Court order authorizing such assignment, and

C **Performance and Protection** Upon the entry of an order for relief by or against Sub-Licensee under the Code, Sub-Licensee, as debtor and as debtor-in-possession, or any Trustee who may be appointed, agrees to (1) timely perform each and every obligation of Sub-Licensee under this Sub-License Agreement until such time as this Sub-License Agreement is either rejected or assumed by Order of the Bankruptcy Court, (2) timely pay all monetary obligations required under this Sub-License Agreement and perform all obligations under the Franchise Agreement, (3) provide Company a minimum thirty (30) days prior written notice, unless a shorter period is agreed to in writing by the parties or is required or permitted under the Code or by Order of the Bankruptcy Court, of any proceeding relating to any assumption of this Sub-License Agreement or any intent to abandon the Premises, which abandonment shall be deemed a rejection of this Sub-License Agreement, (4) timely perform to the benefit of Company as required under any applicable provision of the Code, and (5) reject or assume this Sub-License Agreement within forty-five (45) days of the appointment of such trustee under Chapter 7 of the Code or within sixty (60) days (or such shorter term as Company may deem reasonable, so long as notice of such period is given) of the filing of a petition under any other Chapter

D **Accumulative Rights** The rights, remedies, and liabilities of Company and Sub-Licensee set forth in this Paragraph 30 shall be in addition to those which may now or hereafter be accorded, or imposed upon, Company and Sub-Licensee by the Code Company reserves the right in connection with any proposed assignment of this Sub-License Agreement to contest the assignment if in Company's sole judgment the assignee does not meet the requirements of a franchisee under the Franchise Agreement The term "Sub-Licensee" as used in this Sub-License Agreement includes the Sub-Licensee named in this Sub-License Agreement and also any trustee, debtor in possession, receiver, custodian, or other similar officer Neither Sub-Licensee's interest in this Sub-License Agreement, nor any estate hereby created in Sub-Licensee nor any interest herein shall pass to any trustee, except as may be specifically provided pursuant to the Code, or to any receiver or assignee for the benefit of creditors or otherwise by operation of law

31 **Liability of Multiple Sub-licensees** If Sub-licensee consists of more than one person, each person's liability and obligation under this Agreement shall be joint and several

32 **Modification** This Agreement may only be modified or amended by a separate negotiated written document executed by Company and Sub-licensee that is titled "Amendment to Sub-License Agreement" No handwritten or similar attempts by Sub-licensee to vary the terms of this Sub-License Agreement are valid and any

such attempts are rejected, but such attempted changes shall not operate as a rejection by Sub-licensee of this Sub-License Agreement, and Sub-licensee's execution of this Sub-License Agreement shall be deemed acceptance of this Sub-License Agreement in the form provided to Sub-licensee by Company for signature

33 **Survival** Any provisions of this Sub-License Agreement which impose an obligation after termination or expiration of this Sub-License Agreement shall survive the revocation, termination, or expiration of this Sub-License Agreement and be binding on the parties The parties to this Sub-License Agreement specifically agree that the provisions related to jurisdiction, venue, and arbitration in Paragraphs 13 B , C , D , E and F shall survive the termination or expiration of this Sub-License Agreement

34 **Business Judgment** Whenever Company has expressly reserved in this Agreement or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant Sub-licensee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Sub-License Agreement, Company may make such decision or exercise its right and/or discretion on the basis of Company's judgment of what is in Company's best interests, at the time Company's decision is made or its right or discretion is exercised, without regard to whether (1) other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Company, (2) Company's decision or the action taken promotes Company's financial or other individual interest, (3) Company's decision or the action it takes applies differently to Sub-licensee and one or more other sub-licensees or Company's company-owned or affiliate-owned operations, or (4) Company's decision or the exercise of its right or discretion is adverse to Sub-licensee's interests In the absence of an applicable statute, Company will have no liability to Sub-licensee for any such decision or action Company and Sub-licensee intend that the exercise of Company's right or discretion will not be subject to limitation or review If applicable law implies a covenant of good faith and fair dealing in this Sub-License Agreement, Company and Sub-licensee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Sub-License Agreement and that this Sub-License Agreement grants Company the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Sub-licensee's rights and obligations hereunder

35 **Interpretation** Company and Sub-licensee agree that if any provision of this Sub-License Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable The language of all provisions of this Sub-License Agreement shall be construed according to its fair

meaning and not strictly against Company or Sub-licensee It is the desire and intent of Company and Sub-licensee that the provisions of this Sub-License Agreement be enforced to the fullest extent In the event any court shall determine that any provision in this Sub-License Agreement is not enforceable as written, Company and Sub-licensee agree that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws of the jurisdiction in which enforcement is sought The provisions of this Sub-License Agreement are severable and this Sub-License Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in the Sub-License Agreement, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable

36 Sub-licensee and all other signatories to this Sub-License Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Sub-License Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Sub-License Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will constitute, when executed and delivered, the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

IN WITNESS WHEREOF, the Company and Sub-licensee have signed and sealed this instrument, as of the ______________ day of ________________, 20___

COMPANY

GLOBAL CELLULAR, INC

By ________________________

Its Authorized _______________

SUB-LICENSEE

By ________________________

Its Authorized _______________

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EXHIBIT "A"

TO SUB-LICENSE AGREEMENT

Credit/Charge Card Authorization Form

This authorizes Global Cellular, Inc and any of its affiliates to use the Credit/Charge Card listed below in accordance with the terms of the Sub-license Agreement and any other agreement with Global Cellular, Inc or any of its affiliates

Type of Card (circle one) Visa MasterCard American Express

Name as it appears on Card ____

Card Number ______________________________Expiration Date _________

Security Code No _______________

Billing Address for Card if different than above

____

____

I hereby authorize Global Cellular Inc and its affiliates to process charges against the credit/charge card identified above in order to pay all fees charges and any other amounts owed pursuant to the terms of the Sub license Agreement entered into with Global Cellular, Inc and any other agreement with Global Cellular Inc or its affiliates (including Royalty fees, rent or License Payments POS fees the cost of any Products or Services purchased from Global Cellular Inc or its affiliates and any other amounts owing to Global Cellular, Inc or its affiliates under the Sub-license Agreement or any other agreement with Global Cellular, Inc or its affiliates including interest and late fees) and if necessary to initiate adjustments for any transactions charged in error These charges are related to the operation of a franchised business and the amount of each charge will vary from month to month

Authorized Card User's Signature_______________________________________

EXHIBIT "B"

TO SUB-LICENSE AGREEMENT

Electronic Funds Transfer Authorization Form
This authorizes Global Cellular Inc and any of its affiliates to use the banking information provided below in accordance with the terms of the Sub-license Agreement

Name of bank ______________________________

Address of bank ______________________________

Name of account holder ________________________

Name as it appears on account ____________________

Address of account holder _______________________

Account Number ______________________________

Routing Number ______________________________

Type of Account Checking Savings

In the event that you continue to occupy the location after your sub-license agreement expires you authorize Global Cellular Inc to continue to auto-debit funds from the above specified account at the same rate and terms as your final month s payment under the sub license agreement and you agree to continue to comply with all terms and conditions of the expired sub-license Global Cellular Inc s acceptance of funds after the expiration of your sub-license agreement does not in any way (1) create a new contract, (2) grant or imply that your sub-license will be renewed or (3) alter or waive any rights that Global Cellular may have under the expired sub-license Global Cellular Inc may demand possession of the location at any time

I hereby authorize Global Cellular Inc and its affiliates to process charges against the credit/charge card identified above in order to pay all fees charges and any other amounts owed pursuant to the terms of the Sub-license Agreement entered into with Global Cellular Inc and any other agreement with Global Cellular Inc or its affiliates (including Royalty fees rent or License Payments POS fees, the cost of any Products or Services purchased from Global Cellular Inc or its affiliates, and any other amounts owing to Global Cellular Inc or its affiliates under the Sub-license Agreement or any other agreement with Global Cellular Inc or its affiliates including interest and late fees), and, if necessary to initiate adjustments for any transactions charged in error These charges are related to the operation of a franchised business and the amount of each charge will vary from month to month

Authorized Owner s Signature ____________________

GLOBAL CELLULAR, INC OFFICE USE ONLY

Account Code ______________________________

Mall Name / Location ________________________

Date ______________ User ______________________

EXHIBIT "C"

TO SUB-LICENSE AGREEMENT

UNDERLYING AGREEMENT

EXHIBIT "D"

TO SUB-LICENSE AGREEMENT

PERSONAL GUARANTY AND SUBORDINATION AGREEMENT

IN CONSIDERATION of and as an inducement to the execution of the Sub-License Agreement (**"Sub-License Agreement"**) this Personal Guaranty and Subordination Agreement is made and entered into effective as of the ____ day of ______, 20__ by and between GLOBAL CELLULAR, INC, a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 (**"Company"**), and ________________, with a principal address at ______________________________ (**"Sub-licensee"**), each of the undersigned being a **"Guarantor"** and each of the Guarantors by this Personal Guaranty and Subordination Agreement (**"Guaranty Agreement"**) hereby personally and unconditionally guarantee to Company, its affiliates, and their successors and assigns for the term of the Sub-License Agreement and thereafter as provided in the Sub-License Agreement and in this Guaranty Agreement, that Sub-licensee shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Sub-License Agreement and each of the Guarantors, hereby agrees to be personally bound by and personally liable for the breach of each and every provision in the Sub-License Agreement The Guarantors also agree to be personally and unconditionally bound by each and every undertaking, agreement and covenant set forth in the Sub-License Agreement The Guarantors hereby personally and unconditionally guarantee all debts and obligations which Sub-licensee may incur to Company or to affiliates of Company or to such companies that may in the future be affiliated with Company with respect to any obligations under the Sub-License Agreement Each Guarantor jointly and severally agrees to make all payments and perform all obligations under this Guaranty Agreement

To the extent permitted by law, each Guarantor hereby expressly waives (i) all rights to payments and claims for reimbursement or subrogation that any of the Guarantors may have against Sub-licensee arising as a result of the Guarantors' execution of and performance under this Guaranty Agreement, for the express purpose that none of the Guarantors shall be deemed a "creditor" of Sub-licensee under any applicable bankruptcy law with respect to Sub-licensee's obligations to Company, (ii) any right to require Company to (a) proceed against Sub-licensee for any payment required under the Sub-License Agreement, (b) proceed against or exhaust any security from Sub-licensee, (c) take any action to assist any of the Guarantors in seeking reimbursement or subrogation in connection with this Guaranty Agreement, or (d) pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Sub-licensee, (iii) any benefit of, any right to participate in, any security now or hereafter held by Company, and (iv) acceptance and notice of acceptance by Company of the Guarantors' undertakings under this Guaranty Agreement, (v) all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, (vi) protest, (vii) notices of dishonor, (viii) notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, (ix) any other notices (including any notice of the purchase or sale of Products, inventory and goods by Sub-licensee, the maturing of bills and the failure to pay the same) and (x) legal or equitable defenses to which any of the Guarantors may be entitled The personal guaranty established by this Guaranty Agreement will not be affected by the modification, extension, or renewal of any agreement between Sub-licensee and Company or its affiliates, the taking of a note or other obligation from Sub-licensee or others, the taking of security for payment, the granting of an extension of time for payment, the filing by or against Sub-licensee of bankruptcy, insolvency, reorganization of other debt or relief afforded Sub-licensee under the Federal Bankruptcy Act or under any other State or Federal statute or by the decision of any court or any other matter, whether similar or dissimilar to any of the foregoing, and the guaranty established by this Guaranty Agreement will cover the terms and obligations of any modifications, notes, security agreements, extensions, or renewals Without affecting the obligations of the undersigned under this Guaranty Agreement, Company may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Sub-License Agreement, any other agreement between Sub-licensee and Company or its affiliates, or any indebtedness or obligation of Sub-licensee, or settle, adjust, release, or compromise any claims against Sub-licensee or any Guarantors, make advances for the purpose of performing any obligations of Sub-licensee under the Sub-License Agreement, assign the Sub-License Agreement or the right to receive any sum payable thereunder, and the Guarantors each hereby, jointly and severally, waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Sub-License Agreement Company shall have no present or future duty or obligation to the Guarantors under this Guaranty Agreement, and each of the Guarantors waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Sub-licensee, any other Guarantor, or any collateral securing any obligations of Sub-licensee to Company The obligations of the Guarantors will be unconditional in spite of any defect herein and the validity of Sub-licensee's obligations or liability to Company or any other circumstances whether or not referred to in this Guaranty Agreement that might otherwise constitute a legal or equitable discharge of surety or Guarantor

This is an irrevocable, unconditional, and absolute guarantee of payment and performance by Sub-licensee and the Guarantors agree that the Guarantor's liability under this Guaranty Agreement will be immediate and will not be contingent upon the exercise and enforcement by Company of whatever remedies it may have against Sub-licensee or others or the enforcement of any lien or realization upon an security Company may at any time possess Each Guarantor agrees that any current or future indebtedness by Sub-licensee to any Guarantor(s) will also be subordinate to any indebtedness owed by Sub-licensee to Company The Guarantors will promptly modify any financing statements on file with the state agencies to specify that Company's rights are senior to those of Guarantor

The Guarantors further agree that as long as Sub-licensee owes any money to Company (other than Fees (as defined in the Sub-License Agreement) that are not past due), Sub-licensee will not pay and the Guarantors will not accept payment of any part of any indebtedness owed by Sub-licensee to any of the Guarantors, either directly or indirectly, without the consent of Company **In connection with any litigation or arbitration to determine the Guarantors' liability under this Guaranty Agreement, the Guarantors expressly waive the Guarantors' right to trial by jury, if any, and agree to pay the costs and the reasonable attorneys' fees as fixed by any court** If Company is required to enforce this Guarantee Agreement in a judicial or arbitration proceeding, and prevails in such proceeding, Company shall be entitled to reimbursement of its costs and expenses (including those incurred on appeal), including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding If Company is required to engage legal counsel in connection with any failure by the Guarantors to comply with this Guarantee Agreement, the Guarantors shall reimburse Company for any of the above-listed costs and expenses Company incurs Attorneys' fees include a charge for the service of in-house counsel at the market rate for independent counsel of similar experience

If this Guaranty Agreement is signed by more than one individual, each individual signing this Guaranty Agreement will be jointly and severally liable for the obligations created in it This Guaranty Agreement will remain in full force and effect until all obligations arising out of and under the Sub-License Agreement, including all renewals and extensions, are fully paid and satisfied as well as all obligations with respect to debts owed by Sub-licensee to affiliates of Company with respect to Products or services sold or otherwise provided by such affiliates to Sub-licensee Capitalized terms which are not defined herein shall have the same meaning as defined in the Sub-License Agreement

Without limiting the foregoing in any manner, the Guarantors each have carefully read the Sub-License Agreement and each of the Guarantors hereby jointly and severally expressly agrees to be individually bound by all of the covenants contained in Paragraphs 7, 13 B , 13 C , and 22 of the Sub-License Agreement

Each Guarantor acknowledges and agrees that it has made an independent examination, review, and investigation of the Cellairis franchise opportunity, Company, Sub-licensee, and Sub-License Agreement, as Guarantor deems necessary and appropriate, and shall have sole responsibility to obtain from Sub-licensee any information required by Guarantor concerning the Sub-License Agreement, Sub-licensee, the Cellairis franchise opportunity, and Company Further, Guarantor acknowledges that it is not relying on Company for any such information in connection with its decision to execute this Guaranty Agreement

Subject to the arbitration obligations and other obligations of Paragraph 13 C of the Sub-License Agreement and the provisions below, each of the Guarantors agrees that all actions arising under this Guarantee Agreement, the Sub-License Agreement, or otherwise as a result of the relationship between Company and the Guarantors, must be commenced in the state or federal court of general jurisdiction in Georgia, and each of the Guarantors irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts Nonetheless, each of the Guarantors agrees that Company may enforce this Guarantee Agreement and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled

As provided in Paragraph 13 B of the Sub-License Agreement, the parties agree that this Guaranty Agreement shall be deemed made and entered into in the State of Georgia and shall be governed and construed under and in accordance with the laws of the State of Georgia without regard to its conflicts of law

The signatories to this Guaranty Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Guaranty Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Guaranty Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

IN WITNESS WHEREOF, each of the Guarantors has hereunto affixed their signatures and seals effective as of the date first above indicated

By ______________________________

Name ____________________________

Address __________________________

By ______________________________

Name ____________________________

Address __________________________

GLOBAL CELLULAR, INC

By ______________________________

Title ______________________________

EXHIBIT "F"

PERSONAL GUARANTY AND SUBORDINATION AGREEMENT

PERSONAL GUARANTY AND SUBORDINATION AGREEMENT

IN CONSIDERATION of and as an inducement to the execution of the Franchise Agreement (**"Franchise Agreement"**) this Personal Guaranty and Subordination Agreement is made and entered into effective as of the ____ day of _______, 20__ by and between CELLAIRIS FRANCHISE, INC, a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 (**"Company"**), and _________________, with a principal address at ______________________________ (**"Franchisee"**), each of the undersigned guarantors (**"Guarantors"**) is a Bound Party as defined in the Franchise Agreement and each of the Guarantors by this Personal Guaranty and Subordination Agreement (**"Guaranty Agreement"**) hereby personally and unconditionally guarantee to Company, its affiliates, and their successors and assigns for the term of the Franchise Agreement and thereafter as provided in the Franchise Agreement and in this Guaranty Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Franchise Agreement and each of the Guarantors, hereby agrees to be personally bound by and personally liable for the breach of each and every provision in the Franchise Agreement, including all ancillary agreements executed in conjunction with the Franchise Agreement, including but not limited to the Sub-License Agreement (to the extent a Sub-License Agreement is entered), and all financial obligations to Company and any of its affiliates The Guarantors also agree to be personally and unconditionally bound by each and every undertaking, agreement, and covenant set forth in the Franchise Agreement The Guarantors hereby personally and unconditionally guarantee all debts and obligations which Franchisee may incur to Company or to affiliates of Company or to such companies that may in the future be affiliated with Company with respect to the provision of any products or services to Franchisee, as a result of any obligations under the Franchise Agreement or as a result of purchases of Products or services by Franchisee from Company or its affiliates Each Guarantor jointly and severally agrees to make all payments and perform all obligations under this Guaranty Agreement

To the extent permitted by law, each Guarantor hereby expressly waives (i) all rights to payments and claims for reimbursement or subrogation that any of the Guarantors may have against Franchisee arising as a result of the Guarantors' execution of and performance under this Guaranty Agreement, for the express purpose that none of the Guarantors shall be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Company, (ii) any right to require Company to (a) proceed against Franchisee for any payment required under the Franchise Agreement, (b) proceed against or exhaust any security from Franchisee, (c) take any action to assist any of the Guarantors in seeking reimbursement or subrogation in connection with this Guaranty Agreement, or (d) pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee, (iii) any benefit of, any right to participate in, any security now or hereafter held by Company, (iv) acceptance and notice of acceptance by Company of the Guarantors' undertakings under this Guaranty Agreement, (v) all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, (vi) protest, (vii) notices of dishonor, (viii) notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, (ix) any other notices (including any notice of the purchase or sale of Products, inventory and goods by Franchisee, the maturing of bills and the failure to pay the same), and (x) legal or equitable defenses to which any of the Guarantors may be entitled The personal guaranty established by this Guaranty Agreement will not be affected by the modification, extension, or renewal of any agreement between Franchisee and Company or its affiliates, the taking of a note or other obligation from Franchisee or others, the taking of security for payment, the granting of an extension of time for payment, the filing by or against Franchisee of bankruptcy, insolvency, reorganization of other debt or relief afforded Franchisee under the Federal Bankruptcy Act or under any other State or Federal statute or by the decision of any court or any other matter, whether similar or dissimilar to any of the foregoing, and the guaranty established by this Guaranty Agreement will cover the terms and obligations of any modifications, notes, security agreements, extensions, or renewals Without affecting the obligations of the undersigned under this Guaranty Agreement, Company may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Franchise Agreement, any other agreement between Franchisee and Company or its affiliates, or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any Guarantors, make advances for the purpose of performing any obligations of Franchisee under the Franchise Agreement, assign the Franchise Agreement or the right to receive any sum payable thereunder, and the Guarantors each hereby jointly and severally waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Franchise Agreement Company shall have no present or future duty or obligation to the Guarantors under this Guaranty Agreement, and each of the Guarantors waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other Guarantor, or any collateral securing any obligations of Franchisee to Company The obligations of the Guarantors will be unconditional in spite of any defect herein and the validity of Franchisee's obligations or liability to Company or any other circumstances whether or not referred to in this Guaranty Agreement that might otherwise constitute a legal or equitable discharge of surety or Guarantor

This is an irrevocable, unconditional, and absolute guarantee of payment and performance by Franchisee and the Guarantors agree that the Guarantor's liability under this Guaranty Agreement will be immediate and will not be contingent upon the exercise and enforcement by Company of whatever remedies it may have against Franchisee or others or the enforcement of any lien or realization upon an security Company may at any time possess Each Guarantor agrees that any current or future indebtedness by Franchisee to any Guarantor(s) will also be subordinate to any indebtedness owed by Franchisee to Company The Guarantors will promptly modify any financing statements on file with the state agencies to specify that Company's rights are senior to those of Guarantor

The Guarantors further agree that as long as Franchisee owes any money to Company (other than royalty payments that are not past due), Franchisee will not pay and the Guarantors will not accept payment of any part of any indebtedness owed by Franchisee to any of the Guarantors, either directly or indirectly, without the consent of Company **In connection with any litigation or arbitration to determine the Guarantors' liability under this Guaranty Agreement, the Guarantors expressly waive the Guarantors' right to trial by jury, if any, and agree to pay the costs and the reasonable attorneys' fees as fixed by any court** If Company is required to enforce this Guarantee Agreement in a judicial or arbitration proceeding, and prevails in such proceeding, Company shall be entitled to reimbursement of its costs and expenses (including those incurred on appeal), including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding If Company is required to engage legal counsel in connection with any failure by the Guarantors to comply with this Guarantee Agreement, the Guarantors shall reimburse Company for any of the above-listed costs and expenses Company incurs Attorneys' fees include a charge for the service of in-house counsel at the market rate for independent counsel of similar experience

If this Guaranty Agreement is signed by more than one individual, each individual signing this Guaranty Agreement will be jointly and severally liable for the obligations created in it This Guaranty Agreement will remain in full force and effect until all obligations arising out of and under the Franchise Agreement, including all renewals and extensions, are fully paid and satisfied as well as all obligations with respect to debts owed by Franchisee to affiliates of Company with respect to Products or services sold or otherwise provided by such affiliates to Franchisee Capitalized terms which are not defined herein shall have the same meaning as defined in the Franchise Agreement

Without limiting the foregoing in any manner, the Guarantors each have carefully read the Franchise Agreement and each of the Guarantors hereby jointly and severally expressly agrees to be individually bound by all of the covenants contained in Paragraphs 6 C , 6 I , 8 D , 13 C , 13 D , and 13 M of the Franchise Agreement, and acknowledge and agree that this Guarantee does not grant the Guarantors any right to use the "Cellairis"® marks or system licensed to Franchisee under the Franchise Agreement

Each Guarantor acknowledges and agrees that it has made an independent examination, review, and investigation of the Cellairis franchise opportunity, Company, Franchisee, and Franchise Agreement, as Guarantor deems necessary and appropriate, and shall have sole responsibility to obtain from Franchisee any information required by Guarantor concerning the Franchise Agreement, Franchisee, the Cellairis franchise opportunity, and Company Further, Guarantor acknowledges that it is not relying on Company for any such information in connection with its decision to execute this Guaranty Agreement

Subject to the arbitration obligations and other obligations of Paragraph 13 D of the Franchise Agreement and the provisions below, each of the Guarantors agrees that all actions arising under this Guarantee Agreement, the Franchise Agreement, or otherwise as a result of the relationship between Company and the Guarantors, must be commenced in the state or federal court of general jurisdiction in Georgia, and each of the Guarantors irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts Nonetheless, each of the Guarantors agrees that Company may enforce this Guarantee Agreement and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled

As provided in Paragraph 13 C of the Franchise Agreement, the parties agree that this Guaranty Agreement shall be deemed made and entered into in the State of Georgia and shall be governed and construed under and in accordance with the laws of the State of Georgia without regard to its conflicts of law

The signatories to this Guaranty Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Guaranty Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Guaranty Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

IN WITNESS WHEREOF, each of the Guarantors has hereunto affixed their signatures and seals effective as of the date first above indicated

By ______________________________

Name ____________________________

Address __________________________

By ______________________________

Name ____________________________

Address __________________________

CELLAIRIS FRANCHISE, INC

By ______________________________

Title _____________________________

EXHIBIT "G"

CONDITIONAL LEASE ASSIGNMENT AGREEMENT

CONDITIONAL LEASE ASSIGNMENT AGREEMENT

This CONDITIONAL LEASE ASSIGNMENT AGREEMENT (**"Agreement"**) is made and entered into effective as of the ____ day of _______, 20__, by and between CELLAIRIS FRANCHISE, INC , a Georgia corporation with its principal place of business at 6485 Shiloh Road, Bldg B # 100, Alpharetta, GA 30005 (**"Franchisor"**), and ______________________, with a principal address at ____(**"Lessee"**) and ____________________ with a principal address at ____, (**"Lessor"**)

<u>RECITALS</u>

WHEREAS, under the terms of the Lease Agreement, attached hereto as **<u>Exhibit "A"</u>**, Lessor has agreed to lease to Lessee certain premises (the **"Premises"**) located at the following street address

____

____

WHEREAS, Franchisor has accepted the Premises as a suitable location for Lessee's operation, subject to the provisions of its franchise agreement (the **"Franchise Agreement"**) and further subject to the terms and conditions set forth herein

NOW, THEREFORE, in consideration of the mutual covenants herein contained other good and valuable consideration, including the acceptance by Franchisor of the Premises as a location for a "Cellairis" retail operation, the parties hereby agree as follows

1 **<u>Use of the Premises</u>** Lessee shall use the Premises only for the operation of a "Cellairis" retail operation pursuant to the Franchise Agreement and for no other purposes whatsoever

2 **<u>Signage</u>** Lessor hereby consents to Lessee's use and display on the Premises of such exterior and interior signs, posters, promotional materials and equipment, furnishings, and decor as are currently required by Franchisor pursuant to the Franchise Agreement In the event that such requirements are changed in the future, Lessor agrees that it will not unreasonably withhold its consent to Lessee's compliance with such changes In the event that local ordinances or zoning requirements prohibit the use of the Franchisor's standard signage, Franchisor will not unreasonably withhold its consent to the modification of its standard signage to comply with such requirements

3 **<u>Assignment</u>** Lessor hereby acknowledges that Lessee has agreed under the Franchise Agreement that, in the event of termination or expiration of the Franchise Agreement or Lessee's default under the Lease, Lessee shall, at Franchisor's option, assign to Franchisor any and all interest of Lessee in the Lease, including any rights to renew the Lease or to sublease the Premises, and Lessor hereby consents to such assignment, subject to the following conditions

(A) Franchisor shall notify Lessor in writing within thirty (30) days after termination or expiration of the Franchise Agreement or Franchisor's receipt of any notice of default by Lessee under the Lease if Franchisor elects to accept assignment of the Lease, Franchisor's failure to accept assignment of the Lease upon any default of Lessee under the Lease shall not be deemed a waiver of Franchisor's future right to accept such assignment in the event of any future default by Lessee,

(B) If Franchisor elects to accept assignment of the Lease, Franchisor shall execute and deliver to Lessor a lease containing the same terms and conditions (including rental rates) as the Lease, provided, however, that Franchisor's leasehold interest shall not be subject to any default claims that may exist between Lessor and Lessee,

(C) If Franchisor elects to accept assignment of the Lease, Franchisor shall take possession of the Premises within thirty (30) days after notice of such election to Lessor, and Franchisor shall commence payment of rent upon taking possession of the Premises,

(D) Nothing herein shall affect Lessor's right to recover from Lessee any and all amounts due under the Lease or to exercise any rights of Lessor against Lessee as provided under the Lease, but will have no rights to terminate the Lease or to disturb the quiet possession of the Premises by Franchisor or any future assignee of Franchisor

4 **<u>Consent to Assignment</u>** This Agreement will remain in effect during the entire term of the Lease and any and all renewals or extensions of the Lease Lessor agrees that the Lease may not be amended, assigned, extended, renewed, or surrendered, nor may the Premises or any part of it be sublet, nor may the Lease, or any interest therein, be assigned or encumbered by Lessee without obtaining the prior written consent of Franchisor

5 **<u>Exercise of Option by Franchisor</u>** Franchisor may exercise the option described in Section 3 of this Agreement to accept an assignment of the Lease or enter into a new lease containing the same terms and conditions of the Lease, by giving written notice to Lessee and Lessor of its election to do so In such event, Lessee must vacate the Premises immediately upon the receipt of such notice

6 **<u>Assignment to Third Party</u>** At any time after giving notice of its election to accept assignment of the lease or after or entering into a new lease containing the same terms and conditions of the Lease, Franchisor may request to assign its lease, or sublease the Premises, to a third party Lessor agrees not to unreasonably withhold its consent to any such assignment or sublease on the same terms as the Lease provided however, that if Lessor refuses to consent to such assignment or sublease by Franchisor, Franchisor shall have no further obligations thereunder Notwithstanding anything set forth in the Lease to the contrary, the Lessee and/or Franchisor shall have the right to assign the Lease or

any interest therein, or sublet the Premises or any portion thereof without the consent of Lessor, to

(A) A parent, subsidiary, or affiliate of Lessee,

(B) Franchisor or any successor or affiliate thereof,

(C) Wholly owned by Lessee, Lessee's parent or a subsidiary of Lessee,

(D) A corporation with which Lessee merges,

(E) A result of a reorganization, or the surviving corporation of a business restructuring, or

(F) Any bona fide franchisee of the Franchisor

7 **Notices** Lessor agrees to furnish Franchisor with copies of any and all letters and notices to Lessee pertaining to any default by Lessee under the Lease at the same time and in the same manner as any such notice is sent to Lessee Lessee agrees to furnish Franchisor with prompt written notice of any and all amendments, waivers, extensions, renewals, or other modifications of the Lease All notices hereunder shall be mailed or delivered to the addresses set forth above, unless changed from time to time by any party through written notice mailed or delivered to the other parties Within fifteen (15) days after Lessee's right to cure any default expires, Franchisor or any affiliate thereof shall have the right but not the obligation, to cure any such default

8 **Entry of Franchisor** Lessor and Lessee hereby acknowledge that Lessee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Premises operated by Lessee at any time for the purpose of conducting inspections, protecting Franchisor's proprietary marks, and correcting deficiencies of Lessee Lessor and Lessee hereby agree not to interfere with or prevent such entry by Franchisor, its employees or agents

9 **De-Identification** Lessor and Lessee hereby acknowledge that in the event the Franchise Agreement expires or is terminated, Lessee is obligated under the Franchise Agreement to take certain steps to de-identify the location as a "Cellairis " Lessor agrees to cooperate fully with Franchisor in enforcing such provisions of the Franchise Agreement against Lessee, including allowing Franchisor, its employees, and agents to enter and remove signs, decor, patented fixtures, and materials bearing or displaying any marks, designs, logos, or intellectual property of Franchisor or its affiliates, provided, however, that Lessor shall not be required to bear any expenses thereof Lessee agrees that if Lessee fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, Franchisor may cause all required de-identification to be completed at Lessee's expense

10 **General Provisions**

(A) Lessor agrees not to construct or change any improvements or landscaping in any manner which would impair the visibility of or access to the Premises, or the amount of parking available for use by Lessee

(B) This Agreement shall be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators The rights and obligations herein contained shall continue notwithstanding changes in the persons or entities that may hold any leasehold or ownership in the land of building Any party hereto may record this Agreement or a memorandum hereof

(C) Any party hereto may seek equitable relief, including, without limitation, injunctive relief or specific performance, for actual threatened violation or nonperformance of this Agreement by any other party Such remedies shall be in addition to all other rights provided for under this or other agreements between any of the parties The prevailing party in any action shall be entitled to recover its legal fees together with court costs and expenses of litigation

(D) Nothing contained in this Agreement shall affect any term or condition in the Franchise Agreement between Lessee and Franchisor Nothing herein shall be deemed to constitute a guaranty or endorsement by Franchisor of the terms and conditions of the Lease between Lessor and Lessee In the event that Franchisor, in its sole discretion, determines not to accept assignment of the Lease as permitted hereunder, neither Lessor nor Lessee shall have any claims against Franchisor No terms or conditions contained in the Lease shall be binding on Franchisor unless and until it elects to accept assignment of the Lease hereunder

(E) If Lessee has an obligation to continuously operate its business at the Premises, Lessee may cease operating for up to ninety (90) days, from time to time, to perform repairs, enhancements or renovations, as required by the Franchise Agreement

(F) The signatories to this Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Agreement, and each and every other agreement, document, and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

IN WITNESS WHEREOF, the parties intending to be legally bound have executed this Agreement

LESSOR
(Name)

By ______________________________
Title ______________________________

LESSEE
(Name)

By ______________________________
Title ______________________________

FRANCHISOR

CELLAIRIS FRANCHISE, INC

By ______________________________
Title ______________________________

EXHIBIT “H”

CELLAIRIS FRANCHISED STORES

CURRENT CELLAIRIS FRANCHISED BUSINESS UNITS

Mall Units and Full Store Units
(as of December 31, 2016)

* Units marked with one asterisk are affiliate-owned units
\+ Units marked with a plus sign are Full Store Units

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
1	AK	5th Avenue Mall	Seong H Lee Corporation	Seong Lee	907 250-7876	320 W 5th Ave	Anchorage	99501
2	AK	Dimond Center	Seong H Lee Corporation	Seong Lee	907 250-7876	800 Dimond Blvd	Anchorage	99515
3	AL	Riverchase Galleria	Blue C Inc	Charles Cope	334 787-0460	3000 Riverchase Galleria	Birmingham	35244
4	AL	Riverchase Galleria	Blue C Inc	Charles Cope	334 787-0460	3000 Riverchase Galleria	Birmingham	35244
5	AL	Decatur Mall+	Blue C Inc	Charles Cope	334-787-0460	1801 Beltline Road	Decatur	35601
6	AL	Wiregrass Commons	Blue C Inc	Charles Cope	334 787-0460	900 Commons Drive	Dothan	36303
7	AL	Florence Mall+	Blue C Inc	Charles Cope	334-787-0460	301 Cox St Pkwy	Florence	35630
8	AL	Gadsden Mall	Blue C Inc	Charles Cope	334-787-0460	1001 Rainbow Dr	Gadsden	35901
9	AL	Parkway Place Mall	Blue C Inc	Charles Cope	334 787-0460	2801 Memorial Pkwy S	Huntsville	35801
10	AL	Parkway Place Mall	Blue C Inc	Charles Cope	334 787 0460	2801 Memorial Pkwy S	Huntsville	35801
11	AL	Jasper Mall	Blue C Inc	Charles Cope	334 787-0460	300 Hwy 78 East	Jasper	35501
12	AL	Bel Air Mall	Blue C Inc	Charles Cope	334 787-0460	3299 Bel Air Mall	Mobile	36606
13	AL	Bel Air Mall	Blue C Inc	Charles Cope	334 787-0460	3299 Bel Air Mall	Mobile	36606
14	AL	Eastdale Mall	Blue C Inc	Charles Cope	334-787-0460	1000 Eastdale Mall	Montgomery	36117
15	AL	Quintard Mall	Blue C Inc	Charles Cope	334-787-0460	700 Quintard Ave	Oxford	36203
16	AR	Northwest Arkansas Mall+	Spectrum Accessories Inc	Lance Jeffreys	256-468 6711	4201 N Shiloh Dr	Fayetteville	72703
17	AR	Mall at Turtle Creek	Sherry Lee Inc	Chris Lee	901-428 8413	3000 E Highland Drive	Jonesboro	72401
18	AZ	Chandler Fashion Center	SK Electro LLC	Shaikh (Rubel) Farid	209 221 5789	3111 W Chandler Blvd	Chandler	85226
19	AZ	Arrowhead Towne Center	A & MM LLC	Shahed Sadique	612 220-5866	7700 W Arrowhead Towne Center	Glendale	85308
20	AZ	Arrowhead Towne Center	A & MM LLC	Shahed Sadique	612 220-5866	7700 W Arrowhead Towne Center	Glendale	85308
21	AZ	Superstition Springs Center	Suprio Kumar Bhowmick	Suprio Bhowmick	480 274-9746	6555 East Southern Ave	Mesa	85206
22	AZ	Superstition Springs Center	SK Electro LLC	Shaikh (Rubel) Farid	209 221 5789	6555 East Southern Ave	Mesa	85206
23	AZ	Paradise Valley Mall	SK Electro LLC	Shaikh (Rubel) Farid	209 221 5789	4568 E Cactus Road	Phoenix	85032
24	AZ	Scottsdale Fashion Square	Biswas LLC	Sajal Biswas	480-358-8187	7014-590 E Camelback Rd	Scottsdale	85251
25	AZ	Arizona Mills	Cellular Plus LLC	MD Abdul Momen	480-206-1362	5000 Arizona Mills	Tempe	85282
26	AZ	Arizona Mills	Cellular Plus LLC	MD Abdul Momen	480-206-1362	5000 Arizona Mills	Tempe	85282
27	AZ	Park Place	Sunrise USA, Inc	Mohammad K Hossain	347 925-1065	5870 East Broadway Blvd	Tucson	85711
28	AZ	Park Place	Sunrise USA Inc	Mohammad K Hossain	347 925 1065	5870 East Broadway Blvd	Tucson	85711
29	AZ	The Mall at Sierra Vista	MD Shah Alam	MD Shah Alam	347 324-0915	5910 N Edenbrook Lane	Tucson	85741
30	AZ	Tucson Mall	Sunrise USA, Inc	Mohammad K Hossain	347 925 1065	4500 N Oracle Rd	Tucson	85705
31	CA	Santa Anita Mall	Ahmad Dara Mirarmandeh Kasra Mahboobi	Dara Mirarmandeh	404 200-8576	400 South Baldwin Ave	Arcadia	91007
32	CA	Valley Plaza Mall	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	2701 Ming Ave	Bakersfield	93304
33	CA	Valley Plaza Mall	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	2701 Ming Ave	Bakersfield	93304

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
34	CA	Valley Plaza Mall	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	2701 Ming Ave	Bakersfield	93304
35	CA	Brea Mall	Nyana Tun	Nyana Tun	310-467 9901	1065 Brea Mall	Brea	92821
36	CA	Capitola Mall	Bahman Ahmadli	Bahman Ahmadli	831 346-7383	1855 41st Ave	Capitola	95010
37	CA	Los Cerritos Center	Tahmina Akhtar	Tahmina Akhtar	818-404-9381	239 Los Cerritos Center	Cerritos	90703
38	CA	Puente Mall	1 CELLAT Inc	MST Shahnaj Parvin	347-400 7292	1600 Azusa Ave	City Industry	91748
39	CA	Solano Mall	Myint Inc	Nyana Tun	310-467 9901	1350 Travis Blvd	Fairfield	94533
40	CA	Solano Mall	Myint Inc	Nyana Tun	310-467 9901	1350 Travis Blvd	Fairfield	94533
41	CA	Fresno Fashion Fair	MD Nasir Uddin	MD Nasir Uddin	213-618-3095	645 E Shaw Ave	Fresno	93710
42	CA	Glendale Galleria	Shahed Sadique	Shahed Shadique	818 209 6520	100 W Broadway	Glendale	91210
43	CA	Glendale Galleria	Shahed Sadique	Shahed Shadique	818 209 6520	100 W Broadway	Glendale	91210
44	CA	Lakewood Mall	MD A Hossen	MD A Hossen	347 337 6414	500 Lakewood Center Mall	Lakewood	90712
45	CA	Lakewood Mall	MD A Hossen	MD A Hossen	347 337 6414	500 Lakewood Center Mall	Lakewood	90712
46	CA	Vintage Faire Mall	MD Nasir Uddin	MD Nasir Uddin	213-618 3095	3401 Dale Road	Modesto	95356
47	CA	Moreno Valley Mall	Myint Inc	Nyana Tun	310-467 9901	22500 Town Cir	Moreno Valley	92553
48	CA	Northridge Fashion Center	MD A Hossen	MD A Hossen	347 337-6414	9301 Tampa Ave	Northridge	91324
49	CA	Northridge Fashion Center	MD A Hossen	MD A Hossen	347 337 6414	9301 Tampa Ave	Northridge	91324
50	CA	Panorama Mall	Habibur Rahman	MDHABIBUR RAHMAN	818 261 9068	8401 Van Nuys Blvd	Panorama City	91402
51	CA	Stoneridge Shopping Center	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	One Stoneridge Mall	Pleasanton	94588
52	CA	Galleria at Tyler	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	1299 Galleria at Tyler	Riverside	92503
53	CA	Galleria at Tyler	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	1299 Galleria at Tyler	Riverside	92503
54	CA	Galleria at Roseville	Masoud Abolhassani Mohammad Bagher Mosharraf Ghahfarokhi Shahab Riahi	Shahab Riahi	916-872 0167	1151 Galleria Blvd	Roseville	95678
55	CA	Arden Fair Mall	Shahab Riahi Pouya Namdarian, Aref Tabibi	Shahab Riahi	916 872 0167	1689 Arden Way	Sacramento	95815
56	CA	Eastridge Mall	Kazi Maniruzzaman	Kazi Maniruzzaman	408 991-4414	2200 Eastridge Loop	San Jose	95122
57	CA	Eastridge Mall	Kazi Maniruzzaman	Kazi Maniruzzaman	408 991-4414	2200 Eastridge Loop	San Jose	95122
58	CA	Santa Rosa Mall	Myint Inc	Nyana Tun	310-467 9901	1071 Santa Rosa Plaza	Santa Rosa	95401
59	CA	The Oaks	Nabin Regmi	Nabin Regmi	510 221 8545	350 W Hillcrest Dr	Thousand Oaks	91360
60	CA	Valencia Mall	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	24201 West Valencia Blvd	Valencia	91355
61	CA	Pacific View Mall	Shahed Sadique (Chaska MN)	Shahed Shadique	818 209 6520	3301 1 E Main Street	Ventura	93003
62	CA	The Mall of Victor Valley	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	14400 Bear Valley Rd	Victorville	92392
63	CA	Visalia Mall	Ertan Tuysoglu	Ertan Tuysuzoglu	661 394-0039	2031 S Mooney Blvd	Visalia	93277
64	CA	Visalia Mall	Ertan Tuysuzoglu	Ertan Tuysuzoglu	661 394-0039	2031 S Mooney Blvd	Visalia	93277
65	CA	West Covina Mall	Myint Inc	Nyana Tun	310-467 9901	112 Plaza Drive	West Covina	91790
66	CO	Flatiron Crossing	ABH Group of Ohio LLC Howlader Ferdous Rahman	Ferdous Howlader	347-615-4862	West Flatiron Circle	Arvada	80021
67	CO	Flatiron Crossing	ABH Group of Ohio LLC Howlader Ferdous Rahman	Ferdous Howlader	347-615-4862	West Flatiron Circle	Arvada	80021
68	CO	Town Center at	Aurora Mobile	Aroosa (PK)	720-404-5215	14200 E Alameda Ave	Aurora	80012

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
		Aurora	House LLC	Sulehria				
69	CO	Cherry Creek Mall+	CM Cases CO LLC	Chirag Amin	678-632 8177	3000 E 1st Ave	Denver	80206
70	CO	Southwest Plaza Mall	Thomas Negeri Terfe	Thomas Terefe	303 261 5596	8501 W Bowles Ave	Littleton	80123
71	CO	Park Meadows	GMD Silver Inc	Mohammed Rahman	614 886-1520	8401 Park Meadows Center Drive	Lone Tree	80124
72	CO	Park Meadows	GMD Silver Inc	Mohammed Rahman	614 886-1520	8401 Park Meadows Center Drive	Lone Tree	80124
73	CT	The Shoppes at Buckland Hills	Turgay Shamilov	Turgay Shamilov	959 200-2367	194 Buckland Hills Drive	Buckland	06040
74	CT	The Shoppes at Buckland Hills	Turgay Shamilov	Turgay Shamilov	959 200-2367	194 Buckland Hills Drive	Buckland	06040
75	CT	Danbury Fair	Walsh & Abrantes LLC	Eric Walsh	904 625 3584	7 Backus Ave	Danbury	06810
76	CT	Danbury Fair	Walsh & Abrantes LLC	Eric Walsh	904-625 3584	7 Backus Ave	Danbury	06810
77	CT	Westfarms	Alireza Kashfipour	Alireza Kashfipor	404-641 8708	500 Westfarms Mall	Farmington	06032
78	CT	Stamford Town Center+	Walsh & Abrantes LLC	Eric Walsh	904 625 3584	100 Greyrock Place	Stamford	06901
79	CT	Brass Mills	Mahmoud Kashfipour	Alireza Kashfipor	404-641 8708	495 Union St	Waterbury	06706
80	CT	Brass Mills	Mahmoud Kashfipour	Alireza Kashfipor	404 641 8708	495 Union St	Waterbury	06706
81	DE	Christiana Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	132 Christiana Mall	Newark	19702
82	DE	Christiana Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	132 Christiana Mall	Newark	19702
83	DE	Christiana Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	132 Christiana Mall	Newark	19702
84	DE	Christiana Mall+	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	132 Christiana Mall	Newark	19702
85	FL	Altamonte Mall	Jahida Ali	Jahida Ali	407-601 0373	451 East Altamonte Drive	Altamonte	32701
86	FL	Altamonte Mall	Jahida Ali	Jahida Ali	407-601-0373	451 East Altamonte Drive	Altamonte	32701
87	FL	Brandon Town Center	Manika, LLC	Athar (Mani) Ansari	407 256-4039	459 Brandon Town Center	Brandon	33511
88	FL	Brandon Town Center	Manika LLC	Athar (Mani) Ansari	407 256-4039	459 Brandon Town Center	Brandon	33511
89	FL	Countryside Mall	Business Osilia International LLC	Julio Osilia	813 792 7770	27001 US Hwy 19 N	Clearwater	33761
90	FL	Volusia Mall	C Rob Inc	Chad Robbins	704 241 0660	1700 W Int'l Speedway Blvd	Daytona Beach	32114
91	FL	Edison Mall	Gozdis Florida, LLC	Gozde Gunduz	201 310-3988	4125 Cleveland Ave	Ft Myers	33901
92	FL	The Oaks Mall	MHN Enterprises LLC	Jeff Miller	321-438-3279	6419 Newberry Rd	Gainesville	32605
93	FL	Westland Mall	JF Westland Mall LLC	Fernando Pirela	786-304-3240	1675 W 49th St	Hialeah	33012
94	FL	The Avenues	CM Cases LLC	Chirag Amin	678-632 8177	10300 Southside Blvd	Jacksonville	32256
95	FL	Lakeland Square	Nasruddin Sayaan	Nasruddin (Nash) Sayaan	470 554-5830	3800 US HIghway 98 N	Lakeland	33809
96	FL	Melbourne Square Mall*	Wolram, LLC	Michael Marlow	470 249 9643	1700 West New Haven Ave	Melbourne	32904
97	FL	Merritt Square	LVA Technology LLC	Lina Alvarez	321 693-4425	777 E Merritt Island Cswy	Merritt Island	32952
98	FL	Dadeland Mall	Palermo Mobile LLC	Cesare Baio	845-633 8300	7535 Dadeland Mall	Miami	33156
99	FL	Miami International	Palermo Mobile LLC	Cesare Baio	845-633 8300	1455 NW 107th Ave	Miami	33172
100	FL	Coastland Center	Mawu Corporation	Berat Ileri	347-459 7456	1900 Tamiami Trail N	Naples	34102
101	FL	Paddock Mall	Syed Ghalib Ali	Syed Ghalib	773 294-9988	3100 SW College Rd	Ocala	34474
102	FL	Orange Park Mall	CM Cases LLC	Chirag Amin	678-632 8177	1910 Wells Road	Orange Park	32073
103	FL	Florida Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	8001 S Orange Blossom Trail	Orlando	32809
104	FL	Florida Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	8001 S Orange Blossom Trail	Orlando	32809

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
105	FL	Panama City Mall	RP & Associates LLC	Ryan Patrick	913 708-0258	2150 Martin Luther King Jr Blvd	Panama City	32405
106	FL	Pembroke Lakes Mall	Palermo Mobile LLC	Cesare Baio	845 633 8300	11401 Pines Blvd	Pembroke Pines	33026
107	FL	Pembroke Lakes Mall	Palermo Mobile LLC	Cesare Baio	845 633 8300	11401 Pines Blvd	Pembroke Pines	33026
108	FL	Broward Mall	JF Broward Mall LLC	Fernando Pirela	786 304-3240	8000 W Broward Blvd	Plantation	33388
109	FL	Port Charlotte Mall	Manika, LLC	Athar (Mani) Ansari	407 256-4039	1441 Tamiami Trail	Port Charlotte	33948
110	FL	Wellington Green Mall+	Buckwild Wireless Inc	Steven Brown	954 822 1083	10300 West Forest Hill Blvd	Royal Palm Beach	33414
111	FL	Seminole Mall	New Jess Inc	Muhin Sohan	512 299 3066	200 Towne Center Cir	Sanford	32771
112	FL	Sarasota Square	Manika, LLC	Athar (Mani) Ansari	407 256-4039	8201 S Tamiami Trail	Sarasota	34238
113	FL	Sawgrass Mills+	Buckwild Wireless Inc	Steven Brown	954 822 1083	12801 W Sunrise Blvd	Sunrise	33323
114	FL	Sawgrass Mills	Buckwild Wireless Inc	Steven Brown	954 822 1083	12801 W Sunrise Blvd	Sunrise	33323
115	FL	Sawgrass Mills	Buckwild Wireless Inc	Steven Brown	954 257 6350	12801 W Sunrise Blvd	Sunrise	33323
116	FL	Sawgrass Mills	Buckwild Wireless Inc	Steven Brown	954 257 6350	12801 W Sunrise Blvd	Sunrise	33323
117	FL	Governor's Square	MHN Enterprises LLC	Jeff Miller	321-438-3279	1500 Apalachee Pkwy	Tallahassee	32301
118	FL	Citrus Park	Manika, LLC	Athar (Mani) Ansari	407 256-4039	8021 Citrus Park Town Center	Tampa	33625
119	GA	North Point Mall*	Winward LLC	James Griffin	256-457 1604	1000 North Point Circle	Alpharetta	30022
120	GA	North Point Mall*+	Multiple Units LLC	James Griffin	256-457 1604	1000 North Point Circle	Alpharetta	30022
121	GA	Georgia Square Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	3700 Athens Hwy	Athens	30606
122	GA	Atlantic Station	GBKM Inc	George Bruer	321 368-9194	1380 Atlantic Drive	Atlanta	30363
123	GA	Atlantic Station	GBKM Inc	George Bruer	321 368-9194	1380 Atlantic Drive	Atlanta	30363
124	GA	Cumberland Mall	Bismillah Two Inc	Fazal Ellahi	404-422 0149	1000 Cumberland Mall	Atlanta	30339
125	GA	Cumberland Mall	Bismillah Two Inc	Fazal Ellahi	404-422 0149	1000 Cumberland Mall	Atlanta	30339
126	GA	Perimeter Mall	Bismillah One Inc	Fazal Ellahi	404-422 0149	4400 Ashford Dunwoody Rd	Atlanta	30346
127	GA	Piedmont Peachtree+	In CASE LLC	Jennifer Senneff	404 558-5069	3330 Piedmont Peachtree Rd	Atlanta	30305
128	GA	Augusta Mall	City Traders Inc	Imtyaz Isani	404-429-0506	3450 Wrightsboro Rd	Augusta	30909
129	GA	Mall of Georgia	Mongus Investments LLC	Jose Garcia	678-984-7914	3333 Buford Dr	Buford	30519
130	GA	Mall of Georgia	Mongus Investments LLC	Jose Garcia	678-984-7914	3333 Buford Dr	Buford	30519
131	GA	Peachtree Mall	Steve Goodwin LLC	Steve Goodwin	334 524-7181	3131 Manchester Expwy	Columbus	31909
132	GA	Arbor Place	Elan Cellular LLC	Raheem Budhani	678-471 3788	6700 Douglas Blvd	Douglasville	30135
133	GA	Arbor Place	Elan Cellular LLC	Raheem Budhani	678-471 3788	6700 Douglas Blvd	Douglasville	30135
134	GA	Statesboro Mall+	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	325 Northside Drive	East Statesboro	30458
135	GA	Town Center at Cobb	Elan Cellular LLC	Raheem Budhani	678-471 3788	400 Ernest W Barrett Pkwy, Ste 100	Kennesaw	30144
136	GA	Sugarloaf Mills	Cellairs Georgia Corporation	Fazal Ellahi	404-422-0149	5900 Sugarloaf Pkwy	Lawrenceville	30043
137	GA	Stonecrest Marketplace Mall	Global Cellular of GA Inc	Fazal Ellahi	404-422 0149	2929 Turner Hill Rd	Lithonia	30038
138	GA	Stonecrest Marketplace Mall	Global Cellular of GA Inc	Fazal Ellahi	404-422-0149	2929 Turner Hill Rd	Lithonia	30038
139	GA	Market Plaza+	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	1255 Johnston Ferry Road	Marietta	30068
140	GA	Winward Parkway*+	Winward LLC	James Griffin	256-457 1604	5230 Winward Parkway Suite 107	Milton	30004
141	GA	Southlake Mall	City Traders Inc	Imtyaz Isani	404-429 0506	1000 Southlake Mall	Morrow	30260

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
142	GA	Holcomb Woods+	In-CASE LLC	Jennifer Senneff	404 558-5069	1570 Old Alabama Road	Roswell	30076
143	GA	Oglethorpe Mall	Hadi Kashfipour	Hadi Kashfipour	404-641 8708	7804 Abercorn St	Savannah	31406
144	GA	Oglethorpe Mall	Hadi Kashfipour	Hadi Kashfipour	404 641 8708	7804 Abercorn St	Savannah	31406
145	GA	Oglethorpe Mall+	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	7804 Abercorn St	Savannah	31406
146	HI	Queen Ka ahumanu Center	Dori Investments Inc	David Dori	541 232 9775	275 West Ka ahumanu Ave	Kahului	96732
147	IA	Coral Ridge Mall	RP & Associates LLC	Ryan Patrick	913 708-0258	1451 Coral Ridge Ave	Coralville	52241
148	IA	Jordan Creek	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	101 Jordan Creek Pkwy	West Des Moines	50266
149	IA	Jordan Creek	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	101 Jordan Creek Pkwy	West Des Moines	50266
150	IA	Valley West Mall	Pragathi International LLC	Srinivas Vanguru	856 982 3689	1551 Valley West Drive	West Des Moines	50266
151	ID	Boise Towne Square+	Mobile Mania, LLC	Ryan Spath	904-517 6523	350 North Milwaukee	Boise	83704
152	IL	Fox Valley	Merchant Accessories Inc	Ashish Merchant	312-404-5858	195 Fox Valley Center Drive	Aurora	60504
153	IL	Market Place Mall	Derbliss Inc	Scott Wylie	217 377 0395	2000 North Neil Street	Champaign	61820
154	IL	Water Tower Place	Merchant Accessories Inc	Ashish Merchant	312-404-5858	835 N Michigan Ave	Chicago	60611
155	IL	Chicago Ridge	Merchant Accessories Inc	Ashish Merchant	312-404-5858	200 Chicago Ridge Shopping Mall	Chicago Ridge	60415
156	IL	Gurnee Mills	Merchant Accessories Inc	Ashish Merchant	312-404-5858	6170 West Grand Ave	Gurnee	60031
157	IL	Peru Mall	Pawanjeet Kaur	Pawanjeet Kaur	815 993 6997	3940 Route 251	Peru	61354
158	IL	Cherryvale mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	7200 Harrison Ave Ste 5	Rockford	61112
159	IL	Hawthorn	Red Rose International Inc	Hakeem Abdul	803-447 0251	122 Hawthorn Center	Vernon Hills	60061
160	IN	Castleton Square	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	6020 East 82nd Street	Castleton	46250
161	IN	Eastland Mall	Global Cellular of GA Inc	Fazal Ellahi	404-422 0149	800 North Green River Road	Evansville	47715
162	IN	Glenbrook Square Mall	Delaor Hossen	Deloar Hossen	260 804-1492	4201 Coldwater Blvd	Fort Wayne	46805
163	IN	Southlake Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	2109 Southlake Mall	Merrillville	46410
164	IN	Southlake Mall	Merchant Accessories Inc	Ashish Merchant	312-404 5858	2109 Southlake Mall	Merrillville	46410
165	KS	Towne East Mall	YB Accessories LLC	Chris Corbin	316-682 1849	7700 E Kellogg Drive	Wichita	67207
166	KS	Towne West Square	CB Wireless LLC	Chris Burgardt	316 882 5101	4600 W Kellogg Drive	Wichita	67209
167	KY	Greenwood Mall	Vipulkumar M Naik	Vipulkumar Naik	502 876-2805	2625 Scottsville Rd	Bowling Green	42104
168	KY	Florence Mall	Nazmul Hossain	Nazmul Hossain	513 633-0770	2028 Florence Mall	Florence	41042
169	KY	Mall St Matthews	LAL SAIN LLC	Mohandar Dodwani	502 2289079	5000 Shelbyville Road	Louisville	40207
170	LA	Mall of Louisiana	Sarah Fuels Inc	Mohammad Hanif	832 607 6454	6401 Bluebonnet Blvd	Baton Rouge	70836
171	LA	Mall of Louisiana	Sarah Fuels Inc	Mohammad Hanif	832-607 6454	6401 Bluebonnet Blvd	Baton Rouge	70836
172	LA	Oakwood Center	Sarah Fuels Inc	Mohammad Hanif	832-607 6454	197 Westbank Expy	Gretna	70053
173	LA	Oakwood Center	Sarah Fuels Inc	Mohammad Hanif	832-607 6454	197 Westbank Expy	Gretna	70053
174	LA	Oakwood Center	Sarah Fuels Inc	Mohammad Hanif	832-607 6454	197 Westbank Expy	Gretna	70053
175	LA	Pecanland Mall	M&M Brothers LLC	Husein Merchant	870 316-1606	4700 Millhaven Road	Monroe	71203
176	LA	Pecanland Mall	M&M Brothers LLC	Husein Merchant	870 316-1606	4700 Millhaven Road	Monroe	71203
177	LA	Pecanland Mall	M&M Brothers LLC	Husein Merchant	870 316-1606	4700 Millhaven Road	Monroe	71203
178	LA	Pecanland Mall	M&M Brothers LLC	Husein Merchant	870 316-1606	4700 Millhaven Road	Monroe	71203
179	MA	Cape Cod Mall	Cellia Mobile	Khalig	646 226-5339	769 Lyannough Road	Hyannis	02601

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
			LLC	Isgandarov				
180	MA	Natick Collection+	Walsh & Abrantes LLC	Eric Walsh	904 625 3584	1245 Worcester Road	Natick	01760
181	MA	Natick Collection	Gulahmad Gulahmadzada	Gulahmad Gulahmadzada	774 319 7098	1245 Worcester Road	Natick	01760
182	MA	Natick Collection	Gulahmad Gulahmadzada	Gulahmad Gulahmadzada	774 319 7098	1245 Worcester Road	Natick	01760
183	MA	Emerald Square Mall	Baku Trading LLC	Ziya Alverdiyev	617-412 7989	999 S Washington St	North Attleboro	02760
184	MA	Silver City	Rani Sacaigu	Rani Sacaigu	615-485 9422	2 Galleria Mall Dr	Taunton	02780
185	MD	Annapolis Mall	Cell Phone Mania LLC	Oz Aharon	347 251 3745	2002 Annapolis Mall	Annapolis	21401
186	MD	Mondawmin Mall	MKIS Enterprises LLC	Michael Kissi Antwi	240 289 3027	2401 Liberty Heights Ave	Baltimore	21215
187	MD	White Marsh Mall	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	8200 Perry Hall Blvd	Baltimore	21236
188	MD	Montgomery Mall	Cell Phone Mania LLC	Oz Aharon	347 251 3745	7101 Democracy Blvd	Bethesda	20817
189	MD	Mall in Columbia	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	10300 Little Patuxent Pkwy	Columbia	21044
190	MD	Mall in Columbia	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	10300 Little Patuxent Pkwy	Columbia	21044
191	MD	Lake Forest Mall	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	701 Russell Ave	Gaithersburg	20877
192	MD	Mall at Prince George	OEM Consulting Inc	Chris Whipple	702 400-4374	3500 East West Highway	Hyattsville	20782
193	MD	Centre at Salisbury	Onur Ergul	Onur Ergul	410-422 7926	2300 N Salisbury Blvd	Salisbury	21801
194	MD	Towson Town Center	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	825 Dulaney Valley Rd	Towson	21204
195	MD	Towson Town Center	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	825 Dulaney Valley Rd	Towson	21204
196	MD	St Charles Towne Center	JASMIN ANNISA ZIRAM MAHD LLC	Asif Ali	240-506-9616	11110 Mall Cir	Waldorf	20603
197	MD	Wheaton Mall	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	11150 Veirs Mill Rd	Wheaton	20902
198	MD	Wheaton Mall	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	11150 Veirs Mill Rd	Wheaton	20902
199	ME	The Maine Mall	Ruslan Garaev	Russell Garaev	401 243-4218	364 Maine Mall Road	Portland	04106
200	ME	The Maine Mall	Ruslan Garaev	Russell Garaev	401 243-4218	364 Maine Mall Road	Portland	04106
201	MI	Briarwood Mall	Uddin Family LLC	Ala Uddin	915 251 9747	100 Briarwood Cir	Ann Arbor	48108
202	MI	The Mall at Partridge Creek*+	Global Cellular Inc	Global Cellular	678-513-4020	17420 Hall Road	Clinton Township	48038
203	MI	Genesee Valley Center	Famous Jewellers Inc	Amin Shah	810 874-9088	3341 S Linden Rd	Flint	48507
204	MI	Woodland Mall	Mohi Uddin DBA Safemobile Accessories	Mohi Uddin	740 284-2897	3195 Twenty Eighth St SE	Grand Rapids	49512
205	MI	RiverTown Crossings*	Global Cellular Inc	Global Cellular	678-513-4020	3700 Rivertown Parkway	Grandville	49418
206	MI	RiverTown Crossings*	Global Cellular Inc	Global Cellular	678 513-4020	3700 Rivertown Parkway	Grandville	49418
207	MI	The Crossroads Mall	MD Kamruzzaman	MD Kamruzzaman	206 355 2159	6650 S Westnedge Ave	Portage	49024
208	MI	Lakeside Mall	Sunshine Wireless Inc	Mintu Kundu	708-439 2427	14000 Lakeside Cir	Sterling Heights	48313
209	MI	Westland Shopping Center	Delaor Hossen	Deloar Hossen	260-804-1492	35000 Warren Rd	Westland	48185
210	MN	Northtown mall	Shahed Sadique (Chaska, MN)	Shahed Sadique	612 220-5866	398 Northtown Dr	Blaine	55434
211	MN	Mall of America*	JHEET Wireless Design LLC	Jacob Schlee	612 867 1118	60 E Broadway	Bloomington	55425
212	MN	Burnsville Center	First Choice Inc	Muhammad Jameel	718-844-2727	1178 Burnsville Center	Burnsville	55306
213	MN	Miller Hill Mall*	JHEET Wireless Design LLC	Jacob Cellairs	612 867 1118	1600 Miller Truck Hwy	Duluth	55811

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
214	MN	Eden Prairie	World Accessories Inc	Mo Anowar	804 677 2440	8251 Flying Cloud Dr	Eden Prairie	55344
215	MN	River Hills Mall*	JHEET Wireless Design, LLC	Jacob Cellairis	612 867 1118	1850 Adams St	Mankato	56001
216	MN	Ridgedale Center*	JHEET Wireless Design LLC	Jacob Cellairis	612 867 1118	12401 Wayzata Blvd	Minnetonka	55305
217	MN	Apache Mall	MD Zahidul Haque Dewan	MD Zahidul Dewan	612 245-0676	1201 12th St SW	Rochester	55902
218	MN	Crossroads Center*	JHEET Wireless Design, LLC	Jacob Schlee	612 867 1118	4101 W Division St	St Cloud	56301
219	MO	Columbia Mall	Columbia Mall Cellairis Inc	Mobin Rasheed	614 592 1619	2300 Bernadette Dr	Columbia	65203
220	MO	North Park Mall	John W Hampton II	John Hampton	417-438-6408	101 N Rangeline Rd	Joplin	64801
221	MO	Battlefield Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	2825 S Glenstone Ave	Springfield	65804
222	MO	South County Mall	Mobile Fashion LLC	Wali Ahmed	404 274-1118	18 South County Center Way	St Louis	63129
223	MO	South County Mall	Mobile Fashion LLC	Wali Ahmed	404 274-1118	18 South County Center Way	St Louis	63129
224	MO	St Louis Galleria	NNS Retail Operations LTD	Nazmun Saikat	614 668-6057	1155 St Louis Galleria	St Louis	63117
225	MO	West County	Mobile Fashion LLC	Wali Ahmed	404-274-1118	80 W County Center	St Louis	63131
226	MO	Mid Rivers Mall	Mobile Fashion LLC	Wali Ahmed	404 274-1118	1600 Mid Rivers Mall	St Peters	63376
227	MS	Barnes Crossing	Blue C Inc	Charles Cope	334 787 0460	1001 Barnes Crossing Rd	Tupelo	38804
228	MS	Barnes Crossing	Blue C Inc	Charles Cope	334 787-0460	1001 Barnes Crossing Rd	Tupelo	38804
229	MT	SouthGate Mall	DKD Novelties of Texas LLC	David Costine	254 624-3282	2901 Brooks Street	Missoula	59801
230	NC	Asheville Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	3 South Tunnel Road	Asheville	28805
231	NC	Cary Town Center	CT Food Services Inc	Tim O Neil	919 699 6912	1105 Walnut St Ste 200	Cary	27511
232	NC	Northlake Mall	Morgan and Lee Cell Inc	Chris Lee	901-428-8413	6801 Northlake Dr	Charlotte	28216
233	NC	Southpark Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	4400 Sharon Rd	Charlotte	28211
234	NC	Streets at Southpoint	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339	6910 Fayetteville Rd	Durham	27713
235	NC	Streets at Southpoint	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339	6910 Fayetteville Rd	Durham	27713
236	NC	Cross Creek	Khayal Ibrahimkhalilov	Khayal Ibrahimkhalilov	910-429-4907	419 Cross Creek Mall	Fayetteville	28303
237	NC	Valley Hills Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	1960 Hwy 70 SE	Hickory	28602
238	NC	Carolina Place	Imm Cool Inc	Mahbub Hossain	646-673 7327	11025 Carolina Place Pkwy	Pineville	28134
239	NC	Triangle Town Center	YC Wireless LLC	Alex Brown	336-428-7175	5959 Triangle Town Blvd	Raleigh	27616
240	NC	Hanes Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	3320 Silas Creek Pkwy	Winston-Salem	27103
241	ND	Kirkwood Mall	DKD Novelties of Texas LLC	David Costine	254 624 3282	706 Kirkwood Mall	Bismarck	58504
242	ND	Columbia Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282	2800 Columbia Road	Grand Forks	58201
243	NE	Gateway Mall	Rashmi Samani	Rashmi (Ken) Samani	630 362 1442	#5 Gateway	Lincoln	68505
244	NE	Oakview Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	3001 S 144th St	Omaha	68144
245	NE	Westroads Mall	Rashmi Samani	Rashmi (Ken) Samani	630 362 1442	10000 California St	Omaha	68114
246	NE	Westroads Mall	Rashmi Samani	Rashmi (Ken) Samani	630 362 1442	10000 California St	Omaha	68114
247	NH	The Mall of New Hampshire	Baku Trading LLC	Ziya Alverdiyev	617-412 7989	1500 South Willow Street	Manchester	03103
248	NH	Pheasant Lane Mall	Baku Trading LLC	Ziya Alverdiyev	617-412 7989	310 Daniel Webster Highway	Nashua	03060
249	NH	Fox Run Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	50 Fox Run Road	Newington	03801

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
250	NH	The Mall at Rockingham Park	Baku Trading LLC	Ziya Alverdiyev	617-412 7989	99 Rockingham Park Blvd	Salem	03079
251	NJ	The Pier Shops at Cesars+	Fashion Accessories of Atlantic City Inc	Mobin Rasheed	614 592 1619	One Atlantic Ocean	Atlantic City	08401
252	NJ	Cherry Hill	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339	2000 Rt 38	Cherry Hill	08002
253	NJ	Deptford Mall	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	1750 Deptford Center Road	Deptford	08096
254	NJ	Deptford Mall	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	1750 Deptford Center Road	Deptford	08096
255	NJ	Menlo Park	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	100 Menlo Park	Edison	08837
256	NJ	Jersey Gardens	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	651 Kapkowski Road	Elizabeth	07201
257	NJ	Freehold Raceway Mall	TZ Accessory Lifestyle Inc	Zimro Abayev	718 801 0856	3710 Route 9	Freehold	07728
258	NJ	Freehold Raceway Mall	TZ Accessory Lifestyle Inc	Zimro Abayev	718-801 0856	3710 Route 9	Freehold	07728
259	NJ	Newport Center	SVA Enterprises Inc	Samira Agayev	347 820 5220	30 Mall Dr W	Jersey City	07310
260	NJ	Quaker Bridge Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	150 Quaker Bridge Mall	Lawrence Township	08648
261	NJ	Livingston Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	112 Eisenhower Pkwy	Livingston	07039
262	NJ	Rockaway Town Square	Elnur Sadullayev	Elnur Sadullayev	617 953-2584	301 Mt Hope Ave	Rockaway	07866
263	NJ	Ocean County Mall	CELL ING Everything LLC	Alireza Kashfipor	404-641 8708	1201 Hooper Ave	Toms River	08753
264	NV	Fashion Show Mall	SVR Investments LLC	Shamil Shalmiev	718-650-1686	3200 Las Vegas Blvd South	Las Vegas	89109
265	NV	Fashion Show Mall	SVR Investments LLC	Shamil Shalmiev	718-650-1686	3200 Las Vegas Blvd South	Las Vegas	89109
266	NV	Fashion Show Mall	SVR Investments LLC	Shamil Shalmiev	718-650-1686	3200 Las Vegas Blvd South	Las Vegas	89109
267	NV	Meadows Mall	SVR Investments LLC	Shamil Shalmiev	718-650-1686	4300 Meadows Ln	Las Vegas	89107
268	NV	Meadows Mall	SVR Investments LLC	Shamil Shalmiev	718-650 1686	4300 Meadows Ln	Las Vegas	89107
269	NV	Meadowood Mall	Sierra Cellairs LLC	Dow Costa	775 250-3905	5000 Meadowood Mall Cir Ste 1	Reno	89502
270	NY	Colonie Mall	VSPS Enterprises LLC	Prakash Punjabi	314 583 1862	131 Colonie Center	Albany	12205
271	NY	Colonie Mall	VSPS Enterprises LLC	Prakash Punjabi	314 583 1862	131 Colonie Center	Albany	12205
272	NY	Columbus Circle+	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	59 St Station Turn Style	Columbus Circle	10019
273	NY	Walt Whitman Mall	TZ Accessory Lifestyle Inc	Zimro Abayev	718-801 0856	160 Walt Whitman Road	Dix Hills	11746
274	NY	Queens Center Mall	Cellata, Inc	Erdal Atasever	347-406-4693	90 15 Queens Blvd	Elmhurst	11373
275	NY	Queens Center Mall	Cellata, Inc	Erdal Atasever	347-406-4693	90 15 Queens Blvd	Elmhurst	11373
276	NY	Smith Haven Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	313 Smith Haven Road	Lake Grove	11755
277	NY	The Mall at Greece Ridge	Kazi Enterprises Inc	Kazi Rahman	614 822 9486	271 Greece Ridge Center Drive	Rochester	14626
278	NY	The Mall at Greece Ridge	Kazi Enterprises Inc	Kazi Rahman	614 822 9486	271 Greece Ridge Center Drive	Rochester	14626
279	NY	The Marketplace Mall	Kazi Enterprises Inc	Kazi Rahman	614 822 9486	1 Miracle Mile Drive	Rochester	14623
280	NY	The Marketplace Mall	Kazi Enterprises Inc	Kazi Rahman	614-822 9486	1 Miracle Mile Drive	Rochester	14623
281	NY	Wilton Mall	HAQ Accessories Inc	Sharif Haq	518 852 2401	3065 Route 50	Saratoga Springs	12866
282	NY	Staten Island Mall+	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	2655 Richmond Ave	Staten Island	10314
283	NY	Staten Island Mall	Zak Enterprises Inc	Kevin Zarbailov	347 721 8950	2655 Richmond Ave	Staten Island	10314
284	NY	Staten Island Mall	Zak Enterprises Inc	Kevin Zarbailov	347 721 8950	2655 Richmond Ave	Staten Island	10314

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
285	NY	Staten Island Mall	Zak Enterpnses Inc	Kevın Zarbaılov	347 721 8950	2655 Rıchmond Ave	Staten Island	10314
286	NY	Staten Island Mall	Zak Enterpnses Inc	Kevın Zarbaılov	347 721 8950	2655 Rıchmond Ave	Staten Island	10314
287	NY	Eastvıew Mall	Kazı Enterpnses Inc	Kazı Rahman	614 822 9486	7979 Pıttsford Vıctor Road (Route 96)	Vıctor	14564
288	NY	Eastvıew Mall	Kazı Enterpnses Inc	Kazı Rahman	614 822 9486	7979 Pıttsford Vıctor Road (Route 96)	Vıctor	14564
289	OH	Chapel Hıll	Mohammad Nur Alam	Salım Alam	567 242 8442	2000 Brıttaın Rd	Akron	44310
290	OH	Beachwood Place	Marıo R Shy	Marıo Shy	216 254-6855	26300 Cedar Rd	Beachwood	44122
291	OH	Belden Vıllage Mall	Mohı Uddın DBA Safemobıle Accessones	Mohı Uddın	740-284 2897	4230 Belden Vıllage Mall	Canton	44718
292	OH	Kenwood Mall	Khandakar Shah Alam	Khandakar Alam	585 281 5414	7875 Montgomery Road	Cıncınnatı	45236
293	OH	Kenwood Mall	Khandakar Shah Alam	Khandakar Alam	585 281 5414	7875 Montgomery Road	Cıncınnatı	45236
294	OH	Trı County Mall	GMD Sılver Inc	Mohammed Rahman	614 886-1520	11700 Prınceton Pıke	Cıncınnatı	45246
295	OH	Polarıs Mall	Cellaırs of Georgıa, Inc	Fazal Ellahı	404-422 0149	1500 Polarıs Pkwy	Colombus	43240
296	OH	Eastland Mall	Cellaırs of Georgıa, Inc	Fazal Ellahı	404-422 0149	2740 B Eastland Mall	Columbus	43232
297	OH	Tuttle Crossıngs Mall	Aman & Ibrahım LLC	Mohammed Abedın	614-446-6540	5043 Tuttle Crossıng Blvd	Dublın	43016
298	OH	Lıberty Center Mal+l	Cellaırs at Lıberty Townshıp Inc	Mobın Rasheed	614 592 1619	7100 Foundry Row	Lıberty Twp	45069
299	OH	Great Northern Mall	Nıckaren, LLC	Salım Alam	567 242 8442	4954 Great Northern Mall	North Olmstead	44070
300	OH	Southpark Mall	Mohammad S Hossaın	Mohammad S Hossaın	646-321 6276	500 Southpark Center	Strongsvılle	44136
301	OK	Sooner Mall	Jawarıa Nauman	Jawarıa Nauman	405 305 9944	3301 West Maın Street	Norman	73072
302	OK	Sooner Mall	Jawarıa Nauman	Jawarıa Nauman	405 305 9944	3301 West Maın Street	Norman	73072
303	OK	Sooner Mall	Jawarıa Nauman	Jawarıa Nauman	405 305 9944	3301 West Maın Street	Norman	73072
304	OK	Quaıl Sprıngs Mall	Jawarıa Nauman	Jawarıa Nauman	405 305 9944	2501 West Memorıal Road	Oklahoma Cıty	73134
305	OK	Quaıl Sprıngs Mall	Jawarıa Nauman	Jawarıa Nauman	405 305 9944	2501 West Memorıal Road	Oklahoma Cıty	73134
306	OK	Quaıl Sprıngs Mall	Jawarıa Nauman	Jawarıa Nauman	405 305-9944	2501 West Memorıal Road	Oklahoma Cıty	73134
307	OK	Quaıl Sprıngs Mall	Jawarıa Nauman	Jawarıa Nauman	405 305 9944	2501 West Memorıal Road	Oklahoma Cıty	73134
308	OK	Woodland Hılls Mall	Cellıa Mobıle LLC	Khalıg Isgandarov	646 226-5339	7021 S Memorıal Drıve	Tulsa	74133
309	OR	Valley Rıver Center	Adorable Mobıle LLC	Ralph Butler	503 705-6588	293 Rıver Center	Eugene	97401
310	OR	Rogue Valley Mall	Adorable Mobıle LLC	Ralph Butler	503 705-6588	1600 North Rıversıde Ave	Medford	97501
311	OR	Clackamas Mall	Nurlan Rafiyev	Nurlan Rafiyev	774 251 8810	12000 Se 82Nd Ave	Portland	97086
312	OR	Clackamas Mall	Nurlan Rafiyev	Nurlan Rafiyev	774 251 8810	12000 Se 82Nd Ave	Portland	97086
313	OR	Lloyd Center	Salahaddın Ibrahımov	Salahaddın Ibrahımov	360-434-2540	2201 Lloyd Center	Portland	97232
314	OR	Pıoneer Mall	Mobıle Manıa, LLC	Ryan Spath	904 517 6523	700 Sw Fıfth Ave	Portland	97204
315	OR	Washıngton Square Mall	Adorable Mobıle LLC	Ralph Butler	503 705 6588	9585 SW Washıngton Square Rd	Portland	97223
316	PA	Logan Valley Mall	Mahesh Raj Bhatt	Mahesh Bhatt	540-271 6291	5580 Goods Lane	Altoona	16602
317	PA	Neshamıny Mall	E & I Tradıng LLC	Ekrem Ilhan	201 245 2630	707 Neshamıny Mall	Bensalem	19020
318	PA	Neshamıny Mall	E & I Tradıng LLC	Ekrem Ilhan	201 245 2630	707 Neshamıny Mall	Bensalem	19020
319	PA	Park Cıty Mall	Imm Cool Inc	Mahbub Hossaın	646-673 7327	142 Park Cıty Center	Lancaster	17601
320	PA	Park Cıty Mall	Imm Cool Inc	Mahbub Hossaın	646-673 7327	142 Park Cıty Center	Lancaster	17601
321	PA	Ross Park Mall	Elnur Sadullayev	Elnur Sadullayev	617 953 2584	1000 Ross Park Mall Dr	Pıttsburgh	15237
322	PA	South Hılls Vıllage Mall	Elnur Sadullayev	Elnur Sadullayev	617 953 2584	301 S Hılls Vıllage	Pıttsburgh	15241
323	PA	Wıllow Grove	Hare Krıshna News LLC	Shaılesh (Sam) Patel	732 691 5316	2500 W Moreland Road	Wıllow Grove	19090

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
324	PR	The Mall of San Juan+	Sky Cases Inc	David Vazquez	939 645 5252	1000 Mall of San Juan Blvd	San Juan	00924
325	RI	Providence Place Mall	Gulahmad Gulahmadzada	Gulahmad Gulahmadzada	774 319-7098	1 Providence Place	Providence	02903
326	RI	Providence Place Mall	Gulahmad Gulahmadzada	Gulahmad Gulahmadzada	774 319-7098	1 Providence Place	Providence	02903
327	RI	Providence Place Mall	Gulahmad Gulahmadzada	Gulahmad Gulahmadzada	774 319 7098	1 Providence Place	Providence	02903
328	RI	Warwick Mall	Rani Sacaigu	Rani Sacaigu	615-485-9422	400 Bald Hill Road	Warwick	02886
329	SC	Anderson Mall	LEF Enterprises LLC	Charles (Chuck) Flaherty	864-630-7010	3131 North Main Street	Anderson	29621
330	SC	Columbiana Centere	Imm Cool Inc	Mahbub Hossain	646-673 7327	100 Columbiana Centre	Columbia	29212
331	SC	Haywood Mall	LEF Enterprises LLC	Charles (Chuck) Flaherty	864-630-7010	700 Haywood Rd	Greenville	29607
332	SC	Northwoods Mall	Exclusive Accessories Inc	David Curri	321 890-9911	2150 Northwoods Blvd	N Charleston	29406
333	SC	Northwoods Mall	Exclusive Accessories Inc	David Curri	321 890-9911	2150 Northwoods Blvd	N Charleston	29406
334	SC	Rock Hill Galleria	Joynal Abedin	Joynal Abedin	404 273 2563	2301 Dave Lyle Blvd	Rock Hill	29730
335	SC	WestGate Mall	Mohi Uddin DBA Safemobile Accessories	Mohi Uddin	740 284-2897	205 W Blackstock Road	Spartanburg	29301
336	TN	Hamilton Place	MD Monirul Islam MD Mehedi Hasan	MD Monirul Islam	585-435 3687	2100 Hamilton Place Blvd	Chattanooga	37421
337	TN	CoolSprings Galleria	Vipulkumar M Naik	Vipulkumar Naik	502 876-2805	1800 Galleria Blvd	Franklin	37067
338	TN	RiverGate Mall	MD Syid Rahman Khaza Oli Uddin	MD Syid Rahman	304 552 8009	1000 Rivergate Parkway	Goodlettsville	37072
339	TN	Old Hickory	MD Mizanur Rahman Najmul Hoque Rana	MD Mazanur Rahman	206-403 7659	2021 N Highland Ave	Jackson	38305
340	TN	The Mall at Johnson City	Morgan and Lee Cell Inc	Chris Lee	901-428 8413	2011 N Roan St	Johnson City	37601
341	TN	Oak Court Mall	Lee Distributing LLC	Chris Lee	901 428-8413	4465 Poplar Ave	Memphis	38117
342	TN	Wolfchase Galleria	Morgan and Lee Cell Inc	Chris Lee	901-428-8413	2760 Germantown Pkwy	Memphis	38133
343	TN	Stones River Mall	Blue C Inc	Charles Cope	334 787 0460	1720 Old Fort Parkway	Murfreesboro	37129
344	TN	Opry Mills Mall	Elnur Sadullayev	Elnur Sadullayev	617 953 2584	433 Opry Mills Drive	Nashville	37214
345	TX	Westgate Mall	DKD Novelties of Texas LLC	David Costine	254-624 3282	7701 West Int 40 K 3	Amarillo	79121
346	TX	Parks at Arlington Mall	FTZ Enterprises Inc	Fatima Zahra	646 626-9802	3811 South Cooper Street	Arlington	76015
347	TX	Parks at Arlington Mall	FTZ Enterprises Inc	Fatima Zahra	646-626-9802	3811 South Cooper Street	Arlington	76015
348	TX	Parks at Arlington Mall	FTZ Enterprises Inc	Fatima Zahra	646-626-9802	3811 South Cooper Street	Arlington	76015
349	TX	Barton Creek	Shark Accessories LLC	Naeem Ali	832 776-6963	2901 S Capital of Texas Hwy	Austin	78746
350	TX	Cielo Vista	Naeem Ali Rozina Ali	Naeem Ali	832 776-6963	8401 Gateway Blvd W	El Paso	79925
351	TX	Sunland Park	Naeem Ali Rozina Ali	Naeem Ali	832 776-6963	750 Sunland Park Dr	El Paso	79912
352	TX	Hulen Mall	Lakhani Investments LLC	Mudassir Lakhani	832 876-2675	4800 S Hulen Street	Fort Worth	76132
353	TX	Hulen Mall	Lakhani Investments LLC	Mudassir Lakhani	832 876-2675	4800 S Hulen Street	Fort Worth	76132
354	TX	Ridgmar Mall	Lakhani Investments LLC	Mudassir Lakhani	832 876-2675	1888 Green Oaks Rd	Forth Worth	76116
355	TX	Ridgmar Mall	Lakhani Investments LLC	Mudassir Lakhani	832 876-2675	1888 Green Oaks Rd	Forth Worth	76116
356	TX	Baybrook Mall	L C Group LLC	Zohra Lakhani	832 202 7280	500 Baybrook Mall	Friendship	77546
357	TX	Baybrook Mall	L C Group LLC	Zohra Lakhani	832 202 7280	500 Baybrook Mall	Friendship	77546
358	TX	Baybrook Mall	L C Group LLC	Zohra Lakhani	832 202 7280	500 Baybrook Mall	Friendship	77546
359	TX	Baybrook Mall	L C Group LLC	Zohra Lakhani	832 202 7280	500 Baybrook Mall	Friendship	77546

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
360	TX	Stonebriar Mall	MA Communication, LLC	Meraj Mitha	903 574 1357	2601 Preston Road	Frisco	75034
361	TX	Stonebriar Mall	MA Communication, LLC	Meraj Mitha	903 574 1357	2601 Preston Road	Frisco	75034
362	TX	Stonebriar Mall	MA Communication, LLC	Meraj Mitha	903 574 1357	2601 Preston Road	Frisco	75034
363	TX	Stonebriar Mall	MA Communication, LLC	Meraj Mitha	903 574 1357	2601 Preston Road	Frisco	75034
364	TX	Stonebriar Mall	MA Communication, LLC	Meraj Mitha	903 574 1357	2601 Preston Road	Frisco	75034
365	TX	Grapevine Mills	New Jess Inc	Muhin Sohan	512 299 3066	3000 Grapevine Mills Pkwy	Grapevine	76051
366	TX	Grapevine Mills	New Jess Inc	Muhin Sohan	512 299 3066	3000 Grapevine Mills Pkwy	Grapevine	76051
367	TX	Grapevine Mills	New Jess Inc	Muhin Sohan	512 299 3066	3000 Grapevine Mills Pkwy	Grapevine	76051
368	TX	Houston Galleria	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	5085 Westheimer Rd	Houston	77056
369	TX	Willowbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	2000 Willowbrook Mall	Houston	77070
370	TX	Willowbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	2000 Willowbrook Mall	Houston	77070
371	TX	Willowbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	2000 Willowbrook Mall	Houston	77070
372	TX	Willowbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	2000 Willowbrook Mall	Houston	77070
373	TX	Deerbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	20131 Highway 59 N	Humble	77338
374	TX	Deerbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404 5858	20131 Highway 59 N	Humble	77338
375	TX	Deerbrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	20131 Highway 59 N	Humble	77338
376	TX	Katy Mills	Merchant Accessories Inc	Ashish Merchant	312-404-5858	5000 Katy Mills Circle	Katy	77494
377	TX	Katy Mills	Merchant Accessories Inc	Ashish Merchant	312-404 5858	5000 Katy Mills Circle	Katy	77494
378	TX	Katy Mills	Merchant Accessories Inc	Ashish Merchant	312-404-5858	5000 Katy Mills Circle	Katy	77494
379	TX	Katy Mills	Merchant Accessories Inc	Ashish Merchant	312-404-5858	5000 Katy Mills Circle	Katy	77494
380	TX	South Plains Mall	Atilla Hafizoglu	Atilla Hafizoglu	806-620-9740	6002 Slide Rd	Lubbock	79414
381	TX	South Plains Mall	Atilla Hafizoglu	Atilla Hafizoglu	806-620-9740	6002 Slide Rd	Lubbock	79414
382	TX	La Plaza Mall	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339	2200 S 10th St	Mcallen	78503
383	TX	Town East Mall	Imkar LLC	Karim Haswani	214 727 1454	2063 Town East Mall	Mesquite	75150
384	TX	Town East Mall	Imkar LLC	Karim Haswani	214 727 1454	2063 Town East Mall	Mesquite	75150
385	TX	Town East Mall	Imkar LLC	Karim Haswani	214-727 1454	2063 Town East Mall	Mesquite	75150
386	TX	Collin Creek Mall	Ali Telecoms Inc	Syed Ali	469 269 8578	811 North Central Expressway	Plano	75075
387	TX	Collin Creek Mall	Ali Telecoms Inc	Syed Ali	469 269 8578	811 North Central Expressway	Plano	75075
388	TX	Willow Bend Mall+	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	6121 West Park Blvd	Plano	75093
389	TX	Ingram Park	Cellaura Communications Inc	Aziz Mitha	903 330-3082	6301 NW Loop 410	San Antonio	78238
390	TX	Northstar Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	7400 San Pedro	San Antonio	78216
391	TX	Northstar Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	7400 San Pedro	San Antonio	78216
392	TX	Northstar Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	7400 San Pedro	San Antonio	78216
393	TX	Rolling Oaks Mall	Cellaura Communications	Aziz Mitha	903 330-3082	6909 N Loop 1604 E	San Antonio	78247

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
			Inc					
394	TX	Shops at La Cantera	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	15900 La Cantera Parkway	San Antonio	78256
395	TX	Shops at La Cantera	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	15900 La Cantera Parkway	San Antonio	78256
396	TX	Shops at La Cantera+	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339	15900 La Cantera Parkway	San Antonio	78256
397	TX	First Colony Mall	L C Group LLC	Zohra Lakhani	832 202 7280	16535 Southwest Fwy	Sugar Land	77479
398	TX	First Colony Mall	L C Group LLC	Zohra Lakhani	832 202 7280	16535 Southwest Fwy	Sugar Land	77479
399	TX	First Colony Mall	L C Group LLC	Zohra Lakhani	832 202 7280	16535 Southwest Fwy	Sugar Land	77479
400	TX	The Woodlands Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	1201 Lake Woodlands Drive	The Woodlands	77380
401	TX	The Woodlands Mall	Merchant Accessories, Inc	Ashish Merchant	312 404-5858	1201 Lake Woodlands Drive	The Woodlands	77380
402	TX	The Woodlands Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	1201 Lake Woodlands Drive	The Woodlands	77380
403	TX	The Woodlands Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	1201 Lake Woodlands Drive	The Woodlands	77380
404	TX	Richland Mall	Hum Communications Inc	Sammy Surani	254 723 1962	6001 W Waco Drive	Waco	76710
405	TX	Sikes Senter	Yagnesh R Chauhan	Yagnesh Chauhan	630-808-2942	3111 Midwestern Parkway	Wichita Falls	76308
406	TX	Sikes Senter	Yagnesh R Chauhan	Yagnesh Chauhan	630 808-2942	3111 Midwestern Parkway	Wichita Falls	76308
407	UT	Red Cliffs Mall	CH LLC INTL	Masood Chaudhry	517 980-6056	1770 East Red Cliffs Drive	St George	84790
408	VA	Charlottesville Fashion Square	MD Ali Amjad Faruquee	MD Ali Amjad Faruquee	718-450 0485	1600 Rio Rd E	Charlottesville	22901
409	VA	Greenbrier Mall	Moksad Ullah Mazumder	Moksad Mazumder	301 283 8033	1401 Greenbrier Parkway	Chesapeake	23320
410	VA	Dulles Town Center	OEM Consulting Inc	Chris Whipple	702-400-4374	2110 Dulles Town Center	Dulles	20166
411	VA	Fair Oaks Mall+	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	11750 Fair Oaks Mall	Fairfax	22033
412	VA	Tyson s Corner	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	1961 Chain Bridge Rd	Mclean	22102
413	VA	Tyson s Corner	Wireless Bazaar LLC	Harmeet Taneja	240-491 2222	1961 Chain Bridge Rd	Mclean	22102
414	VA	MacArthur Center	Mohammed A Basher	Mohammed Basher	347 259 9217	300 Monticello Ave	Norfolk	23510
415	VA	Potomac Mills	OZ Industries Inc	Oz Aharon	347 251 3745	2700 Potomac Mills Cir	Prince William	22192
416	VA	Potomac Mills	OZ Industries Inc	Oz Aharon	347 251 3745	2700 Potomac Mills Cir	Prince William	22192
417	VA	Potomac Mills	OZ Industries Inc	Oz Aharon	347 251 3745	2700 Potomac Mills Cir	Prince William	22192
418	VA	Springfield Town Center	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	6500 Springfield Mall	Springfield	22150
419	VA	Lynnhaven Mall	Nazmul Hossain	Nazmul Hossain	513-633 0770	701 Lynnhaven Parkway	Virginia Bch	23452
420	VA	Lynnhaven Mall	Nazmul Hossain	Nazmul Hossain	513-633 0770	701 Lynnhaven Parkway	Virginia Bch	23452
421	VA	Apple Blossom Mall	Shyam Bist	Shyam Bist	540-450-4666	1850 Apple Blossom Drive	Winchester	22601
422	WA	Bellis Fair	Mobile Mania, LLC	Ryan Spath	904 517 6523	One Bellis Fair Parkway	Bellingham	98226
423	WA	Columbia Center	Mobile Mania, LLC	Ryan Spath	904 517 6523	1321 N Columbia Center Blvd	Kennewick	99336
424	WA	Alderwood Mall	Style Point LLC	Mohammadun Nobi	513 306-2096	300 184th Street SW	Lynnwood	98037
425	WA	Alderwood Mall	Style Point, LLC	Mohammadun Nobi	513 306-2096	300 184th Street SW	Lynnwood	98037
426	WA	Capital Mall	Adorable Mobile LLC	Ralph Butler	503 705-6588	625 Black Lake Blvd	Olympia	98502
427	WA	Northgate Mall	Palermo Mobile LLC	Cesare Baio	845 633-8300	401 NE Northgate Way	Seattle	98125
428	WA	Southcenter Mall	Ferdous Rahman	Ferdous Howlader	347 615-4862	2800 Southcenter Mall	Seattle	98188
429	WA	Southcenter Mall	Ferdous Rahman	Ferdous Howlader	347 615-4862	2800 Southcenter Mall	Seattle	98188
430	WA	NorthTown Mall	MD Abul Kashem	MD Abdul Kashem	304-482 8211	4750 N Division	Spokane	99207

#	State	Location Name	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
431	WA	Spokane Valley Mall	MD Abul Kashem	MD Abdul Kashem	304-482 8211	14700 E Indiana Ave	Spokane	99216
432	WA	Tacoma Mall	Mohammadun Nobi	Mohammadun Nobi	513 306-2096	4502 S Steele Street	Tacoma	98409
433	WI	Fox River Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	4301 West Wisconsin Ave	Appleton	54913
434	WI	Fox River Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339	4301 West Wisconsin Ave	Appleton	54913
435	WI	Brookfield Square Mall	Nikin & Bibi Enterprise, LLC	Waqas Arshad	414 213 9461	95 N Moorland Rd	Brookfield	53005
436	WI	Oakwood Mall*	JHEET Wireless Design LLC	Jacob Schlee	612 867 1118	4800 Golf Rd	Eau Claire	54701
437	WI	Bay Park Square	Greenbay Cellular Tech Inc	Rida Batool	773 844-4786	303 Bay Park Square	Green Bay	54304
438	WI	Southridge Mall	5 Brothers Group LLC	Hafiz Hakeem	414-460-7993	5300 S 76 St	Greendale	53129
439	WI	Janesville Mall	Gadget Epress Inc	Hakeem Abdul	803-447 0251	2500 Milton Ave	Janesville	53545
440	WI	Valley View	Rashmi Samani	Rashmi (Ken) Samani	630 362 1442	3800 State Road 16	La Crosse	54601
441	WI	West Towne Mall	Gadget Epress Inc	Hakeem Abdul	803-447-0251	66 West Towne Ave	Madison	53719
442	WI	Regency Square Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858	5538 DurandAve	Racine	53406
443	WI	Wausau Center	Merchant Accessories Inc	Ashish Merchant	312-404-5858	Wausau Center Mall C 302	Wausau	54403
444	WI	Mayfair Mall	A & I Cellairs LLC	Azizurahman Rasuli	414 795 7269	2500 N Mayfair Rd	Wauwatosa	53226

Store-In-Store Business Units
(as of December 31, 2016)

* Units marked with one asterisk are affiliate-owned units

#	Location State	Store #	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
1	AR	1*	WM GA, LLC	Global Cellular	678 513-4020	2110 W Walnut St	Rogers	72756
2	AZ	5186	Express Device Repair LLC	Jess Burns	503 381 8803	2501 S Market St	Gilbert	85295
3	AZ	3241	Express Device Repair LLC	Jess Burns	503 381 8803	18551 N 83Rd Ave	Glendale	85308
4	AZ	2767	Express Device Repair LLC	Jess Burns	503 381 8803	4505 E Mckellips Rd	Mesa	85215
5	AZ	5190	Express Device Repair LLC	Jess Burns	503 381 8803	2501 W Happy Valley Rd Ste 34	Phoenix	85085
6	AZ	2766	Express Device Repair LLC	Jess Burns	503 381 8803	15335 N Northsight Blvd	Scottsdale	85260
7	AZ	2777	Express Device Repair, LLC	Jess Burns	503 381 8803	13770 W Bell Rd	Surprise	85374
8	CO	1689	WM 1689 DEN 5650 S Chambers LLC	Donald Lester	719 330 2618	5650 S Chambers Rd	Aurora	80015
9	CO	3313	WM 3313 DEN 10900 E Briarwood LLC	Donald Lester	719 330-2618	10900 E Briarwood Ave	Centennial	80112
10	CO	1434	Rosario Baio	Rosario Baio	917-605 2006	707 S 8Th St	Colorado Springs	80905
11	CO	5123	WM 5123 COS 5550 E Woodmen LLC	Donald Lester	719 330-2618	5550 E Woodmen Rd	Colorado Springs	80920
12	CO	3533	WM 3533 DEN 7800 Smith LLC	Donald Lester	719 330-2618	7800 Smith Rd	Denver	80207
13	CO	2729	Rosario Baio	Rosario Baio	917-605 2006	1250 Magnolia Street	Fort Collins	80524
14	CO	1273	WM 1273 COS 6310 S US HWY 85 LLC	Donald Lester	719 330-2618	6310 S Us Highway 85-87	Fountain	80817
15	CO	5049	WM 5049 DEN 13420 W Coal Mine LLC	Donald Lester	719 330 2618	13420 W Coal Mine Ave	Littleton	80127
16	CO	953	Rosario Baio	Rosario Baio	917 605 2006	1325 Denver Ave	Loveland	80537
17	CO	842	WM 842 COS 4200 Dillon, LLC	Donald Lester	719 330-2618	4200 Dillon Drive	Pueblo	81008
18	FL	817	Rosario Baio	Cesare Baio	917 605 2006	4444 W Vine Street	Kissimmee	34746
19	FL	942	Rosario Baio	Rosario Baio	917-605 2006	10500 W Colonial Drive	Ocoee	34761
20	FL	1220	Rosario Baio	Rosario Baio	917 605 2006	2500 S Kirkman Rd	Orlando	32811
21	FL	4332	Rosario Baio	Rosario Baio	917 605 2006	8990 Turkey Lake Rd	Orlando	32819
22	GA	2941	TEKCELL LLC	Imtyaz Isani	404-429-0506	5200 Windward Parkway	Alpharetta	30004
23	GA	5173	AAA Cellular, Inc	Anita Vadsaria	706-980-3340	815 Shugart Rd	Dalton	30720
24	GA	937	TEKCELL, LLC	Imtyaz Isani	404-429 0506	2795 Chastain Meadows Parkway	Marietta	30066
25	GA	5390	TEKCELL LLC	Imtyaz Isani	404-429 0506	210 Cobb Parkway	Marietta	30060
26	GA	1458	AAA Cellular Inc	Anita Vadsaria	706-980-3340	3040 Battlefield Pkwy	Oglethorpe	30742
27	GA	3462	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711	3245 Lawrenceville Suwanee Road	Suwanee	30024
28	GA	575	TEKCELL LLC	Imtyaz Isani	404-429-0506	12182 Highway 92	Woodstock	30188
29	GA	5275	TEKCELL LLC	Imtyaz Isani	404-429-0506	6435 Bells Ferry Road	Woodstock	30189
30	LA	1353	Computer Worx 2 LLC	Charles Slack	504 884-3707	5110 Jefferson Hwy	Hanrahan	70123
31	MS	105	SIS Repair LLC	Gary Cooper	662 316-4837	2301 S Harper Rd	Corinth	38834
32	MS	2846	SIS Repair LLC	Gary Cooper	662 316-4837	7950 Craft Goodman Frontage	Olive Branch	38654
33	MS	699	SIS Repair LLC	Gary Cooper	662 316-4837	2530 Jackson Ave W	Oxford	38655

#.	Location State	Store #	Franchisee	Contact Name	Contact Number	Location Address	Location City	Location Zip
34	NV	2593	Jung Seong	Jung (Eric) Seong	702 504-4757	2310 E Serene Ave	Las Vegas	89123
35	NV	2838	Jung Seong	Jung (Eric) Seong	702 504-4757	540 Marks St	Las Vegas	89014
36	NV	3473	Jung (Eric) Seong	Jung (Eric) Seong	702 504-4757	4505 Charleston Blvd	Las Vegas	89102
37	NV	4356	Jung (Eric) Seong	Jung (Eric) Seong	702 504-4757	7200 Arroyo Crossing Pkwy	Las Vegas	89113
38	NY	1810	Elnur Sadullayev	Elnur Sadullayev	617 953 2584	26 W Merritt Blvd	Fishkill	12524
39	TN	672	SIS Repair LLC	Gary Cooper	662 316-4837	1030 Hunters Crossing	Alcoa	37701
40	TN	175	SIS Repair LLC	Gary Cooper	662 316-4837	560 W Poplar Ave	Collierville	38017
41	TX	1253	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339	710 E Ben White Blvd	Austin	78704
42	TX	1062	CWG USA Management Company LLC	Ed Sztuka	678 787 1540	150 W El Dorado Blvd	Friendswood	77546
43	TX	1303	Werazon, Inc	Kenan Okumus	281 885 9876	620 I 35	Georgetown	78628
44	TX	3297	CWG USA Management Company LLC	Ed Sztuka	678 787 1540	12353 Fm 1960 Rd W	Houston	77065
45	TX	6286	Werazon Inc	Kenan Okumus	281 885 9876	3404 W Stan Schlueter Loop	Killeen	76549
46	TX	452	Prindav LLC	Francisco Davilla	956 534-2569	2800 W Nolana Ave	Mc Allen	78504
47	TX	3886	Prindav LLC	Francisco Davilla	956-534-2569	1740 Eas Expressway 83	Mercedes	78570
48	TX	3510	Merit Era, Inc	Rehana Karedia	780-680-5732	1710 E Broadway St	Pearland	77581
49	TX	5480	Werazon, Inc	Kenan Okumus	281 885 9876	4700 E Palm Valley Blvd	Round Rock	78665
50	TX	765	Stella Alliance LLC	Edna Lozano	956-638-0951	16503 Nacogdoches Rd	San Antonio	78247
51	TX	1198	Stella Alliance LLC	Edna Lozano	956-638-0951	1515 N Loop 1604 E	San Antonio	78232
52	TX	1347	Werazon Inc	Kenan Okumus	281 885 9876	1430 Austin Hwy	San Antonio	78209
53	TX	3888	Cellia Mobile LLC	Khalig Isgandarov	646-226 5341	11210 Potranco Rd	San Antonio	78253
54	TX	5146	Werazon, Inc	Kenan Okumus	281-885 9876	8030 Bandera Rd	San Antonio	78250
55	TX	3391	Stella Alliance, LLC	Edna Lozano	956-638-0951	6102 Fm 3009	Schertz	78154
56	TX	915	CWG USA Management Company LLC	Ed Sztuka	678-787 1540	11210 W Airport Blvd	Stafford	77477
57	UT	2511	B&E Electronic Restore LLC	Brett Harris	801 821 7461	949 W Grasslands Dr	American Fork	84003
58	UT	1768	B&E Electronic Restore LLC	Brett Harris	801-821 7461	1355 Sandhill Rd	Orem	84058
59	UT	2307	Cell Phone Repair Services of Utah LLC	Mark Johnson	541 728-0730	11328 S Jordan Gtwy	South Jordan	84095
60	UT	3568	Cell Phone Repair Services of Utah LLC	Mark Johnson	541 728-0730	3180 S 5600 W	West Valley City	84120

CURRENT CELLAIRIS FRANCHISEES WITH OUTLETS NOT YET OPENED

(as of December 31, 2016)

None

EXHIBIT "J"

GENERAL RELEASE

RELEASE

This RELEASE ("**Agreement**") is made this _____ day of _____, 20__ ("**Effective Date**") by and between Cellairis Franchise, Inc ("**Company**") and ________________ ("**Franchisee**")

WHEREAS, a contract was entered into between the parties for the purchase of a Cellairis franchise on ______ day of _________, 20__, and

WHEREAS, consideration for Franchisee to enter into this Agreement, Company will either agree to allow the current Franchisee to enter into a successor franchise agreement, or allow Franchisee to transfer his/her/their/its franchise to another entity or individual(s), and

WHEREAS, the parties desire to resolve and settle in full all claims that they had, have or may have against one another arising out of or connected with their prior business relationship, and

NOW, THEREFORE, with the intent to be bound legally hereby, and in consideration of the mutual promises and covenants contained herein, the parties agree as follows

1 **General Release**

(a) Franchisee for itself, its personal representatives, past and present parent entities, subsidiaries, divisions, affiliated entities, partners, shareholders, members, directors, officers, successors and assigns ("**Franchisee Releasing Parties**") unconditionally and irrevocably release and discharge Company and Global Cellular, Inc and their past and present parent entities, subsidiaries, divisions, affiliated entities, successors and assigns, owners, directors, officers, agents and attorneys ("**Company and Global Released Parties**") from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any kind whatsoever (based upon any legal or equitable theory, whether contractual, common law, statutory, federal, state, local or otherwise) (collectively "**Claims**"), whether known or unknown, suspected or unsuspected, which Franchisee Releasing Parties ever had, now have or may have against Company and Global Released Parties including but not limited to Claims arising out of or in any way connected to or involved with or under the business relationship between the parties, any franchise agreement executed between Franchisee and Company, any sublease or sub-license agreement executed between Franchisee and Global, and any purchase of product, fixtures, rent payments, license fee or other items purchased or paid for by Franchisee from Company, Global or any of the Company and Global Released Parties Franchisee Parties represent and warrant that they have not assigned, sold, or otherwise conveyed any such Claims as described without limitation in this Paragraph

(b) The parties represent and warrant that they have not assigned, sold, or otherwise conveyed any such claims as described without limitation in this paragraph 1

2 **No Admission** The making of this Agreement is not intended, and shall not be construed, as an admission by any party of any violation of any federal, state or local law, ordinance or regulation, any breach of contract, or of any wrong whatsoever, the same being expressly denied by all parties hereto

3 **Review by Counsel** The parties hereto represent and warrant that they have carefully read this Agreement in its entirety, that they have had a reasonable opportunity to consider the terms and provisions of this Agreement, that they consulted with an attorney of their choosing in connection with this Agreement, that they fully understand all of the terms and conditions of this Agreement and their significance, that they voluntarily assent to all the terms and conditions contained herein, that they are signing this Agreement voluntarily and of their own force and will, and that they will abide by the provisions of this Agreement without exception

4 **Miscellaneous**

(a) If, at any time after the date of execution of this Agreement, any provision of it shall be held to be illegal, void, or unenforceable, such provision shall be of no force and effect This Agreement is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve Company or any other person, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law

(b) This Agreement constitutes the complete understanding between the parties and may not be changed orally Franchisee acknowledges that neither Company nor any of its representatives has made any representations or promises to it other than as set forth herein Company acknowledges that neither Franchisee nor any of its representatives has made any representations or promises to it other than as set forth herein No other promises or agreements shall be binding unless in writing and signed by the parties

(c) This Agreement may be executed in several counterparts, each of which shall be deemed as an original, but all of which together shall constitute one and the same instrument

(d) This Agreement is binding upon, and shall inure to the benefit of, the parties and their respective heirs, executors, administrators, successors and assigns

(e) Should any provision of this Agreement require interpretation or construction, it is agreed by the parties that the entity interpreting or construing this Agreement shall not apply a presumption that the provisions hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who prepared this Agreement, it being agreed that all parties have participated in the preparation of all provisions of this Agreement

(f) The parties agree to execute any additional documents reasonably requested by another party so as to effectuate the purposes and effects of this Agreement

(g) The signatories to this Agreement represent and warrant that each signatory have the capacity and authority to execute and deliver this Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Agreement, and each and every other agreement, document and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

(h) This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia, without giving effect to any choice of law rules which may direct the application of the laws of any other jurisdiction The parties hereby acknowledge and agree that the Georgia State Courts for Fulton County, Georgia, or if such court lacks jurisdiction, the U S District for the Northern District of Georgia, shall be the sole and exclusive venue and sole and exclusive proper forum in which to adjudicate any case or controversy arising either, directly or indirectly, under or in connection with this Agreement and the parties further agree that, in the event of litigation arising out of or in connection with this Agreement in these courts, they will not contest or challenge the jurisdiction or venue of these courts The parties expressly consent and submit to the jurisdiction and venue of these courts, and the parties waive any defenses of lack of personal jurisdiction, improper venue and *forum non conveniens*

ACKNOWLEDGED AND AGREED	ACKNOWLEDGED AND AGREED
COMPANY	**FRANCHISEE**
By ____________________	By ____________________
Its ____________________	Its ____________________

EXHIBIT "K"

LIST OF FORMER FRANCHISEES

FORMER CELLAIRIS FRANCHISEES

(for fiscal year ending December 31, 2016)

* Units marked with one asterisk are affiliate-owned units

#	State	City	Location Name	Franchisee	Contact Name	Contact Number
1	AL	Birmingham	Riverchase Galleria	Jeffreys Skouras Inc	Lance Jeffreys	256-468-6711
2	AL	Decatur	Decatur Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
3	AL	Dothan	Wiregrass Commons	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
4	AL	Florence	Florence Mall	Jeffreys Skouras Inc	Lance Jeffreys	256-468-6711
5	AL	Gadsden	Gadsden Mall	Jeffreys Skouras Inc	Lance Jeffreys	256-468 6711
6	AL	Hoover	Riverchase Galleria	Jeffreys Skouras Inc	Lance Jeffreys	256-468 6711
7	AL	Huntsville	Parkway Place Mall	Jeffreys Skouras Inc	Lance Jeffreys	256-468 6711
8	AL	Huntsville	Parkway Place Mall	Jeffreys Skouras Inc	Lance Jeffreys	256-468-6711
9	AL	Jasper	Jasper Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
10	AL	Mobile	Bel Air Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468 6711
11	AL	Mobile	Bel Air Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
12	AL	Montgomery	Eastdale Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468 6711
13	AL	Oxford	Quintard Mall	Jeffreys Skouras Inc	Lance Jeffreys	256-468-6711
14	AR	Fort Smith	Central Mall	DKD Novelties of Texas LLC	David Costine	254-624 3282
15	AZ	Chandler	Chandler Fashion Center	SK Electro LLC	Shaikh (Rubel) Farid	209 221 5789
16	AZ	Flagstaff	Flagstaff Mall	Rachid Aitmbarek	Rachid Aitmbarek	678 296-6630
17	AZ	Glendale	Arrowhead Towne Center	MD Al Mamun	MD Al Mamun	818 862 5669
18	AZ	Glendale	Arrowhead Towne Center	MD Al Mamun	MD Al Mamun	818 862 5669
19	AZ	Mesa	Fiesta Mall	Sijal K Biswas	Sajal Biswas	480-358 8187
20	AZ	Scottsdale	Scottsdale Fashion Square	MD Al Mamun	MD Al Mamun	818 862 5669
21	AZ	Scottsdale	Scottsdale Fashion Square	MD Al Mamun	MD Al Mamun	818 862 5669
22	AZ	Scottsdale	Scottsdale Fashion Square	Biswas LLC	Sajal Biswas	480 358 8187
23	AZ	Tucson	The Mall at Sierra Vista	Kamrul Hassan	Md Alam	347 324-0915
24	CA	Capitola	Capitola Mall	Ashum Ashumov	Ashum Ashumov	831-428 9098
25	CA	Cerritos	Los Cerritos Center	Shahed Sadique	Shahed Shadique	818 209 6520
26	CA	Lakewood	Lakewood Mall	The Phone Zone LLC	Sid Karmokar	562 275 5761
27	CA	Lakewood	Lakewood Mall	The Phone Zone LLC	Sid Karmokar	562 275 5761
28	CA	Northridge	Northridge Fashion Center	Mamunur Rashid Khan	Mamun Khan	801 824-2923
29	CA	Pleasanton	Stoneridge Shopping Center	Sierra Cellairis LLC	Dow Costa	775 250 3905
30	CA	San Jose	Oakridge Mall	Mohammad Shamim Mia	Mohammad Mia	510 894-9935
31	CA	San Rafael	Northgate Mall	MD Hamid Khan	Hamid Khan	415-497 1173
32	CO	Denver	Cherry Creek Mall*	Global Cellular Inc	Global Cellular	678 513-4020
33	CT	Buckland	The Shoppes at Buckland Hills	Mahmoud Kashfipour	Alireza Kashfipor	443 838-4358
34	FL	Brandon	Brandon Town Center	Connor Enterprises Inc	James Connor	321 508 5710
35	FL	Brandon	Brandon Town Center	Connor Enterprises Inc	James Connor	321 508 5710
36	FL	Brandon	Brandon Town Center	Connor Enterprises Inc	James Connor	321 508 5710
37	FL	Clearwater	Countryside Mall	Cork Solutions LLC	Anthony A Cork	772-486-0362
38	FL	Ft Myers	Edison Mall*	Global Cellular Inc	Global Cellular	678-513-4020
39	FL	Ft Myers	Edison Mall	Eros Accessories Inc	Sneha (Anwar) Gilani	404 786 1864
40	FL	Ft Myers	Edison Mall	Eros Accessories Inc	Sneha (Anwar) Gilani	404 786-1864
41	FL	Kissimmee	Osceola Shoppes*	WM-GA LLC	Global Cellular	678 513-4020
42	FL	Lakeland	Lakeland Square	Connor Enterprises Inc	James Connor	321 508 5710
43	FL	Miami	Dadeland Mall	PPT International LLC	Pedro Tavarez	305 340 1748
44	FL	Miami	Miami International	PPT International LLC	Pedro Tavarez	305 340-1748
45	FL	Orlando	Florida Mall	Freddy Fernandez Fernandez Williams Rafael Sandoval Testa	Freddy Fernandez	407 749 5648

#	State	City	Location Name	Franchisee	Contact Name	Contact Number
46	FL	Orlando	Florida Mall	Freddy Fernandez Fernandez Williams Rafael Sandoval Testa	Freddy Fernandez	407 749 5648
47	FL	Pembroke Pines	Pembroke Lakes Mall	Buckwild Wireless Inc	Steven Brown	954-257 6350
48	FL	Pembroke Pines	Pembroke Lakes Mall	Buckwild Wireless Inc	Steven Brown	954-257-6350
49	FL	Port Charlotte	Port Charlotte Mall	Shield Delivers LLC	Phillip OShields	941-456-7164
50	FL	Sarasota	University Town Center	Liming Wu	Liming Wu	+86 13373115566
51	FL	Tampa	Citrus Park	Connor Enterprises Inc	James Connor	321 508 5710
52	GA	Columbus	Peachtree Mall	Steve Goodwin LLC	Steve Goodwin	334-524 7181
53	IA	West Des Moines	Jordan Creek	Pragathi International LLC	Srinivas Vanguru	856-982 3689
54	IA	West Des Moines	Jordan Creek	Pragathi International LLC	Srinivas Vanguru	856-982 3689
55	ID	Coeur D Alene	Silver Lake Mall	DKD Novelties of Texas LLC	David Costine	254-624 3282
56	IL	Champaign	Market Place Mall	Derbliss Inc	Scott Wylie	217 377-0395
57	IL	Chicago Ridge	Chicago Ridge	Merchant Accessories Inc	Ashish Merchant	312-404 5858
58	IL	Joliet	Louis Joliet	Merchant Accessories Inc	Ashish Merchant	312-404-5858
59	IL	Vernon Hills	Hawthorn	Syed Ghalib Ali	Syed Ghalib	773 294-9988
60	IN	Castleton	Castleton Square	MD Mozammel Haque	MD Mozammel Haque	347 745 7113
61	IN	Evansville	Eastland Mall	Fashion Accessories of Evansville Indiana Inc	Mobin Rasheed	614-592 1619
62	KY	Ashland	Ashland Town Center	Nazmul Hossain	Nazmul Hossain	513-633-0770
63	KY	Ashland	Ashland Town Center	Nazmul Hossain	Nazmul Hossain	513-633 0770
64	MA	North Attleboro	Emerald Square Mall	Cool Phones Inc	Yona Yonaev	508-436-0423
65	MI	Ann Arbor	Briarwood Mall	SMSA Enterprises Inc	Raghuma Sama	616-633 1946
66	MI	Grandville	Rivertown Crossings	Najmul Hoque Rana	Najmul Rana	248-605 5766
67	MI	Grandville	RiverTown Crossings	Najmul Hoque Rana	Najmul Rana	248-605 5766
68	MI	Portage	The Crossroads Mall*	Global Cellular Inc	Global Cellular	678 513 4020
69	MI	Saginaw	Fashion Square Mall	GMD Silver Inc	Vijay Chawla	989 797-4440
70	MI	Saginaw	Fashion Square Mall	GMD Silver Inc	Mohammed Rahman	614-886-1520
71	MO	Springfield	Battlefield Mall*	Global Cellular Inc	Global Cellular	678 513-4020
72	MS	Tupelo	Barnes Crossing	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
73	MS	Tupelo	Barnes Crossing	Spectrum Accessories Inc	Lance Jeffreys	256-468 6711
74	MT	Great Falls	Holiday Village Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
75	NC	Durham	Streets at Southpoint	CT Food Services Inc	Timothy ONeill	919 306-3896
76	NC	Durham	Streets at Southpoint	CT Food Services Inc	Timothy ONeill	919 306-3896
77	NC	Fayetteville	Cross Creek	Z&N Communications Inc	Mohammad Masood	910 364-1111
78	ND	Fargo	West Acres Mall	DKD Novelties of Texas LLC	David Costine	254-624 3282
79	NE	Omaha	Oakview Mall	Pragathi International LLC	Srinivas Vanguru	856-982 3689
80	NJ	Cherry Hill	Cherry Hill	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339
81	NJ	East Brunswick	Brunswick Square Mall	IITECH LLC	Qamar Rabbani	201 774-1262
82	NJ	Rockaway	Rockaway Town Square	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339
83	NM	Alameda	Cottonwood Mall*	Global Cellular Inc	Global Cellular	678 513-4020
84	NM	Las Cruces	Mesilla Valley Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
85	NV	Las Vegas	Meadows Mall	Basit Nadeem Al Amin	Basit Nadeem	702 328 7271
86	NV	Las Vegas	Meadows Mall	Basit Nadeem Al Amin	Basit Nadeem	702 328 7271
87	NY	Yorktown	Jefferson Valley Mall	Mustafa Akinci	Mustafa Akinci	860 756-6661
88	OH	Cincinnati	Tri County Mall	MD Kamruzzaman	MD Kamruzzaman	206-355 2159
89	OH	Columbus	Easton Town Center	Fazal Ellahi	Fazal Ellahi	404-422-0149
90	OH	Mentor	Great Lakes Mall	Subhan LLC	Adiba Watanyar	610-209 3612
91	OH	Toledo	Franklin Park Mall	Mohi Uddin DBA Safemobile Accessories	Mohi Uddin	740 284-2897
92	OK	Tulsa	Woodland Hills Mall	CallCasa, LLC	Rachid Aitmbarek	678 296-6630
93	OR	Portland	Clackamas Mall	Salahaddin Ibrahimov	Salahaddin Ibrahimov	360-434-2540

#	State	City	Location Name	Franchisee	Contact Name	Contact Number
94	OR	Portland	Clackamas Mall	Salahaddin Ibrahimov	Salahaddin Ibrahimov	360-434-2540
95	PA	Bensalem	Neshaminy Mall	Fresh Home Maids Cleaning LLC	Levent Dogan	610-909-6098
96	PA	Bensalem	Neshaminy Mall	Fresh Home Maids Cleaning, LLC	Levent Dogan	610-909 6098
97	PA	Pittsburgh	Ross Park Mall	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339
98	PA	Pittsburgh	South Hills Village Mall	Cellia Mobile LLC	Khalig Isgandarov	646-226-5339
99	PA	Willow Grove	Willow Grove	Hare Krishna News LLC	Shailesh (Sam) Patel	732 691 5316
100	PR	San Juan	The Mall of San Juan*	Global Cellular Inc	Global Cellular	678 513-4020
101	SC	Columbia	Columbiana Centere	Suleyman Sahin Jennifer Ayfer Sahin	Suleyman Sahin	240-490-0675
102	SC	Spartanburg	WestGate Mall	S3L Mobile Accessories LLC	Sai Leong	908 803 0593
103	SD	Rapid City	Rushmore Mall	David & Dustan Costine	David Costine	254-624-3282
104	TN	Chattanooga	Hamilton Place	Spectrum Accessories Inc	Lance Jeffreys	256-468 6711
105	TN	Cleveland	Bradley Square Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
106	TN	Jackson	Old Hickory	M4 Mobile LLC	Brad Harris	901-634-8722
107	TN	Memphis	Wolfchase Galleria	M4 Mobile LLC	Brad Harris	901-634-8722
108	TN	Murfreesboro	Stones River Mall	Spectrum Accessories Inc	Lance Jeffreys	256-468-6711
109	TN	Nashville	Opry Mills Mall	Cellia Mobile LLC	Khalig Isgandarov	646 226-5339
110	TX	Abilene	Mall of Abilene	DKD Novelties of Texas LLC	David Costine	254-624-3282
111	TX	Abilene	Mall of Abilene	DKD Novelties of Texas LLC	David Costine	254 624-3282
112	TX	Amarillo	Westgate Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
113	TX	Arlington	Parks at Arlington Mall	Jiwani 5 Inc	Shezad Jiwani	817 793 8292
114	TX	Arlington	Parks at Arlington Mall	Jiwani 5 Inc	Shezad Jiwani	817 793 8292
115	TX	Arlington	Parks at Arlington Mall	Jiwani 5 Inc	Shezad Jiwani	817 793 8292
116	TX	Friendship	Baybrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
117	TX	Friendship	Baybrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
118	TX	Friendship	Baybrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
119	TX	Friendship	Baybrook Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
120	TX	Lewisville	Vista Ridge Mall	Mitha Foods LLC	Meraj Mitha	903 574 1357
121	TX	Lewisville	Vista Ridge Mall	Mitha Foods LLC	Meraj Mitha	903 574-1357
122	TX	Lubbock	South Plains Mall	David & Dustan Costine	David Costine	254-624-3282
123	TX	Lubbock	South Plains Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
124	TX	Lufkin	Lufkin Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
125	TX	Plano	Willow Bend Mall	Cochran Investment Group LLC	Kevin Cochran	816-392 0380
126	TX	Plano	Willow Bend Mall	Cochran Investment Group LLC	Kevin Cochran	816-392-0380
127	TX	San Antonio	Northstar Mall	Velocity Telecoms LLC	Syed (John Ali) Ali	210-639 1449
128	TX	San Antonio	Northstar Mall	Velocity Telecoms LLC	Syed (John Ali) Ali	210-639 1449
129	TX	San Antonio	Northstar Mall	Velocity Telecoms LLC	Syed (John Ali) Ali	210-639 1449
130	TX	San Antonio	Shops at La Cantera	Velocity Telecoms LLC	Faruk Lania	210-524-2404
131	TX	San Antonio	Shops at La Cantera	Velocity Telecoms LLC	Syed (John Ali) Ali	210-639 1449
132	TX	Sugar Land	First Colony Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
133	TX	Sugar Land	First Colony Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
134	TX	Sugar Land	First Colony Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
135	TX	Temple	Temple Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
136	TX	Temple	Temple Mall	DKD Novelties of Texas LLC	David Costine	254-624-3282
137	TX	Texarkana	Central Mall Texarkana	DKD Novelties of Texas LLC	David Costine	254 624-3282
138	TX	Texarkana	Central Mall Texarkana	DKD Novelties of Texas LLC	David Costine	254-624-3282
139	VA	Charlottesville	Charlottesville Fashion Square	ANU Cellairs LLC	Aziz Amin	540 840-4369
140	VA	Fairfax	Fair Oaks Mall*	Global Cellular Inc	Global Cellular	678 513-4020
141	VA	Richmond	Chesterfield Towne Center	Mohammad Azim	Mohammad Azim	937 825 3825
142	WA	Bellevue	Bellevue Square	AAA Wireless LLC	Rafik Howlader	614-446-9700
143	WA	East Wenatchee	Wenatchee Valley Mall	GMD Silver Inc	Mohammed Rahman	614-886-1520
144	WI	Appleton	Fox River Mall	Rashmi Samani	Rashmi (Ken) Samani	630 362 1442
145	WI	Appleton	Fox River Mall	Rashmi Samani	Rashmi (Ken) Samani	630-362 1442

#	State	City	Location Name	Franchisee	Contact Name	Contact Number
146	WI	Greendale	Southridge Mall	Safrin Enterprises LLC	Fawad Ahmed	414-748 8786
147	WI	Madison	West Towne Mall	Merchant Accessories Inc	Ashish Merchant	312-404-5858
148	WI	Wauwatosa	Mayfair Mall	Cellairis Midwest, LLC	Azizurahman Rasuli	414 259 9390
149	WV	Vienna	Grand Central Mall	GMD Silver Inc	Mohammed Rahman	614-886-1520
150	WV	Vienna	Grand Central Mall	GMD Silver Inc	Mohammed Rahman	614-886 1520

EXHIBIT “L”

CHASE PAYMENTECH MERCHANT APPLICATION AGREEMENT

CHASE ™
Paymentech

Merchant Application and Agreement

Please print clearly If you make any corrections to your information in the Application, you MUST initial each change

THIS SECTION IS FOR INTERNAL USE ONLY	*Rev NAPSTAND 01/2015*
Application ID	Sales Rep
Rep Fax	Rep Phone

1. Merchant Business (Federal regulations require us to collect and retain information verifying a merchant's identity.)

A "Doing Business As" (DBA) Information

Merchant DBA Name			Date Business Started (MM/YYYY) /
Address (No PO Box or Paid Mail Box)			Telephone #
City	State	Zip Code	Fax #
Name of Primary Contact	Merchant DBA Email Address		

B Legal Information (If you are an Individual/Sole Proprietor, fill in this section with your personal information)

Merchant Legal Name	State of Formation	Federal Tax ID/EIN (sole prop use SSN)

Business Type

☐ Individual / Sole Proprietor ☐ Private Corporation ☐ Limited Liability Company ☐ Partnership ☐ Public Corporation
☐ Government Agency ☐ Non Profit

Complete this section if different from DBA Information

Address (No PO Box or Paid Mail Box)			Telephone #
City	State	Zip Code	Fax #
Legal Email Address			

C Taxpayer Information (For help, please consult the Instructions for IRS Form W-9, which are available upon request or online at www.irs.gov)

Taxpayer Name (as shown on Merchant's income tax return)	Federal Tax ID/EIN (sole prop use SSN)
Business Name / disregarded entity name if different from above	

Federal tax classification

☐ Individual / Sole Proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited Liability Company Enter the tax classification (C=C Corporation S=S Corporation P=Partnership)
☐ Other

Exemptions (if any)
Exempt payee code
Exemption from FATCA reporting code

Address			Requester's name and address Paymentech LLC 14221 Dallas Parkway Dallas Texas 75254
City	State	Zip Code	

Application continues on next page

If you make any corrections to the Application, you MUST initial each change *Rev NAPSTAND 01/2015*

2. Merchant Profile

Is your business home-based? ☐ Yes ☐ No	What is your business industry type?
If "Yes above where is the inventory located?	☐ Retail ☐ Restaurant ☐ Lodging
What merchandise do you sell or services do you provide?	☐ Auto Rental ☐ Cash Advance ☐ Convenience Store/Gas ☐ Other ☐ Internet list all websites on which you accept payments and provide a customer service email address
Is your business seasonal? ☐ Yes ☐ No	www
Has business ever been in bankruptcy? ☐ Yes ☐ No	Customer Service Email Address

3. Customer Identification (how you do business)

Do you have locations, sell goods or services, or have vendors or suppliers in countries sanctioned by the U S ? (Cuba Iran North Korea Sudan Syria)
☐ Yes (explain below) ☐ No

Who are your customers? (select all that apply)
☐ Individuals ☐ Manufacturers ☐ Charitable Organizations ☐ Retail Business ☐ Wholesalers ☐ Non-Profits

☐ Service Providers ☐ Government Entities ☐ Other (explain)

Do you have any major customers (>10% of sales) outside of the U S ?
☐ Yes (explain below and list countries) ☐ No

Who are your suppliers / vendors? (select all that apply)
☐ Retailers ☐ Wholesalers ☐ Manufacturers ☐ Import Services ☐ Other (explain)

Do you have any major suppliers or vendors (>10% of merchandise) outside of the U S ?
☐ Yes (explain below and list countries) ☐ No

Total Business Revenue The total amount of your company's annual sales and other sources of income (US and foreign combined)	**Total Business Assets** The sum of all cash investments receivables etc owned by the business (US and foreign combined)
Total Business Revenue As of Fiscal Year Ending	Total Assets Value As Of Date
Source of Revenue (select all that apply) ☐ Sale of goods ☐ Sale of assets ☐ Grants/donations ☐ Sale of services ☐ Legal settlement ☐ Other (explain)	Select Primary Country of Assets ☐ US ☐ Other Country (name)

4. Reporting, Statements, Chargeback Requests, and Retrieval Requests

Reporting and Statements – you may access transaction history and monthly statements online via Resource Online, or have your monthly statements emailed to you.	**Chargeback and Retrieval Requests**
☐ **Resource Online** Set up a Resource Online account and use the following email address as the user login ☐ **Email Statements** to the ☐ Legal email address ☐ DBA email address	Mail Chargeback and Retrieval Requests to ☐ Legal address ☐ DBA address

Application continues on next page

If you make any corrections to the Application, you MUST initial each change *Rev NAPSTAND 01/2015*

5. Sales Information

What is the estimated annual breakdown (in %) of your annual Payment Card Transactions?

0 %	Via mail or phone order
0 %	Payments accepted on your website
0 %	Card is swiped
0 %	Card is present but keyed
100 %	**Total**

Do you ever charge a Customer on a recurring basis? ☐ Yes ☐ No

If "Yes above how often will you charge?
☐ 30 Days ☐ 60 Days ☐ 90 Days ☐ Annually
☐ Other

If Customers are required to pay a deposit what % of total sale? %

6. Ownership Information

If your business is privately owned by one or more individuals (e g LLC Sole Prop Partnership or Private Corporation)

- Complete sections A and B for the owners with the greatest % of ownership
- All owners listed below must sign the Application and Agreement in Section 12 and 13

If your business is a non profit organization publicly owned corporation, or government entity

- Complete section C only

If a parent company owns your business

- Enter the name of the legal entity(ies) in section A or A and B
- Provide the name of an Authorized Representative in Section C
- Substitute the parent company s Federal Tax ID for the Social Security #

A Name of Individual/Sole Proprietor or Parent Company	Percentage of Ownership %		Social Security #
Street Address (Individual/Sole Proprietor use home address) (No PO Box or paid mailbox)			Date of Birth
City	State	Zip Code	Telephone #
B Name of Individual/Sole Proprietor or Parent Company	Percentage of Ownership %		Social Security #
Street Address (Individual/Sole Proprietor use home address) (No PO Box or paid mailbox)			Date of Birth
City	State	Zip Code	Telephone #
C Name of Authorized Representative		Title	

Do you have any additional owners (not listed above) that have 10% or greater ownership? ☐ Yes ☐ No

Is there anyone not listed above who has the authority to make financial decisions or control company policy on behalf of your business? ☐ Yes ☐ No

7. Funding and Account Information

The Merchant must own the bank account provided below and it shall be used by Merchant solely for business purposes and shall not be used for personal family or household purposes In accordance with the terms of the Agreement Chase Paymentech may

deposit into this account amounts owed to Merchant by Chase Paymentech such as proceeds from Merchant s Payment Card Transactions
debit this account for amounts Merchant owes to Chase Paymentech associated with its Merchant account such as fees for processing Merchant s Payment Card Transactions
debit this account for any negative amounts presented such as refunds returns or Chargebacks

Merchant's Bank Account	
Name of Financial Institution	Designating this bank account for the purposes outlined above must not violate any of Merchant's organizational documents or any agreement to which the Merchant is a party
Routing Number (always consists of 9 digits)	Account Number (number of digits will vary)

Application continues on next page

If you make any corrections to the Application, you MUST initial each change *Rev NAPSTAND 01/2015*

The image below shows where to find your Routing and Account Numbers Do not use the internal routing number that begins with a 5

⑆042000037⑆ 0000000000⑈ ~~0141~~

Routing Number (the 9 digits between the ⑆ symbols) | Account Number (the digits left of the ⑈ symbol) | ~~Check Number~~ DO NOT PROVIDE CHECK NUMBER

8. Payment and Processing Information

If you have previously accepted payment cards please include your three (3) most recent monthly processing statements

Please check all payment methods you wish to accept ☐ Visa ☐ MasterCard ☐ Discover/JCB ☐ American Express ☐ Voyager ☐ Wright Express ☐ PIN Debit	Estimated Annual Visa/MC/Discover Sales Volume $ Estimated Annual PIN Debit Sales Volume $
Current Payment Processor	Estimated Average Ticket Amount (for all card types) $
Has Merchant ever had a breach involving lost card data or received a notification for any violation of the Payment Brand Rules? ☐Yes ☐ No	Highest Transaction Amount $

9. American Express®

A	**If your American Express annual processing volume is greater than $500 000 00** please review and complete this Section A only ➡ If you know your American Express SE # please provide it here ➡ If you do not know your American Express SE # or you would like to apply for one please contact American Express directly at (855) 894 6570

B	**If your American Express annual processing volume is, or is expected to be $500 000 00 or less** and you would like Chase Paymentech to request an American Express SE # on your behalf please complete and review the information under Information about American Express Rates and Fees and sign the American Express Authorization

Information about American Express rates and fees.

Estimated Annual Sales Volume for American Express		$	
American Express Discount Rate*	%	American Express Prepaid Discount Rate+	1 95 %
***Discount Rate** Based on Merchant's MCC an additional per transaction fee of no more than $0 15 may be assessed For Merchants with a Retail Restaurant or Travel Agency MCC an additional 0 30% downgrade will be charged by American Express for transactions whenever a CNP or Card Not Present charge occurs		**+Prepaid Discount Rate** Based on Merchant s MCC an additional per transaction fee of no more than $0 30 may be assessed Fast Food Restaurants Independent Gas Stations Mail Order & Internet Restaurant and Supermarket MCCs will be assessed a Prepaid/Gift Card rate + Transaction Fee of [2 15% + $0 05] [1 30% + $0 12] [2 25% + $0 20] [2 15% + $0 05] and [0 45% + $0 20] respectively in lieu of the 1 95% + variable discount rate described above	

All American Express fees are set by American Express and are subject to change by American Express The fees set forth herein are only quotes based upon the then current American Express pricing guidelines which may be modified from time to time

If Merchant operates an internet/physical delivery mail order/telephone order or home based business Merchant will not be charged the American Express Discount Rate Instead Merchant will be charged a flat monthly fee of $7 95 If Merchant is charged a flat monthly fee for any reason that fee will continue until Merchant s American Express volume exceeds $4 999 in a 12 month period At such time American Express will begin charging Merchant the applicable industry specific American Express Discount Rate

Except for Education merchants within MCC 7032 8211 8220 and 8351 an Inbound fee of 0 40% will be applied to any charge made using an American Express Card including a Prepaid Card issued by an issuer located outside of the United States

Application continues on next page

If you make any corrections to the Application, you MUST initial each change *Rev NAPSTAND 01/2015*

American Express Authorization

By signing below I represent that I have read and am authorized to sign and submit this application for the above entity which agrees to be bound by the American Express® Card Acceptance Agreement (American Express Agreement") and that all information provided herein is true complete and accurate I authorize Paymentech and American Express Travel Related Services Company Inc (American Express) and American Express s agents and Affiliates to verify the information in this application and receive and exchange information about me personally including by requesting reports from consumer reporting agencies from time to time and disclose such information to their agents subcontractors Affiliates and other parties for any purpose permitted by law I authorize and direct Chase Paymentech and American Express and American Express s agents and Affiliates to inform me directly or inform the entity above about the contents of reports about me that they have requested from consumer reporting agencies Such information will include the name and address of the agency furnishing the report I also authorize American Express to use the reports on me from consumer reporting agencies for marketing and administrative purposes I am able to read and understand the English language Please read the American Express Privacy Statement at http //www americanexpress.com/privacy to learn more about how American Express protects your privacy and how American Express uses your information I understand that I may opt out of marketing communications by visiting this website or contacting American Express at 1 (800) 528 5200 I understand that in the event I decline to receive marketing communications from American Express I may continue to receive messages from American Express regarding American Express Services

I understand that upon American Express approval of the application the entity will be provided with the American Express Agreement and materials welcoming it either to American Express program for Chase Paymentech to perform services for American Express or to American Express standard Card acceptance program which has different servicing terms (e g different speeds of pay) I understand that if the entity does not qualify for the Chase Paymentech servicing program that the entity may be enrolled in American Express standard Card acceptance program and the entity may terminate the American Express Agreement By accepting the American Express Card for the purchase of goods and/or services or otherwise indicating its intention to be bound the entity agrees to be bound by the American Express Agreement

X

Signature   Print Name   Title   Date

10. Site Visit

If your business is selected for a site visit Chase Paymentech or a third party representing Chase Paymentech will contact you at the number provided You **MUST** assist with the site visit and Chase Paymentech **MUST** approve the results of the site visit

The site visit includes but is not limited to

- an interview with you regarding the nature of your business **and**
- photographs of your business operation

If the site visit is not completed or the results of the site visit are not approved Chase Paymentech may

- decline your application for a merchant account
- withhold your funds **or**
- terminate your Agreement with Chase Paymentech **and** close your Merchant account

To help expedite the process we **require** the following information

Best phone # to contact you	Preferred language ☐ English ☐ Spanish
Best time to reach you	☐ Other

11. IRS Certification

Under penalty of perjury I certify that

1 **The number shown on this form (Section 1C) is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and**

2 **I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest in dividends or (c) the IRS has notified me that I am no longer subject to backup withholding and**

3 **I am a U S citizen or other U S person (defined in the instructions) and**

4 **The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.**

Certification Instructions

You must cross out and initial #2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return IRS Form W 9 instructions are available upon request.

Application continues on next page

12. Authorized Representative(s)

The first five pages of this document are the Merchant s Application to establish a Merchant account with Paymentech LLC (Chase Paymentech) and JPMorgan Chase Bank N A (Member") Once submitted the Application belongs to Chase Paymentech and Member Any application or set up fee paid by Merchant is non refundable The Application is subject to approval by Chase Paymentech and Member If the Application is approved Chase Paymentech will establish one or more Merchant account(s) All Merchant accounts will be governed by the entire Agreement which includes the Application the Terms and Conditions Schedule A (pricing) and any amendments supplements or modifications provided to you

I the undersigned, certify

that I am an owner partner officer or other authorized representative of the Merchant (Authorized Representative") and

that I am duly authorized to enter into agreements on behalf of Merchant and to legally bind Merchant to such agreements

Furthermore by signing below I authorize Chase Paymentech Member or their designees to

investigate and verify personal credit and financial information about me and

obtain and use consumer credit reports on me from time to time in connection with establishing Merchant s account and maintaining the Agreement

By submitting this Application and Agreement, Merchant, through the undersigned Authorized Representative

represents and warrants that the person submitting this Application is duly authorized to enter into agreements on behalf of Merchant and to legally bind Merchant to such agreements

represents and warrants that all information contained within the Application as well as any information submitted in conjunction with the Application is true complete and not misleading

represents and warrants that it owns the bank account provided in Section 7 and the account is being maintained solely for business purposes and not for personal family or household purposes

represents and warrants that it has received a complete copy of the Agreement including the Terms and Conditions for Merchant Agreement and Schedule A and agrees to be legally bound by the Agreement

understands that any unilateral changes to the pre-printed text of any part of the Agreement may result in Chase Paymentech declining Merchant s Application or terminating the Agreement

agrees that Chase Paymentech Member or their designees may

investigate and verify the credit and financial information of Merchant and

obtain credit reports on Merchant from time to time and use them in connection with establishing Merchant's account and maintaining the Agreement and

agrees that Member and Chase Paymentech may share credit financial information about Merchant and Chase Paymentech

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding (See Section 11 above)

Owner / Authorized Representative Signer's name must appear in Section 6

X ______________________ ______________________ ______________

Signature Print Name Date

Owner / Authorized Representative Signer's name must appear in Section 6

X ______________________ ______________________ ______________

Signature Print Name Date

13. Individual Guarantor(s)

The person(s) acting as individual guarantor(s) must have an ownership interest in Merchant and must be listed in Section 6 of this Application As an individual(s) who agrees to be personally responsible for Merchant s account with Chase Paymentech (a Guarantor") I

certify I have received and reviewed a complete copy of the Agreement including the Application Terms and Conditions and Schedule A

certify I have read the Agreement including without limitation the Personal Guaranty section at the end of the Terms and Conditions

agree to be bound as a Guarantor of the Merchant s obligations under the Agreement in accordance with the Personal Guaranty section of the Terms and Conditions

certify that I have an ownership interest in Merchant

agree that Chase Paymentech Member or their designees may investigate and verify the credit and financial information about me and may obtain consumer credit reports on me from time to time

agree that Chase Paymentech Member or their designees may use such consumer credit reports in connection with establishing and maintaining the Merchant s account and Agreement

agree that all business references including financial institutions may share my credit and financial information with Chase Paymentech

Guarantor

X ______________________ ______________________ ______________

Signature Print Name Date

Guarantor

X ______________________ ______________________ ______________

Signature Print Name Date

If any of the information provided in this Merchant Application and Agreement changes, you must promptly notify Chase Paymentech of such change(s)

Internal Use Only Approved by Paymentech LLC for itself and on behalf of JPMorgan Chase Bank N A

______________________ ______________________ ______________

Signature Title Date

EXHIBIT “M”

CONFIDENTIALITY AGREEMENT FOR CELLAIRIS CONFIDENTIAL OPERATIONS MANUAL

CONFIDENTIALITY AGREEMENT FOR CELLAIRIS CONFIDENTIAL OPERATIONS MANUAL

As an inducement to Cellairis Franchise, Inc ("**Cellairis**") to disclose to the undersigned the confidential operations manual used by franchisees under the Cellairis® franchise system ("**Manual**"), the undersigned agrees (i) to hold all information contained in the Manual in strict confidence as a valued trade secret and property right of Cellairis, (ii) not to disclose such information to any other person or entity unless such person or entity is subject to a confidentiality agreement with Cellairis for its or any other person's or entity's benefit except in connection with the operation of a business licensed to the undersigned by Cellairis, and (iv) to immediately return all documents, including notes and copies, containing any information disclosed to the undersigned in the Manual Nothing in this Agreement is intended to interfere with or discourage a good faith disclosure to any governmental entity related to a suspected violation of the law FRANCHISEE cannot and will not be held criminally or civilly liable under any federal or state trade secret law for disclosing otherwise protected trade secrets and/or confidential or proprietary information as long as the disclosure is made in (i) confidence to a federal, state, or local government official, directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law or (ii) a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal

The undersigned acknowledges that Cellairis may exercise all legal and equitable remedies available to it in enforcing this Agreement The undersigned also acknowledges that a violation of the terms of this Agreement will cause irreparable injury to Cellairis, for which no adequate remedy at law may be available, and that Cellairis may, among other things, seek the issuance of an injunction prohibiting any conduct by the undersigned in violation of the terms of this Agreement The undersigned agrees to pay all costs and expenses, including reasonable attorney's fees, incurred by Cellairis in enforcing this Agreement

Name ______________________________

Date ____________, 20____

EXHIBIT “N”

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FOR OPERATIONS MANUAL
AND REPAIR MANUAL

Operational Manual

Repair Manual

EXHIBIT "O"

Equipment Purchase Agreement and License Agreement

EQUIPMENT PURCHASE AND SOFTWARE LICENSE AGREEMENT

This EQUIPMENT PURCHASE AND SOFTWARE LICENSE AGREEMENT ("**Agreement**") is made as of ________________, (the "**Effective Date**") by and between **Global Cellular, Inc**, having its principal place of business at 6485 Shiloh Rd Bldg #100, Alpharetta, GA 30005 ("**GCI**"), and ____________________________ a ______(type of entity)__________ organized under the laws of the State of ___________, having its principal place of business at ____ (the "**Customer**")

This Agreement sets forth the terms and conditions under which GCI will (a) sell to Customer one custom printing press, serial number ___________ ("**Press**"), and (b) provide Customer with a limited license to use the software referred to by GCI as the Custom Shout!® Print Process software (the "**Software**") for use in connection with the Equipment

1 **EQUIPMENT PURCHASE** GCI hereby sells, conveys and transfers to Customer the Press and equipment indicated on **Exhibit A** (collectively, the "**Equipment**") (and related supplies), for the purchase price set forth on **Exhibit A**, and Customer hereby purchases and accepts such Equipment GCI shall deliver, at Customer's expense, the Equipment to Customer at the Location designated by Customer on **Exhibit A** Risk of loss and damage relating to the Equipment shall pass from GCI to Customer upon delivery of the Equipment to the common carrier Legal and equitable title to the Equipment will pass from GCI to Customer upon the later of delivery of the Equipment, and receipt by GCI of the amount due from Customer to GCI pursuant to **Exhibit A** Until title to the Equipment has passed to Customer, Customer will (a) hold the Equipment as fiduciary agent and bailee of GCI, (b) ensure that the Equipment are easily identifiable as belonging to GCI, (c) not deface, destroy, alter or obscure any identifying mark on the Equipment or their packaging, and (d) ensure that no charge, lien or other encumbrance is created over the Equipment GCI shall be entitled, without further notice, to inspect or recover possession of any Equipment to which it retains title, and Customer grants to GCI and its employees and agents an irrevocable license to enter at any time any premises where the Equipment are or may be situated for the purpose of inspection or removing any such Equipment the title in which has remained with GCI Customer will be responsible for and shall pay all costs of transportation, insurance, export and import fees, customs brokerage expenses and similar charges, and Customer, at its expense, and will make and negotiate any claims against any carrier, insurer, customs broker, freight forwarder, or customs collector If Customer chooses to purchase its own hardware to be used in conjunction with the Equipment, or does not follow recommended guidelines provided by GCI as to hardware or Equipment and hardware installation, and there is any system malfunction due to improper installation of the Equipment and/or hardware, then the Customer shall be responsible for all costs to repair

2 **LICENSES AND RESTRICTIONS**

2 1 Software Subject to the terms and conditions of this Agreement, GCI grants Customer, during the Term (as defined below), a limited, personal, non-exclusive, non-transferable license (without the right to grant sublicenses) to run the Software on the Press at the location set forth on **Exhibit A** (the "**Location**") All use of the Software will be in executable code form, and, unless otherwise agreed upon in writing by GCI, solely for use in connection with the Equipment for either (i) the printing of case designs provided to Customer by GCI, or (ii) the printing of cases with Uploaded Images as defined below and may not be disclosed, demonstrated to or otherwise shared with any third party that is not an employee of Customer

2 2 Restrictions The Software and its structure, organization and source code, and the functionality of the Equipment and the interaction of the Software and Equipment, constitute and contain valuable Intellectual Property Rights (as hereinafter defined) of GCI Accordingly, except as expressly provided in Section 2 1, Customer will not and will not permit or allow any third party to (a) modify, adapt, alter, translate, port or create derivative works of or from the Software, (b) merge the Software with other software, (c) sublicense, distribute, sell, lease, rent, loan, or otherwise transfer the Software, (d) disclose to any third party any proprietary information or trade secrets relating to the Software or the Equipment, (e) reverse engineer, decompile, disassemble, or otherwise attempt to derive the source code for or any other proprietary information or trade secrets from the Software or Equipment, (f) remove, alter, or obscure any proprietary notices (including, without limitation, any copyright or trademark notices) of GCI from the Software or Equipment, (g) use the Equipment or Software to develop or enhance any product that competes with the Software, Equipment or any products from GCI, or (h) otherwise utilize the Software in any manner, except as expressly permitted under Section 2 1

3 OWNERSHIP The Software, as well as any documentation which may be furnished by GCI to Customer in connection with the Software (the "**Documentation**"), and all derivatives, modifications or enhancements thereof or thereto, and all Intellectual Property Rights (as defined below) therein and relating thereto, are and will remain the exclusive property of GCI Any rights not expressly granted to Customer hereunder are reserved by GCI, and except as expressly granted in this Agreement, GCI grants no rights or licenses to Customer, by implication, estoppel, or otherwise, in or to the Software or any Intellectual Property Rights therein For purposes of this Agreement, "**Intellectual Property Rights**" means any and all known or hereafter existing worldwide intellectual property and proprietary rights, including, without limitation, all copyrights, trademarks, service marks, trade secrets, patents, patent applications, know-how, moral rights, contract rights, and other proprietary rights, and all registrations, applications, renewals, extensions, and combinations of the foregoing

4 CONFIDENTIAL INFORMATION AND TRADE SECRETS

4 1 "**Affiliate**" shall mean (a) any person or entity that is directly or indirectly controlled by, controlling or under common control with a party, and (b) any officer, director or management employee of any such person or entity

4 2 "**Confidential Information**" shall mean all financial, business, technical and other information, including all copies thereof (including, without limitation, all agreements, files, books, logs, charts, records, studies, reports, surveys, schedules, plans, statistical information, computer code, programs, software source documents, know-how, inventions, documentation, financial information, mall data, business plans, franchisee names and information, kiosk locations, cart locations, inline locations, full store locations, other business units that operate under any trademarks owned or licensed to GCI, order history, pricing information, shipping information, payment information, customer names and information, supplier names and information, policies, procedures, and product information) which may be or already has been furnished or disclosed to Customer by GCI, or acquired by Customer directly or indirectly from GCI or its Affiliates, including as a result of an inspection of any facility of GCI, its Affiliates, or any of their agents, representatives, suppliers or customers Such term shall also include all notes, reports, summaries, excerpts, and documents relating to Confidential Information, all copies and extracts of Confidential Information and all computer-generated studies and data containing Confidential Information prepared by or for the benefit of Customer Failure to include a confidentiality notice on any materials disclosed to Customer shall not give rise to an inference that the information disclosed is not confidential

4 3 **"Trade Secrets"** shall mean any information including, but not limited to, a formula, pattern, compilation, program, device, method, technique, or process that (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy Trade Secrets" also include all other property, things or information which would be considered trade secrets under the Georgia Trade Secrets Act of 1990 and under any amendments thereto, and other applicable law which Act, amendments and other applicable law, if any, are specifically incorporated herein by reference and made a part hereof, or under any other applicable statute, rule or regulation Information that does not meet the definition of Trade Secret shall nevertheless be considered Confidential Information to the extent it is within the definition of Confidential Information under Section 4 2

4 4 **Confidential Information and Trade Secrets** Except as herein otherwise provided (a) Customer shall receive all Confidential Information and Trade Secrets of GCI in strict confidence and shall take all necessary steps to maintain the confidentiality and secrecy of such information, (b) Customer may use such information only for the furtherance of this Agreement and may not use the Confidential Information or Trade Secrets for any other purpose and Customer may disclose such information only to those employees of Customer who (a) are assigned to participate in the furtherance of the Agreement and (b) have a "need to know" such Confidential Information and Trade Secrets to enable them to perform their responsibilities relating to this Agreement Nothing in this Agreement is intended to interfere with or discourage a good faith disclosure to any governmental entity related to a suspected violation of the law Customer cannot and will not be held criminally or civilly liable under any federal or state trade secret law for disclosing otherwise protected trade secrets and/or confidential or proprietary information as long as the disclosure is made in (i) confidence to a federal, state, or local government official, directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law or (ii) a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal

4 5 **Term** The terms of this Agreement shall apply to Trade Secrets and Confidential Information for so long as they remain within the definition of Trade Secrets and Confidential Information The terms of this Agreement shall become applicable upon the first disclosure by GCI, even if that disclosure has preceded the execution of this Agreement

4 6 **Exceptions** This Agreement shall not apply to any Confidential Information or Trade Secrets which (a) at the time of disclosure or sometime thereafter, is or becomes publicly available and known other than as a result of the fault or breach of Customer, (b) was rightfully in the possession of Customer prior to receipt of such Confidential Information or Trade Secrets, directly or indirectly, from GCI or its Affiliates, or (c) can be shown by overwhelming documentary evidence to have been developed by Customer without reference to or using the Confidential Information or the Trade Secrets of GCI

4 7 **Legally Required Disclosure** Notwithstanding the foregoing, Customer may disclose Confidential Information and Trade Secrets of GCI to the extent legally required by a final order of any court or administrative agency having competent jurisdiction, provided that Customer first promptly notifies GCI and cooperates to protect the confidentiality thereof by all means reasonably available

4 8 **Return of Materials** Customer shall return and deliver, or cause to be retuned or delivered, to GCI, all documentation, materials, media, source code, programming materials, objects and other tangible items that contain Confidential Information or Trade Secrets of GCI immediately upon the termination or expiration of this Agreement, or otherwise immediately upon the written request of GCI Upon the request of GCI, Customer agrees to certify in writing it has completed such requested action within a reasonable period, which shall not exceed the term of 10 days, following the date Customer was notified of the request of GCI Notwithstanding of the issuance of such certificate, Customer commits to itself to destroy immediately any records kept and/or received by GCI and certify, that it does not maintain any further copies of any of the documents received under this Agreement

4 9 **Ownership** Customer agrees not to make any claim to or challenge any rights (including Intellectual Property Rights) of or claimed by GCI or its Affiliates in or to its Confidential Information or Trade Secrets No right or license in or to any Confidential Information or Trade Secrets is hereby granted except as expressly stated herein

5 MAINTENANCE AND SUPPORT SERVICES, TRAINING

5 1 **Support Services** GCI will provide telephone support services Monday through Friday, between the hours of 9 00 AM and 5 00 PM Eastern Standard Time Additionally, GCI will provide email based support and will provide commercially reasonable efforts to respond in a timely manner GCI will use commercially reasonable efforts to remedy any failure of the Software which causes the Software to be inoperable or to materially fail to perform as intended (each, an "**Error**") Any Error resulting from Customer's negligence or use of the Software or the Equipment not in accordance with the instructions and guidelines provided by GCI, breach by Customer of this Agreement, modifications or damages to the Software or the Equipment by Customer or viruses affecting the Software (each, an "**Outside Error**"), will not be considered an Error for which GCI will provide any corrective efforts All services that GCI provides to remedy an Error shall be provided to Customer on a cost pass-through basis Customer shall reimburse GCI for any and all expenses incurred by Customer related to any services provided by GCI under this Section 5 upon receipt of a written invoice from GCI

5 2 **Updates and Upgrades** Subject to the terms of the Agreement, GCI may from time to time during the Term make available certain minor releases of the Software, including, for example, bug fixes, error corrections and minor enhancements of and to the Software (collectively, "**Updates**") GCI may also from time to time during the Term release new versions of the Software having enhancements in features, performance or functionality (collectively, "**Upgrades**") GCI will determine, in its sole discretion, whether any subsequent version of the Software is an Upgrade or an Update GCI will make available to Customer, without charge, all Updates (but not Upgrades) that GCI makes generally available to other customers of GCI

5 3 **Training** GCI shall be provide online tutorials regarding the use of the Equipment and Software In the event Customer desires to have on-site training, then Customer shall reimburse GCI for all costs and expenses related to the provision of such training, including without limitation, costs for airfare, hotel and a per diem amount

6 **INSTALLATION AND TRAINING** Unless consultation services are being provided as part of this Agreement (which must be indicated on **Exhibit A**), GCI will not be responsible for providing installation of, or any training with respect to, the Software or the Equipment

7 **FEES** Customer shall pay GCI the fees (the "**Fees**") set forth on **Exhibit A** at the times set forth in **Exhibit A** The Fees exclude all applicable sales, use, and other taxes, fees, duties and similar charges ("**Taxes**"), and Customer will be responsible for payment of all such Taxes (other than taxes based on GCI's income) and any penalties or charges that accrue with respect to the non-payment of any Taxes

8 **LIMITED WARRANTY, DISCLAIMER**

8 1 **Warranty Period** The warranty period for the Press shall commence upon the Effective Date and shall expire 12 months after such date (the "**Warranty Period**") If the Press, or any part thereof, is or becomes defective within the Warranty Period, then GCI, at its expense shall repair or replace any defective part Additionally, GCI shall pass through to Customer any warranties provided by the original equipment manufacturer of the Press The warranty for any new or repaired parts, or any repairs made to the Press pursuant to a warranty claim, shall expire upon the later of (a) the date generally applicable for expiration of the Warranty Period as provided in this Section 8 1, or (b) the date of expiration of any applicable manufacturer's warranty period The GCI Warranty applies only to Customer and is not transferable GCI makes no warranties or representations to end users regarding the Equipment and Customer is solely responsible for any warranty it provides to end users

8 2 **Exclusions from Warranty** GCI assumes no responsibility for improper operation of the Equipment or Software, or any modification, installation, repairs or maintenance of performed materially contrary to the operating manual, other written procedures delivered by GCI or the original equipment manufacturer, or well-known and accepted good engineering practices as to which Customer's failure to be aware of and adhere to would be unreasonable

8 3 Warranty Disclaimer EXCEPT AS OTHERWISE PROVIDED IN SECTION 8 1, THE EQUIPMENT, SOFTWARE, AND DOCUMENTATION ARE SOLD OR LICENSED, AS APPLICABLE, ON AN "AS IS" AND "AS PROVIDED" BASIS, AND GCI MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, WHETHER WRITTEN OR ORAL, OR EXPRESS, IMPLIED OR STATUTORY, REGARDING THE EQUIPMENT, SOFTWARE, DOCUMENTATION, OR ANY OTHER SERVICES PROVIDED BY GCI HEREUNDER GCI SPECIFICALLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGMENT, AND FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OR TRADE ANY WARRANTIES PROVIDED TO CUSTOMER HEREUNDER SHALL BE AUTOMATICALLY VOID IN THE EVENT CUSTOMER FAILS TO DO REGULAR EQUIPMENT MAINTENANCE AND SERVICE AS RECOMMENDED BY THE ORIGINAL EQUIPMENT MANUFACTURER

9 LIMITATION OF LIABILITY GCI SHALL NOT BE LIABLE UNDER A CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY, EVEN IF GCI HAS BEEN ADVISED BY CUSTOMER OF THE POSSIBILITY OF SUCH DAMAGES (A) FOR ANY AMOUNTS IN EXCESS OF THE AGGREGATE OF THE FEES PAID TO GCI HEREUNDER, (B) FOR ANY COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY, SERVICES OR RIGHTS, (C) FOR INTERRUPTION OF USE OR LOSS OR CORRUPTION OF DATA, OR (D) FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR LOST PROFITS OR REVENUES OF ANY NATURE CUSTOMER ACKNOWLEDGES THAT THE FEES REFLECT THE ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT AND THAT GCI WOULD NOT ENTER INTO THIS AGREEMENT WITHOUT THESE LIMITATIONS ON ITS LIABILITY

10 INDEMNIFICATION

10 1 Indemnification by GCI GCI shall indemnify, protect, defend and hold harmless Customer from, against, and with respect to any claim, liability, obligation, loss, damage, cost or expense, whether or not involving a third party, in any manner arising out of, relating to, or in connection with a claim by a third party that the Software violates the patent, copyright, trademark or trade secret rights of any such third party (including, without limitation, reasonable attorneys' fees and costs and expenses incurred any litigation or claim), except to the extent caused by Customer's breach of this Agreement, negligence or intentional misconduct

10 2 Indemnification by Customer Customer shall indemnify, protect, defend and hold harmless GCI from, against, and with respect to any claim, liability, obligation, loss, damage, cost or expense (collectively **"Claims"**), whether or not involving a third-party, in any manner arising out of, relating to, or in connection with this Agreement, the Equipment or the Software and use thereof (including, without limitation, any litigation or claim involving a third party, Customer's insurer, any individual personal injury claims, reasonable attorneys' fees and costs and expenses incurred in investigating, preparing, defending against or prosecuting any litigation or claim), unless directly caused by GCI's breach of this Agreement, gross negligence or intentional misconduct Customer further agrees, at its sole expense, to defend, indemnify and hold harmless GCI from all Claims resulting from the breach of any Customer promise, representation or warranty contained in this Agreement Customer further agrees, at its sole cost and expense, to defend, indemnify and hold harmless GCI from intellectual property claims asserted with respect to the Uploaded Images (as defined below) to the fullest extent permitted by contract and by law

11 TERM AND TERMINATION

11 1 Term This Agreement will commence on the Effective Date and will continue for a period of twelve (12) months (the "**Term**") This Agreement shall be automatically renewed for successive additional one (1) year periods, unless sooner terminated by either party by providing written notice of termination to the other party at least thirty (30) calendar days prior to the initial or any subsequent termination date, or unless sooner terminated by either party as otherwise provided for in Section 11 2 Any such renewal shall constitute a full waiver by Customer of any and all claims and damages which may have arisen in any prior term of this Agreement The number of renewals notwithstanding, this Agreement is and shall always be interpreted as a fixed term agreement and not as an indefinite term agreement

11 2 Termination Notwithstanding the above, this Agreement may be terminated at any time by GCI, with or without cause, upon not less than thirty (30) calendar days prior written notice to Customer Either party may terminate this Agreement if the other party breaches any material provision of this Agreement and does not cure such breach (provided that such breach is capable of cure) within thirty (30) days after being provided with written notice thereof Further, GCI may terminate this Agreement upon any default by Customer, or any Affiliate of Customer, under this Agreement, or any other agreement with GCI or its Affiliates (including, without limitation, any agreements in connection with the Franchise Agreement entered into by Customer and GCI's affiliate), if Customer does not cure such breach (provided that such breach is capable of cure) within thirty (30) days after being provided with written notice thereof

11 3 Effects of Termination Except as otherwise set forth herein, immediately upon the termination of this Agreement, all of Customer's rights granted under this Agreement will cease to exist, and Customer will cease all use of the Software and Documentation Customer will return to GCI or, at GCI's sole discretion, destroy, the Software, Documentation, and all copies thereof and certify in writing Customer's compliance with this Section 11 3 within 15 days of the termination

11 4 Survival Sections 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14 and 15 will survive the termination of this Agreement for any reason

12 ALTERNATIVE DISPUTE RESOLUTION

12 1 The parties desire not to engage in court proceedings, but rather to have disputes resolved through face-to-face meetings, mediation and, if necessary, legal proceedings The parties view non-binding mediation as often being the most cost effective way of resolving disputes The parties believe that it is important to resolve all disputes efficiently and professionally and to return to business as soon as possible

12 2 First any claim relating to an alleged breach of this Agreement must be discussed in a face-to-face meeting held at GCI's office within twenty (20) days after either party gives written notice to the other proposing such a meeting In the event that the non-proposing party does not appear at the face-to-face meeting, then the proposing party may skip the mediation requirement detailed below and proceed to court as detailed in Section 13 3

12 3 Second, if the face-to-face meeting does not resolve the dispute between the parties, then the parties shall submit to mediation for a minimum of eight hours and which shall take place within twenty days after the face-to-face meeting (to the extent a meeting occurs) in Georgia before a mediator of GCI's choice The mediator shall be a neutral person Each party shall pay 50% of the costs of any mediation (though each party will be solely responsible for its respective attorney's fees and costs) The parties jointly agree that no mediation will be required to extend beyond eight hours Any party may be represented by lawyers and may, with permission of the mediator, bring persons appropriate to resolving the claim In the event that the non-proposing party does not appear at the mediation, then the proposing party may immediately proceed to court as detailed in Section 13 3

13 JURISDICTION, VENUE, AND GOVERNING LAW

13 1 This Agreement shall become valid on the Effective Date GCI and Customer agree that it shall be deemed made and entered into in the State of Georgia and shall be governed and construed under and in accordance with the laws of the State of Georgia, United States of America, without giving effect to any choice of law rules which may direct the application of the laws of any other jurisdiction

13 2 This Agreement and the rights and obligations contemplated by this Agreement shall not be subject to or governed by the U N Convention on Contracts for the International Sale of Goods **All terms and conditions which purport to limit liability of Customer contained on any form previously or hereinafter provided by Customer are rejected and of no effect whatsoever as a result of the Agreement**

13 3 In the event that (a) mediation fails to achieve a mutually acceptable resolution to the dispute, or (b) the non-proposing party fails to show up to the face-to-face meeting, or (c) the non-proposing party fails to attend the mediation, or (d) or in the event a party seeks injunctive relief (whereby Section 12 would not be a condition precedent for going to Court), GCI and Customer acknowledge and agree that that the Georgia Superior Courts for Fulton County, Georgia, or if such court lacks jurisdiction, the U S District for the Northern District of Georgia, shall be the sole and exclusive venue and sole and exclusive proper forum in which to adjudicate any case or controversy arising either, directly or indirectly, under or in connection with this Agreement and GCI and Customer further agree that, in the event of litigation arising out of or in connection with this Agreement in these courts, they will not contest or challenge the jurisdiction or venue of these courts GCI and Customer expressly consent and submit to the jurisdiction and venue of these courts, and Customer waives any defenses of lack of personal jurisdiction, improper venue and *forum non conveniens* Additionally, Customer agrees that service of process can be affected upon it by registered or certified mail sent to the address set forth at the beginning of this Agreement

13 4 This Agreement and any variations or amendments hereto shall be governed in accordance with the laws and procedures of the jurisdiction of the state of Georgia Excepting the requirement for mediation herein, the parties agree to submit to the exclusive jurisdiction of the State and/or Federal Courts in Atlanta, Georgia in connection with resolving any dispute (regarding the Products, Goods, and/or this Agreement)

14 FORCE MAJEURE

14 1 GCI will not be liable to Customer or any third party for any delay or failure to perform due to any cause beyond its reasonable control and/or is considered an act of God or force majeure pursuant to applicable law Such causes include but are not limited to, war, hostilities, revolution, civil commotion, compliance with any laws, regulations or orders, acts or omissions of Customer, strikes, lockouts, slowdowns and other labor disturbances, acts of God, interruptions or transportation or inability to obtain necessary labor, materials or facilities, or default of any supplier, or for any other cause, whether similar or dissimilar to those enumerated, that is beyond the reasonable control and without the fault or negligence of GCI The delivery schedule will be considered extended by a period of time equal to the time lost because of any excusable delay Either party wishing to claim relief under this Section shall, without delay, notify the other party in writing accordingly

14 2 All deliveries by GCI shall be contingent on GCI receiving timely shipment of necessary equipment, materials and components related to the Equipment, and GCI may not only delay, but reduce or cancel deliveries to Customer to the extent that deliveries are affected by delay, reduction or cancellation of shipments of necessary equipment and materials to GCI

14 3 In the event GCI is unable to wholly or partially perform for a period greater than two (2) months due to any cause beyond its reasonable control, either party may cancel any delayed order without liability

15 GENERAL PROVISIONS

15 1 Representations and Warranties Each party represents and warrants to the other that (i) it is duly organized and in good standing in the jurisdiction of its organization or incorporation, and (ii) this Agreement constitutes a valid and binding obligation, enforceable against it in accordance with its terms The signatories to this Agreement represent and warrant that each signatory has the capacity and authority to execute and deliver this Agreement, to perform hereunder, and to consummate the transactions contemplated hereby without the necessity of any act or consent of any other person, entity, or governmental authority This Agreement, and each and every other agreement, document and instrument to be executed and delivered by the signatories in connection herewith, constitute or will, when executed and delivered, constitute the valid and binding obligation of each respective party, enforceable against each respective party in accordance with its terms

15 2 Compliance with Laws Customer will comply with all applicable laws concerning its use of the Software and the Equipment Customer will not use, acquire, ship, transport, export or re-export the Software, directly or indirectly, into any country in violation of any applicable law (including, but not limited to, the United States Export Administration Act and the regulations promulgated there under)

15 3 **Assignment** Customer may not assign, delegate or transfer, including by operation of law, change of control, sale of assets, merger or other similar transaction, this Agreement or any of its rights or obligations (in whole or in part) under this Agreement to any third party without GCI's prior written consent Nothing in this Agreement confers or is intended to confer, expressly or by implication, any rights or remedies upon any person or entity not a party to this Agreement

15 4 **Notices** Any notices must be in writing, shall be delivered either in person, by overnight courier or by certified or registered mail, and shall be deemed to have been duly given and to have become effective (a) upon receipt if delivered in person, (b) one Business Day after having been delivered to a courier for overnight delivery, or (c) three Business Days after having been deposited in the mails as certified or registered mail, return receipt requested, all fees prepaid, directed to the Parties or their assignees at the following address (or at such other address as shall be given in writing by a party hereto)

If to GCI	Jason S Adler, Esq 6485 Shiloh Road Building B, Unit 100 Alpharetta, GA 30005
If to Customer	______________ Attn ________ ______________ ______________

As used in this Section 15 4 and elsewhere in this Agreement, the term **"Business Day"** shall mean any day that is not a Saturday, a Sunday or a public holiday on which banks are closed in Atlanta, Georgia, United States of America

15 5 **Waivers** Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion

15 6 **Severability** If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, such provision will be changed and interpreted to accomplish the objectives of such provision to the greatest extent possible under applicable law and the remaining provisions of this Agreement will continue in full force and effect

15 7 **No Agency Relationships** The parties hereto are independent contractors, and neither party is an agent, representative or partner of the other party This Agreement will not be interpreted to be construed to create an association, agency, joint venture or partnership between the parties or to impose any liability attributable to such relationship on either party Customer shall not impose or create any obligation or liability of any kind, express or implied, or make any

promises, representations or warranties on behalf of or in the name of GCI, other than as expressly provided herein

15 8 Complete Agreement This Agreement is the complete and exclusive statement of the agreement between the parties and supersedes any proposal or prior agreement, oral or written, and any other communications between the parties in relation to the subject matter of this Agreement This Agreement may not be amended or modified in any way, nor may noncompliance with its terms be waived, except pursuant to a written instrument signed by both parties All Software, Equipment and services provided by GCI to Customer will be governed by the terms of this Agreement

15 9 Audit Customer agrees to keep true, accurate, and complete records of its business pursuant to generally accepted accounting principles and to furnish GCI with such information as GCI may reasonably request In addition, Customer shall retain for a period of at least twenty-four (24) months and upon request submit to GCI copies of all records relating to use of the Equipment and such other records as GCI may reasonably request from time to time Customer agrees that GCI or its representatives, at GCI's expense, shall, at all reasonable times, have the right to examine or audit the books, records, state, county, or local sales tax returns or accounts of Customer, and any reports or records regarding Customer's utilization of the Equipment and Software (including any records related to design work and printing of finished products) for the purpose of determining Customer's compliance with this Agreement

15 10 Uploaded Images Customer shall have the right to allow end users to supply his or her own images to be placed onto the appropriate wireless device cover utilizing the Equipment and Software that is the subject of this Agreement (**"Uploaded Images"**) Customer will use its best efforts to monitor and detect Uploaded Images that infringe or violate any intellectual property or other proprietary rights, including without limitation any utility or design patent, trademark, service mark, trade dress, trade name, copyright, trade secret, right of privacy, publicity or moral right, of any third party, and to prevent the production of products that contain any such infringing Uploaded Images Customer shall ensure that a "click-through" agreement in a form expressly approved in writing by GCI is presented to the end-customer that is required for the end-customer to accept prior to uploading an Uploaded Image Such agreement shall require the end-customer to represent and warrant that the Uploaded Image he/she is uploading is owned by the end-customer, the end-customer has secured the permission of any individuals who are portrayed in the image to use their image and likeness in this manner, and that the Uploaded Image does not infringe or violate any intellectual property or other proprietary rights, including without limitation any utility or design patent, trademark, service mark, trade dress, trade name, copyright, trade secret, right of privacy, publicity or moral right, of any third party

IN WITNESS WHEREOF, the parties have signed this Agreement as of the Effective Date by their duly authorized representatives

GLOBAL CELLULAR, INC	**CUSTOMER**
By ____________________________	**By** ________________________
Printed Name ___________________	**Printed Name** _______________
Its ____________________________	**Its** _________________________
Date __________________________	**Date** _______________________

EXHIBIT A

EQUIPMENT AND SOFTWARE

Equipment/Software	Fees and Payment Terms
Custom Shout' Print Process Equipment and Software	$2,500
Ancillary Supplies (ex paper, and blanks) (*as needed for use of the Equipment*)	$20 USD per 100 sheets, as modified from time to time Blanks are sold at various prices depending on the phone model and type of blank being purchased

Location of Press/Software [INSERT CUSTOMER'S ADDRESS]

EXHIBIT "P"

Franchisee Disclosure Questionnaire

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, Cellairis Franchise, Inc ("we", "us" or "our") and you are preparing to enter into a Franchise Agreement for the operation of a Cellairis® franchise The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee** Please review each of the following questions carefully and provide honest responses to each question

If you answer "No" to any of questions 1 through 13, please explain your answer on the last page of this questionnaire If more space is needed please attach additional pages

Yes__	No__	1	Have you received and personally reviewed the Franchise Agreement and each exhibit and schedule attached to them?
Yes__	No__	2	Have you received and personally reviewed the Franchise Disclosure Document ("Disclosure Document") we provided?
Yes__	No__	3	Did you sign a receipt for the Disclosure Document indicating the date you received it?
Yes__	No__	4	Are you aware that you can review the Disclosure Document and the Franchise Agreement, as well as the benefits and risks of operating a franchisee with a lawyer, accountant or other professional advisor?
Yes__	No__	5	Did you have the opportunity to discuss the benefits and risks of developing and operating a Cellairis franchise with existing Cellairis franchisees?
Yes__	No__	6	Do you understand the risks of developing and operating a Cellairis franchise?
Yes__	No__	7	Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease/license terms and the marketplace?
Yes__	No__	8	Do you understand that you are not granted any territorial protection and that another Cellairis franchise or company Business Unit may open anywhere?
Yes__	No__	9	Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the production, distribution and sale of the products and services, that are the same or similar to the products and services that will be sold from your Business Unit, under the Cellairis name or other mark, at any location, and by any method of distribution, and these other methods of distribution may compete with your Cellairis Business Unit and adversely affect its sales?

Yes__ No__ 10 Do you understand that our affiliate, Global Cellular, Inc , is currently a supplier of Products and Services, and may be the sole supplier of, or one of the approved suppliers for the Products and Services you will carry and sell at your Business Unit, and that you are strictly prohibited from carrying or offering any products that are not purchased by you from Global Cellular, Inc or another approved supplier?

Yes__ No__ 11 Do you understand that most disputes or claims you may have arising out of or relating to the Franchise Agreement must be litigated in the courts of the State of Georgia or arbitrated in Atlanta, Georgia?

Yes__ No__ 12 Do you understand that you (and your manager if you will employ one full-time) must satisfactorily complete our initial training course before we will allow your Cellairis Business Unit to open?

Yes__ No__ 13 Do you understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Cellairis Business Unit, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes__ No__ 14 Do you acknowledge and represent to us that (a) you or the entity that you form to be a franchisee will be the employer of all of your employees and will have sole discretion and authority to hire, fire, discipline, compensate and schedule working hours for, all of your employees, and (b) we and our affiliates will have no control, or right to control, any of the employment actions or decisions in your business? *We recommend that you retain employment law counsel to advise you with your employment issues and questions*

If you answer "Yes" to any of questions 15 through 17, please explain your answer on the last page of this questionnaire If more space is needed please attach additional pages

Yes__ No__ 15 Has any employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Cellairis franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes__ No__ 16 Has any employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in the Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

Yes__ No__ 17 Has any employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Cellairis franchise will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS

______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Dated ________________________	Dated ________________________
______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Dated ________________________	Dated ________________________

Special note for residents of the State of Maryland and franchised businesses located in Maryland Nothing in this Franchisee Disclosure Questionnaire shall act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

EXPLANATION OF ANY RESPONSES [REFER TO QUESTION NUMBER AND USE ADDITIONAL PAPER IF NECESSARY]

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EXHIBIT “Q”

RECEIPTS

RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY

IF CELLAIRIS OFFERS YOU A FRANCHISE, IT MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE

NEW YORK AND RHODE ISLAND REQUIRE THAT WE GIVE YOU THIS DISCLOSURE DOCUMENT AT THE EARLIER OF THE FIRST PERSONAL MEETING OR 10 BUSINESS DAYS BEFORE THE EXECUTION OF THE FRANCHISE OR OTHER AGREEMENT OR THE PAYMENT OF ANY CONSIDERATION THAT RELATES TO THE FRANCHISE RELATIONSHIP

MICHIGAN AND WISCONSIN REQUIRE THAT WE GIVE YOU THIS DISCLOSURE DOCUMENT AT LEAST 10 BUSINESS DAYS BEFORE THE EXECUTION OF ANY BINDING FRANCHISE OR OTHER AGREEMENT OR PAYMENT OF ANY CONSIDERATION, WHICHEVER OCCURS FIRST

IF CELLAIRIS DOES NOT DELIVER THIS DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D C 20580 AND THE STATE AGENCIES LISTED IN EXHIBIT B

Cellairis' sales agent for this offering is

	Name	Principal business address	Phone number
	Jeffrey Nestinger	6485 Shiloh Rd Bldg B # 100, Alpharetta GA 30005	678-513-4020
	Jaime Brown	6485 Shiloh Rd Bldg B # 100, Alpharetta GA 30005	678-513-4020

The issuance date of this Franchise Disclosure Document is April 14, 2017

We authorize the agents listed in Exhibit C to receive service of process for us

I have received a disclosure document with an Issuance Date of April 14, 2017 This disclosure document included the following Exhibits

A State-Specific Addendum
B State Administrators

C	Agents For Service of Process
D	Franchise Agreement
E	Sub-License Agreement
F	Personal Guaranty and Subordination Agreement
G	Conditional Lease Assignment Agreement
H	Cellairis Franchised Stores
I	Audited Financial Statements
J	General Release
K	Lists of Former Franchises
L	Chase Paymentech Merchant Application and Agreement
M	Confidentiality Agreement for Cellairis Confidential Operations Manual
N	Table of Contents for Operational and Repair Manuals
O	Equipment Purchase Agreement and License Agreement
P	Franchisee Disclosure Questionnaire
Q	Receipt

Date FDD Received ______________
(Do not leave blank)

PROSPECTIVE FRANCHISEE

If an individual

____
Signature

____
Print Name

If a business entity

____
Name of Business Entity

By______________________________

Its______________________________
Title

____
Print Name

KEEP THIS COPY FOR YOUR RECORDS

RECEIPT

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P	Franchisee Disclosure Questionnaire
Q	Receipt

Date FDD Received ________________
(Do not leave blank)

PROSPECTIVE FRANCHISEE

If an individual ____________________________________
Signature

____
Print Name

If a business entity ____________________________________
Name of Business Entity

By____________________________________

Its____________________________________
Title

____
Print Name

Please sign this copy of the receipt, fill in the date you received the FDD, and return it to Cellairis Franchise, Inc , 6485 Shiloh Road, Building B, Unit # 100, Alpharetta, Georgia 30005

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