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Department of
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FRANCHISE DISCLOSURE DOCUMENT

COFFEE NEWS USA, Inc.
A Maine Corporation
One Cumberland Place, Ste. 102,
Bangor, Maine 04401
(207) 941-0860
www.coffeenewsusa.com

You will publish within an exclusive territory a free weekly restaurant publication called **Coffee News** for the patrons of restaurants, coffee shops, and other food related businesses.

The total investment necessary to begin operation of a Coffee News franchise is \$10,750.00 – \$11,750.00. This includes \$9,500.00 – 10,500.00 that must be paid to the franchisor, COFFEE NEWS USA, INC. ("we or us"). \$7,000.00 must be paid to us for each additional franchise up to a maximum of 20 franchises per individual or company.

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. Don't 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.

The Issuance Date: March 26, 2019

Copyright © 1988 - 2019 2703203 Manitoba Inc. and/or Coffee News USA, Inc. All rights reserved. You may not, except with our express written permission, copy, distribute or commercially exploit the content. Nor may you transmit it or store it in any other website or other form of electronic retrieval system.

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 Attachment A for information about the franchisor, or about franchising in your state.

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

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

1. THE FRANCHISE AGREEMENT PERMITS THE FRANCHISEE TO SUE FRANCHISOR ONLY IN PENOBSCOT COUNTY, MAINE. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE WITH THE FRANCHISOR IN PENOBSCOT COUNTY, MAINE THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT PERMITS THE FRANCHISEE TO ARBITRATE WITH THE FRANCHISOR ONLY IN PENOBSCOT COUNTY, MAINE. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH THE FRANCHISOR IN PENOBSCOT COUNTY, MAINE THAN IN YOUR HOME STATE.
3. THE FRANCHISE AGREEMENT STATES THAT MAINE LAW GOVERNS THE AGREEMENT, AND THE LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We do not use the services of any franchise broker or referral sources to assist us in selling our franchise. You should be sure to do your own investigation of the franchise.

Effective Date: _____

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EXHIBITS:

- A. Franchise Agreement
- B. Sample Coffee News
- C. Financial Statements
- D. Coffee News Publishers List
- E. Former Coffee News Publishers List
- F. State Regulatory Authorities
- G. Agents for Service of Process
- H. State Addendum
- I. Notice of Exemption for Internet Advertisement

ITEM 1

THE FRANCHISOR, AND ANY PARENT, PREDECESSORS, AND AFFILIATES

The Company

COFFEE NEWS USA, Inc. ("we" or "us") was incorporated in Maine on January 27, 1994, and maintains its principal business at One Cumberland Place, Suite 102, Bangor, Maine 04401. We conduct business under our corporate name and the mark "Coffee News USA" only. Our agents for service of process are listed in Attachment B.

The Franchise Offered

We sell to you the right to publish **Coffee News** (the Periodical) and to distribute the Periodical to restaurants and other local establishments within a specified geographic area which is your exclusive territory. "You" or "Publisher" represents the franchisee, or in the event of a corporation, limited partnership, or other entity, "you" represents the owners of the franchisee or the Publisher. You will generate revenue through sales of advertising space on weekly editions of the Periodical. Food-related businesses such as restaurants distribute **Coffee News** as a service to their clientele and do not pay or receive any fee for this service. There are no limits as to where you may sell advertising.

On July 3, 1995, we acquired and operated 4 franchises in the Greater Bangor, Maine area until October 1, 2003 when they were sold. On August 1, 2012, we reacquired the 4 franchises in the Greater Bangor Area in Maine and have added a 5th franchise for Waldo County, Maine. On June 1, 2017, we assumed control of five (5) franchises in Maine due to the sudden death of the franchisee. Two (2) have been sold to new franchisees and three (3) are now owned by us, bringing our company owned franchises to eight (8). Since February 5, 1996, we have offered franchises for sale.

We do not operate any other line of businesses in this corporation.

The Periodical will compete for readership, display space, and advertising revenue with other print media. The publication is designed and intended for readership in restaurants, coffee shops, and other public places where patrons sit and eat. We know of no other periodical that has this specific focus.

You will compete for advertising revenue with all other media forms in the territory and there is no reason to believe you will be insulated in any way from the competition. The following strategies employed by us are new to the United States market, but these strategies have been used extensively in Canada since 1988:

- 1) The Periodical is designed specifically for use in foodservice establishments.
- 2) Only one advertisement is allowed from each industry per edition.
- 3) Restaurants are not allowed to advertise except in seasonal editions during the high season.
- 4) All advertisements are the same size and are arranged to ensure maximum readership.
- 5) A new issue is published and distributed each week and placed in holders uniquely designed to display the Periodical.

Our Parents, Predecessors and Affiliates

On February 5, 1996, we purchased the exclusive rights to franchise Coffee News in the continental United States, Alaska, Puerto Rico, Hawaii, Central America, and the Caribbean from 2703203 Manitoba, Inc. d/b/a Coffee News, 54 Harlow Bay, Winnipeg, Manitoba R2C 5N5, a corporation of the Province of Manitoba, Canada. Since 1988, 2703203, Manitoba, Inc. has licensed the distribution of **Coffee News** in most of the prime population areas of Canada and is seeking to establish a worldwide network in a variety of languages. We are the first to acquire the rights outside of Canada. Recently, other parties either have or are in the process of acquiring franchise rights in other countries.

2703203, Manitoba, Inc. provides us weekly copy for **Coffee News** which we distribute to our United States publishers every 8 weeks. The weekly copy provided to you contains all material to be published except advertising copy and local events listed under the "What's Happening" section, which you will provide. Due to language differences and local customs, we are authorized to edit the copy for the United States market. You are not authorized to edit the copy without our written permission to do so.

We purchased a printing company, July 1, 2008, that primarily prints Coffee News editions for our publishers primarily in North America called Coffee News Printing, LLC and located in Houlton, Maine. The printing company is offering commercial printing services to local communities and has added a FedEx service center to the location.

On October 21, 2008, William Buckley purchased 2703203 Manitoba, Inc. located in Winnipeg, Manitoba. This company holds all the rights and marks for Coffee News worldwide and holds all agreements with publishers of Coffee News in Canada and 7 other countries.

The shares of 2703203 Manitoba, Inc. are 100% owned by William A. Buckley. Coffee News USA, Inc shares are 45% owned by William A. Buckley, 45% owned by Sue-Ann Buckley and 10% owned by John B. Buckley. The shares of Coffee News Printing, LLC are 51% owned by William A. Buckley and 49% owned by Garrett Guernsey, the Chief Financial Officer of Coffee News USA, Inc.

On January 1, 2015, Coffee News USA, Inc. entered into a marketing agreement with Darter Specialties, Inc. P.O. Box 188, Cheshire, CT 06410 to provide exclusive rights within the geographic boundaries of the United States, to produce, inventory, promote, sell and ship Products using the Coffee News Marks, in exchange for a percentage of the sale proceeds to publishers. Certain amounts of unsold existing inventory from Coffee News USA will be sold by Darter Specialties and the proceeds remitted to Coffee News USA, Inc. on a monthly basis.

On or about March 1, 2017, we entered into a joint promotion agreement with KVH Media Group, a division of KVH, Inc. to promote the sale of a daily digital publication in 34 different languages to hotels and leisure companies through our franchisees in North America in exchange for assisting Coffee News in the sale of Coffee News franchises worldwide. This arrangement gives Coffee News USA, Inc. the exclusive rights to market a daily publication called, "Good Morning News" primarily in North America, but also in any international countries where we currently have franchises. KVH, Inc. is headquartered in 50 Enterprise Center, Middletown, RI 02842 USA.

We have no parents or affiliates. Neither we nor 2703203 Manitoba, Inc. have ever offered franchise in any other line of business. Our company was incorporated under the name of Ergonomic Consulting Services, Inc. on January 27, 1994 and operated under a d/b/a of Coffee News. Effective on May 25, 2004, our name was changed to Coffee News USA, Inc. d/b/a Coffee News. This was a simple name change and all other aspects of our company remain unchanged.

Other than laws or regulations that apply to businesses generally, we know of no regulations specific to this industry which may affect the operation of your franchise.

ITEM 2

BUSINESS EXPERIENCE

President: William A. Buckley

William A. Buckley, the President and Director of Coffee News USA, Inc., has over 52 years of experience in the finance and marketing businesses. He has served in this position with Coffee News USA, Inc. since the company was formed in 1993 and began offering franchise for sale in 1996. In 2008, Mr. Buckley purchased 2703203 Manitoba, Inc. in Winnipeg, Manitoba and serves as President of that company. The International Franchise Association (IFA) has awarded Mr. Buckley a certificate of achievement as a Certified Franchise Executive (CFE).

ITEM 3

LITIGATION

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 FRANCHISE FEE

You must pay an initial franchise fee of \$9,500.00 for the first franchise that is due upon signing the initial franchise agreement, \$500.00 of which must be paid to us for document preparation including without limitation draft of the franchise agreement. The \$500.00 shall be deducted from \$9,500.00 upon signing the initial franchise agreement. For this, you will receive weekly copy within 14 days of signing the agreement with additional copy mailed in 8-week increments (no later than 5 business days prior to the end of the following 8-week period) which effectively

represents reimbursement for weekly copy during the initial 3 month period of the agreement. Agreements may include up to the maximum 20 franchises permitted per publisher. A fee of \$7,000.00 for each additional franchise is due at the time of signing the agreement for additional franchise(s). Upon our sole discretion, we may offer short term sales promotions to existing Publishers who wish to purchase additional franchise unit(s) from time to time. In the event that you notify us that you wish to revise the start date of business and postpone it by one month or more subsequent to your receipt of the initially executed franchise agreement, you need to pay for additional \$1,000.00 to us to obtain such extension and hold your proposed licensed area for such one or more months before you pay the full amount due under the agreement. All fees are non-refundable.

There are no other initial fees or payments required for services or goods before the date of the agreement. The date of the agreement is considered your date of opening your franchise business. Three months after your opening you will pay a required weekly fee for the continued receipt of copy or content for your periodical. The weekly fee is more fully explained in Item 6.

Initial fees and payments will be due in full upon our completion of all pre-opening obligations.

ITEM 6

OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Weekly - Initial Franchise (See note 1)	\$80	fee begins on the first day of the third month following the month the initial franchise agreement was signed ("the fourth month of the agreement") and continues monthly	paid to us by credit / debit cards, check, or by PayPal
Weekly - Additional Franchises (agreed to upon signing the initial franchise agreement)	\$40 / additional franchise	the fee on the first 5 additional franchises is due to us on the first day of the tenth month following the month the initial franchise agreement was signed (i.e., the tenth month of the agreement) and every 6 months thereafter for each additional group of 5 or less franchises .	paid to us by credit / debit cards, check, or by PayPal
Initial - Additional Franchises (agreed to after signing the initial franchise agreement)	\$7,000.00/ additional franchises	the fee on the additional franchises is due at the signing of the agreement.	paid to us directly when due

This schedule is designed to allow you ample time to put your entire territory into operation before you reach the maximum weekly fee requirement.¹

After every 6 months, you have the option to return the remainder of your franchise if you are unable to put the franchises into operation. If your franchises are not in operation but you desire to maintain possession of the franchises, you may pay the next level of weekly fees. There are no other fees, including no additional initial or renewal fees and no fees for transfer of ownership or interest in your franchise(s).

All fees are imposed and collated by us.

All fees mentioned above are non-refundable.

All fees are uniformly imposed.

No franchisor-owned outlets have controlling voting power to disclose the maximum and minimum fees that may be imposed.

Note:

1. For example, (a) if the agreement is signed 3/1/19 for 6 franchises, \$9,500.00 is paid immediately for the initial franchise and \$35,000.00 is paid immediately for the five additional franchises. The weekly fee of \$80 begins on 6/1/19 and the weekly fee of \$40 additional franchise begins 12/1/19.

ITEM 7

ESTIMATED INITIAL INVESTMENT

None of the following costs are refundable.

YOUR ESTIMATED INITIAL INVESTMENT¹

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
INITIAL FRANCHISE FEE	\$9,500.00	LUMP SUM	\$500.00 FOR US TO PREPARE THE AGREEMENT; AND BALANCE AT SIGNING OF AGREEMENT	US
POSTPONEMENT OF OPENING DATE	\$1,000.00	LUMP SUM	UPON REQUEST TO POSTPONE THE START DATE FOR ONE MONTH OR MORE	US

¹ We accept Visa/MasterCard.

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
TRAVEL AND LIVING EXPENSES IN TRAINING	\$500.00	N/A	N/A	N/A
REAL ESTATE AND IMPROVEMENTS	N/A	N/A	N/A	N/A
EQUIPMENT	N/A	N/A	N/A	N/A
STANDS ²	\$500.00	AS INCURRED	BY FIRST PRINTING	LOCAL VENDOR
SECURITY DEPOSITS, UTILITY DEPOSITS, BUSINESS LICENSES	N/A	N/A	N/A	N/A
MISCELLANEOUS OPENING COSTS ³	\$250.00	AS INCURRED	BY FIRST PRINTING	LOCAL VENDOR
OPENING INVENTORY	N/A	N/A	N/A	N/A
ADVERTISING ⁴	N/A	N/A	N/A	N/A

² The current suggested stand for **Coffee News** can be purchased for \$5.25 each plus shipping from Coffee News USA (total approx. \$5.75 each). You have the option to purchase the stands locally if they can be purchased at a lower cost. The number of stands required will directly depend on the number of restaurants/businesses that distribute the Periodical. The above price is based on a distribution network of 50 restaurants/businesses.

³ This includes business cards, invoices, rate sheets, and other miscellaneous office supplies.

⁴ Advertising for the Periodical is sold through direct solicitation. You do not need nor do we require you to advertise the Periodical.

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
ADDITIONAL FUNDS ⁵ ... [initial period]	N/A	N/A	N/A	N/A
TOTAL	\$10,750.00 - \$11,750.06			

All fees mentioned above are non-refundable. We offer direct and indirect financing to your purchase of the franchised territories. Please see Item 10 of this Disclosure Document for detailed information.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Periodical Copy

You must purchase weekly copy, also known as content, from us as the U.S. Franchisor. The weekly copy shall be used for the Periodical which contains the format and information to be included in all sections except the "What's Happening" section, which you shall provide. Weekly fees are not a part of the initial acquisition of your franchises as explained in Item 7. Weekly fees paid by you cover the cost of the copy or content we supply to you on an ongoing basis. Please see Item 6 for the amount of Weekly fees paid by you. Copy or content shall be incorporated in each edition of Coffee News you publish according to the guidelines in the franchise agreement. Additionally, you must purchase the printing service from Coffee News Printing, LLC in Houlton, Maine for a minimum period of one (1) year from the date of the franchise agreement. Upon expiration of such one (1) year, you may voluntarily stay with Coffee News Printing, LLC or have the option to purchase printing service from another print shop.

⁵ Normal start-up of the first franchise requires about 30 – 45 days on average from the start of advertising sales to the publication of your first issue. During this period, most clients will pay for the advertising in advance. For this reason the costs for getting started are considered to be self-funded.

⁶ We relied on our 24 years of experience in the Coffee News publication business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

Other than the initial franchise fees, the weekly Royalty fees for copy represents all of our revenue from required purchases or leases in North America. In 2018, revenue from all sources was \$1,343,533.00 with \$1,167,916.00, representing all required purchases and leases for 80.34% of total revenues. In 2018, the affiliate Coffee News Printing LLC's total revenue was \$965,059.00 and the required revenue derived from Coffee News publishers for the fiscal year 2018 was \$60,151.05 representing 6.23% of its total revenue. However, the required purchase from Coffee News Printing LLC will not occur until after you open for business.

We are the sole U.S. distributor of weekly copy of the Periodical and may edit weekly copy as provided by 2703203, Manitoba, Inc. You may not edit weekly copy without our prior written permission and we shall have final authority regarding the content of the Periodical. (See Section 5 of the franchise agreement.)

There are no other required purchases or leases. There exist no purchase or distribution cooperatives. We are the sole provider of copy or content for your periodical. All other products or services including stands may be purchased from a third-party supplier. You are not required to purchase any computer hardware or software.

The shares of Coffee News Printing, LLC are 51% owned by William A. Buckley. We have negotiated an agreement with Intuit, Inc. for a reduced cost copy of Quickbooks accounting software for you when you join our franchise system that includes a merchants service agreement to accept credit card charges from your advertisers. This software is offered to all publishers whether you purchase from designated or approved suppliers or not. Only one initial copy of the software will be provided, and you will be required to pay for any future upgrades to the software if you wish to acquire them. The merchants service agreement provides a stated discount on each charge which can vary in the future and by type of charge you accept. Use of the charge card system is optional.

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 FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site selection and acquisition / lease	Section 1.2	Items 6, 11
b. Preopening purchases / leases	Section 2.1	Items 6, 8, 11
c. Site development and other pre-opening requirements	Not Applicable	Not Applicable

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
d. Initial and ongoing training	Section 10	Item 11
e. Opening	Not Applicable	Not Applicable
f. Fees	Sections 2, 10, 12	Items 5, 6
g. Compliance with standards and policies / operating manual	Sections 7.1, 8, 13	Item 11
h. Trademarks and proprietary information	Sections 6, 7.1, 7.2, 8.11, 8.12, 8.15	Items 13, 14
i. Restrictions on products/ services offered	Sections 5, 9	Item 16
j. Warranty and customer service requirements	Section 8.6	Items 11, 15
k. Territorial development and sales quotas	Section 8.1	Item 15
l. Ongoing product / service	Sections 2, 4	Item 8
m. Maintenance, appearance, and remodeling requirements	Not Applicable	Not Applicable
n. Insurance	Not Applicable	Not Applicable
o. Advertising	Section 8.15	Not Applicable
p. Indemnification	Sections 8.1, 8.13	Item 13
q. Owner's participation / management / staffing	Section 8.1	Items 11, 15
r. Records / reports	Sections 8.7, 8.8, 14.3	Item 6
s. Inspections / audits	Sections 8.7, 8.8	Item 6
t. Transfer	Sections 11, 16.4	Item 17
u. Renewal	Section 3.2	Item 17

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
v. Post-termination obligations	Sections 13, 14	Item 17
w. Non-competition covenants	Section 8.5	Item 17
x. Dispute resolution	Section 16	Item 17
y. Other (describe)	Not Applicable	Not Applicable

ITEM 10

FINANCING

After one year under your agreement, we may finance additional purchases of franchise territories through Coffee News USA, Inc. at competitive rates and terms pursuant to a Promissory Note. If you want to buy more than one franchise, we may finance for up to three more franchises initially as long as you have good credit and net worth of at least \$100,000.00. We also accept all major charge cards in payment. Interest will be at 5% APR (Annual Percentage Rate). The term will vary based on the number of franchises purchased and the financing options that you may select.

There is no prepayment penalty. We will hold any such licensed rights to the licensed territories granted under the Coffee News License Agreement as security until you have paid your Promissory Note in full. There are no waivers of your legal rights and you are not barred from asserting a defense against us. We have no current practice or interest to sell, assign or discount to a third party all or part of the financing arrangement. If you do not pay on time, you hereby agree that Coffee News can call the loan and demand immediate payment of the full outstanding balance and obtain court costs and attorney's fees if a collection action is necessary. If Publisher / Debtor is a corporation, professional corporation, partnership, limited liability partnership, or a limited liability company, a Guarantee of Performance by the Principal stockholder(s), general partner(s), or member(s), as the case may be, must be executed.

For those with excellent credit, as evidenced by a credit report from Equifax, Experian or Transunion or similar credit rating agencies in other countries, and with verifiable extensive advertising or similar sales experience including entrepreneurial management experience of at least 2 years, you may be eligible for full funding for the purchase of a minimum of four or more franchises, subject to the initial payment of the training fee as more fully explained in Item 11. You will be required to attend the next Coffee News College at the time of purchase, and you will be required to use the printing services of Coffee News Printing, Inc. during the term of the loan. The interest rate will be 5% simple interest with weekly payments for principal and interest for up to 48 months and the weekly fees beginning at the start of the fourth month under the agreement by credit or debit card or electronic funds transfer in accordance with Item 6, (Other Fees).

Although we offer direct and indirect financing, we do not guarantee your note, lease, or obligation associated with any financing plan. See Item 22, Coffee News License Agreement as Exhibit A for a specimen copy of the Promissory Note.⁷

ITEM 11

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

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

Before you publish your first edition of **Coffee News**,

1) We will provide you upon your initial franchise fee payments an operations manual describing how to arrange the distribution of the Periodical within your geographic area, how to sell advertising, how advertising in the Periodical operates, how to design such advertisements, how to determine the suggested pricing of advertising, and how to determine coverage areas as well as including sample filler advertisements, office supply samples of insertion orders, business cards, envelopes, and monthly sales envelopes for your use in producing your own supplies of such materials (Franchise Agreement Section 7.1). Responsibility for the sale of advertisements rests solely with you.

2) Prior to purchasing any territories and to signing an agreement with us and to paying the Initial franchise fees, you and we will agree on the boundaries of your exclusive distribution territory that will optimally have a population of 25,000 to 50,000 total and 25 to 40 active restaurants (Franchise Agreement Section 1.1). Since no territory may overlap another, we will research the territory that you wish to service to determine if all or part of it is currently serviced by us or any of our franchises. We usually approve an area where you wish to publish if it does not overlap another where an existing publisher operates. We will also research population and commerce figures to determine the number of people and the number of restaurants that are contained within the proposed territory. This population/restaurant guideline is based on discussions with existing franchises in the U.S. and Canada and considers information from our 5 company-owned franchises. Upon signing the franchise agreement, you will have exclusive rights to distribute your editions of **Coffee News** within the agreed territory. It is important to note that you may solicit and accept advertisements from any source inside or outside your territory since the agreement limits only your distribution rights.

We will not sign an agreement with you or require the payment of the Initial fees until we have agreed on the specific territories you wish to purchase.

When you request the areas where you wish to publish, we will determine the number of franchises that the area would represent based on the guidelines in Item 11.2 and Item 12. There is no time limit for an acceptance since all site locations are resolved before you sign an agreement with us.

3) We shall disclose to you the unique marketing and sales techniques employed in the design and format of the Periodical, described in detail in the operations manual (Franchise Agreement Section 7.2).

⁷ A sample Promissory Note is attached to Coffee News License Agreement as Schedule B.

4) The design of the periodical stand is disclosed in the operations manual. You may purchase periodical stands with labels attached from Darter Specialties, Inc. for \$5.25 each plus shipping and handling for a total of approximately \$5.75 each (Franchise Agreement Section 7.3). If you opt to purchase stands elsewhere, we will provide labels for each stand at a nominal charge.

After you publish your first edition of **Coffee News**,

- 1) We shall provide you support services as deemed reasonable and advisable by us. (Franchise Agreement Section 7.4).

You are not required to purchase a computer or any associated systems from us or any other vendor. We do not have any advertising council composed of publishers. You are not required to participate in a local or regional advertising cooperative.

Marketing materials

In addition to the marketing materials we provide, you may create any additional marketing materials you deem important or necessary to launching or maintaining market awareness to grow your business.

Startup Time Period

Once the agreement is signed, you will spend approximately 4-6 weeks preparing to publish your first edition of **Coffee News**. Your timing is affected by the rate of sales of advertisements, the state of preparations with printers, and your selection of restaurants as distribution locations. We shall provide you with 8 weekly editions of copy within 14 calendar days of signing the agreement. Future editions will be mailed no later than 5 business days prior to the end of the previous 8-week period (Franchise Agreement Section 4.2).

TRAINING PROGRAM

We have no obligations to provide any training classes before or after you begin publishing or to set up an advertising program or fund.

We offer a three-day Coffee News College every 8-13 weeks for all North American publishers/franchisees which all costs including without limitation mentoring and startup services are covered by the one – time training fee of \$2,500.00, which is included in and will be deducted from the \$9,500.00 initial franchise fees. Said onetime fee only applies to new publishers coming into our system. All signatories to the agreement are required to attend the next available Coffee News College. Travel expenses are not included.

The 3-day classroom style program utilizes both veteran publishers and corporate staff to provide a combination of lectures and hands on involvement. There is time allowed for networking between you and veteran publishers during this period.

The training is at no additional cost to you except for your own travel expenses to and from the training program. We pay for your meals and lodging while at the initial training program. The training is normally offered in Bangor, Maine every 8-13 weeks and at other random locations around North America one (1) additional occasion, depending on the volume of new publishers.

The topics covered in the 3-day training program include but are not limited to sales, ad design, billing, collections, distribution, marketing, and startup.

In the previous 12 month period, approximately 100% of all new publishers attended the training program. There are no other additional training programs we offer. All existing publishers may attend future initial training programs voluntarily at their own expense.

TRAINING PROGRAM

Subject	Hours of classroom training	Hours of on the job training	Location	Instructor
Profitability	1.5 hours	8 wk Mentor program	Bangor, ME	Mr. Ron Vellucci
Start up	2.0 hours	8 wk Mentor program	Bangor, ME	Mrs. Karen Newton Ms. Deborah Jackson
Sales DISC	3.0 hours	8 wk Mentor program	Bangor, ME	Mr. John Buckley
Distribution and Systems	1.0 hours	8 wk Mentor program	Bangor, ME	Mr. Ron Vellucci Mr. Peter Philbrick
Ad design	3.0 hours	8 wk Mentor program	Bangor, ME	Mrs. Karen Newton Mr. Ron Vellucci Ms. Deborah Jackson
Art work	1.0 hours	8 wk Mentor program	Bangor, ME	Mr. Ron Vellucci
Printing	.5 hours	6 wk Mentor program	Bangor, ME	Mr. Garrett Guernsey
Branding	1.5 hours	8 wk Mentor program	Bangor, ME	Mr. Ron Vellucci Mrs. Karen Newton Ms. Deborah Jackson
Networking	1.0 hours	8 wk Mentor program	Bangor, ME	Mr. William Buckley
Billing and Collections	1.5 hours	8 wk Mentor program	Bangor, ME	Mr. Garrett Guernsey
Responsibility to advertisers	.5 hours	8 wk Mentor program	Bangor, ME	Mr. William Buckley
Motivational Videos	.5 hours	8 wk Mentor program	Bangor, ME	Mr. John Buckley
Support Services	2.5 hours	8 wk Mentor program	Bangor, ME	Mr. John Buckley Mrs. Melissa Coombs
Media review and Social Media	3 hours	8 wk Mentor program	Bangor, ME	Mrs. Melissa Coombs
Business Plan	2.5 hours	8 wk Mentor program	Bangor, ME	Ms. Martha Muldoon Mr. Kevin Stevenson Mr. Steven Hiltz
Total hours	25 hours			

*** Note:**

Mr. William Buckley is in charge of all training. In addition to an undergraduate degree in Marketing and Finance and a master's degree in business administration from the University of Maine in 1965 and 1984 respectively, Mr. Buckley was employed for over 25 years in Banking in various sales, human resource and administrative positions. He established the first bank teller training school in the state of Maine in 1970. He is a graduate of the Williams College School of Banking in 1971 and the Stonier Graduate School of Banking at Rutgers in 1977. Mr. Buckley is a Certified Franchise Executive (CFE). Prior to Purchasing Coffee News USA, Inc, he was a management consultant for four years with an injury prevention consulting firm, a workers compensation insurance company and later at a sales trainer for medical professionals seeking industrial clients. Instructors for the training program may change due to the availability and location convenience from time to time. Instructors are selected based on years of experience in publishing Coffee News, compliance with franchise standards, and strong communication skills as demonstrated by their presentations in Conferences. We require a minimum of 2 years of publishing experience with Coffee News.

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ITEM 12

TERRITORY

The exclusive territory of each franchise is based on the 2010 census data (www.census.gov) for resident population within the selected area. Generally, each franchise territory should have a population of 25,000 - 50,000 and we are flexible on how many franchise territories may be available in any geographic area. You do not have the right of first refusal or similar rights to acquire additional outlets. The operations manual provides a chart for your use in determining

the number of franchises that may be available within any geographic area under consideration by you. We will review and approve your proposed territory in a timely manner.

At the signing of the franchise agreement, we will grant you exclusive rights to distribute your publication of **Coffee News** within the agreed boundaries. Your exclusive territory is a specific geographic area where you may distribute the Periodical. Although you are allowed to distribute **Coffee News** only within this territory, you may solicit and accept advertisements from sources both inside and outside your territory. You may solicit advertising clients both from within your territory and outside your territory by any means that you deem appropriate. We place no restriction on outside territory solicitation. We do suggest, however, as a matter of courtesy and to maintain harmonious relations with mutual clients and fellow publishers, that you communicate with your neighboring publishers before you enter such a publishers' territory to solicit and/or sell advertising. You may acquire additional franchise territories by proposing territories to us and we will research and tailor the boundaries of the proposed territory.

We will not establish or allow another publisher to establish distribution locations within your territory but all franchises are allowed to solicit and accept advertisements from within and outside their respective territory. We do not conduct business using another mark in your territory. We do not do any business solicitation in your exclusive territories in competition with you either directly or indirectly through the internet or by any other means. We do not reserve the right to use alternative distribution, including the internet, within your territory, under our principal trademarks or different trademarks.

There is no minimum advertising sales quota. You maintain the exclusive rights to your area even if the population should increase.

There exists no obligation on the part of the franchisor to provide promotional support for your franchise(s) since advertisements in **Coffee News** are sold by direct solicitation.

In the event that you decide to relocate to any other part of the country, we encourage you to sell your franchises as an ongoing business to a third party to maximize your return on your investment.

ITEM 13

TRADEMARKS

You may use the Coffee News principal trademarks in the promotion and publication of your editions of **Coffee News**. See Exhibit B for an example of the Coffee News logo, format, and content categories. Listed here are the specifics regarding these principal trademarks:

Coffee News Format

Size:	11" by 17" page size.
Coloring:	Light brown coloring of paper.
Format:	2-sided printing with each page divided into 3 columns, with the 2 border columns each allowing for 8 advertisements arranged

vertically and a center column allowing for the publication of information.

Ad proportions: Equal sized, approximately 2 7/8" by 2" inches in a rectangular rounded corner box with 1 open corner.

Coffee News Content Categories

Everybody's Talking!
 Quotable Quotes
 What's Happening
 Trivia
 Your Weekly Horoscope
 Did You Know...
 On the Lighter Side

Trademarks are registered for the "Coffee News" logo, format, content categories, and associated artwork with the Principal Register of the United States Patent and Trademark Office, as of November 18, 1997, trademark registration number 2,113,507.

Nothing in the franchise agreement shall be construed as a grant to you of any right, or interest in the "Coffee News" name or format, since all rights are reserved by 2703203, Manitoba, Inc. and us except for this license to the "Coffee News" name and format only as expressly provided in the franchise agreement. Furthermore, nothing in the agreement shall be construed as an assignment or license to you of any right or interest in any trade names or symbols, service marks, signs, slogans, or insignia not designated by the agreement as licensed to you, which may be developed by us for use with other publishers. In signing the agreement, you recognize the great value of the goodwill associated with our name and format and you acknowledge that the goodwill belongs to us and 2703203, Manitoba, Inc.. You also will agree that you will not, at any time attack the title or any rights of us or 2703203, Manitoba, Inc. to the "Coffee News" name or format or attack the validity of the license to use the name or format or do anything which would jeopardize or diminish our rights or the value or the name.

You will have the right to use trademarks during any dispute between us and 2703203, Manitoba, Inc.

In addition, you shall immediately notify us of any apparent infringements of or challenges to the use of the "Coffee News" name or format or your licensed business in the geographic area covered by the agreement. You shall not communicate with any person other than us, 2703203, Manitoba, Inc. and its counsel in connection with any such infringement or challenge. You will agree that 2703203, Manitoba, Inc. shall have sole discretion to take the action it deems appropriate and the right to exclusively control any litigation or other administrative claim or action relating to the infringement, challenge, or claim. Any money, damages, or other benefits arising from the infringement or challenge shall benefit 2703203, Manitoba, Inc. You must execute all instruments and documents, give all assistance and perform those acts to protect and maintain our interests as required by counsel of 2703203, Manitoba, Inc., us and its publishers in any litigation or administrative proceeding.

We do not know of any infringing uses that could materially affect your use of the Coffee News trademarks.

We have filed all required Affidavits and renewals. There are no effective determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board or any state trademark administrator or court; and any pending infringement, opposition, or cancellation proceeding involving proprietary marks that are material to Coffee News. There are no agreements currently in effect that significantly limit our rights to use or license the use of such proprietary marks that are material to the Coffee News franchise.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own rights in, or licenses to, patents or copyrights that are materials to the franchise. We have no pending patent applications that are material to the franchise. We do not know of any patent or copyright infringement that could materially affect the franchisee.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You or a designated person must use your best efforts in the sale of advertisements and in distributing your editions of Coffee News. You personally are not required to perform the duties necessary to accomplish these goals, but it is recommended.

As the owner of the franchise(s), you are responsible for the compliance of all employees with the terms and conditions of the Franchise Agreement including your manager, on- premises supervisor or minority stockholder, if a company.

We place no other limitations or restrictions on your staff other than those contained in the Item 17. We do not require a personal guaranty of the performance.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The only thing that you will sell is advertising space in the Periodical and we do not restrict the advertisements you may accept for publication.

We reserve the right to sell all Coffee News products and promotional items to our publishers and do not require that you purchase any of these items from us. We do restrict you from reselling any of the Coffee News products or promotional items you purchase, either from us or other vendors, to other publishers or the public. You are free to purchase any Coffee News products or promotional items and provide them free of charge to other publishers or the public, if you wish. You do not have the right to make any modification to the items from us.

We reserve the right to change the Coffee News products and promotional items we offer you for your use and not for resale.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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.

THE FRANCHISE RELATIONSHIP

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Term of the franchise.	Section 3.1	4 year term.
b. Renewal or extension of the term.	Section 3.2 Exhibit A	Right to renew agreement for another 4 years if provisions are met.
c. Requirements for you to renew or extend. See Note 7(c) for details.	Section 3.2 Exhibit A	Comply with terms in franchise agreement. You may be required to sign a franchise agreement containing terms and conditions that could be materially different from the original franchise agreement.
d. Termination by you.	Sections 13.3, 14.1, 14.3 Exhibits A	120 days notice required. Deposit is nonrefundable.
e. Termination by Coffee News USA without cause.	None Exhibit A	We will not terminate without cause.
f. Termination by Coffee News USA with cause.	Section 12.1 Exhibit A	We can terminate if you breach or default under any provision of the franchise agreement.
g. "Cause" defined defaults which can be cured.	None Exhibit A	There exists no provisions for defaults which may be cured.
h. "Cause" defined defaults that cannot be cured.	Sections 13.1, 13.2, Exhibit A	Waivers for prior breaches or defaults are not binding against same or different breaches or defaults.
i. Your obligations on termination / nonrenewal.	Section 14.3 Exhibit A	You shall return all materials and information relevant to sales and production of Coffee News .

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
j. Assignment of contract by Coffee News USA.	Section 11.1 Exhibit A	Franchise agreement does not specifically restrict or permit us to assign our rights but this section does suggest that it is permitted.
k. "Transfer" by you definition.	Sections 11.2, 16.4 Exhibit A	Transfers are prohibited unless we consent.
l. Coffee News USA's approval of transfer by you.	Sections 11.2, 16.4, Exhibit A	We must approve all transfers.
m. Conditions for Coffee News USA's approval of transfers.	Not Applicable	We do not provide conditions for approval of transfers.
n. Coffee News USA's right of first refusal to acquire your business.	Not Applicable	Not applicable.
o. Coffee News USA's option to purchase your business.	Not Applicable	Not applicable.
p. Your death or disability.	Not Applicable	There are no specific provisions that address what happens when you die or become disabled.
q. Non-competition covenants during the term of the franchise.	Section 8.5 (see Exhibits A:e)	No involvement in competing business in your state.
r. Non-competition covenants after the franchise is terminated or expires.	Section 8.5 (see Exhibits A:e)	No involvement in competing business in your state for 2 years following termination.
s. Modification of agreement.	Section 16.1, Exhibit A	Agreement may not be changed except by the mutual consent of both parties.
t. Integration / merger clause.	Section 11.3, Exhibit A	Only the terms of the franchise agreement are enforceable, subject to state law. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation.	Section 16.8 Exhibit A	Arbitration must be held at a location within Maine, unless the parties mutually agree to an alternative location.
v. Choice of law.	Section 16.2 Exhibit A	Maine Laws apply.
w. Choice of forum.	Section 16.2 Exhibits A	Litigation must be in U.S. District Court for the District of Maine.

ITEM 18**PUBLIC FIGURES**

We do not use any public figure to promote its franchise.

ITEM 19**Financial Performance Representation and Projection**

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 that actual records of an existing outlet you are considering buying; or (2) a franchisor supplements that information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Coffee News is a home-based business, so there is generally no need to rent or lease space for an office. Some basic weekly costs include without limitation printing, delivery, and weekly fees payable to us. Given the fixed amount of weekly fees, the Publisher's revenue is dependent upon how many editions you are operating, and your ability to effectively sell ads and the network in the local community. Factors that may affect your individual performance include without limitation: (1) the variable costs (i.e., stands, vehicle and fuel, office equipment and supplies, networking dues, phone, internet, software, business cards, marketing materials, apparel, ad design & layout, promotional products, etc.); (2) your skill set and previous business experiences; (3) length of your operation of the franchised outlets; (4) local economy; (5) readership that may vary in different seasons; (6) number of paying ads sold each week; (7) Ad rates; and (8) degree of local competition.

The figures disclosed in this Item 19 are only estimates of what we think you may sell /earn. Your individual results may differ. There is no assurance that you will sell/earn as much. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

The Basis and Assumptions that apply to the data contained in this Item 19:

1. **Basis:** Because of the fixed amount of weekly fees, franchisee publishers are not required to provide us with their financials and we do not collect or possess their financial information. The projections in the tables in this Item 19 are derived from the actual historical average performance of five (5) outlets located in Bangor, Maine in the past 5 years. The five (5) outlets used to be company-owned and were sold to franchisee publishers from time to time over the past 15 years. The average ads sold by the five (5) outlets are above 80% over the years. Because We were closely involved in the business operations of the five (5) outlets, we are familiar with their performance in the past 23 years and consider the data relating to their performance reliable over the

years. These five (5) outlets are under the same Coffee News brand and operated according to the Coffee News operational manual as disclosed in Item 11 of this FDD. The projections made here are based on the historical data from these outlets, which are substantially similar, if not identical, to the Coffee News franchise outlet offered in this FDD. The data relied upon to make the projections contained in the tables and charts are the audited financial statements prepared by our CPA in compliance with AICP standards in the past 5 years.

2. Assumptions: our study measured 5 company-owned and operated outlets in Bangor, which is the principal city of the Bangor Metropolitan Statistical Areas with a population of approximately 153,923. Among the 280 metropolitan statistical areas defined by the U.S. Bureau of the Census, Bangor was ranked 192 by median household income and 152 by per capita income⁸. Further, as the franchisor, the company has approximately 20 years of experience in the business and has assistance from sales personnel to sell the ads. When the five (5) outlets are owned and operated by us, there are no weekly fees charged to ourselves. The above figures also assume a stable local economy and retail price increases of no more than 3% in the next year.

The following model provides a profit/ cost projection for one (1) edition, three (3) editions, and five (5) editions of Coffee News. **Please note:** The figures in this example will vary depending upon how efficiently you structure your business, printing costs, ad production costs, deliveries, etc. Table I, II, and III do not include variable costs including without limitation the costs for:

Coffee News® Stands
 Vehicle/Fuel
 Office Equipment
 Software
 Networking Organization Dues
 Phone/Cell Phone
 Business Cards/Rate Cards/Insertion Orders
 Ad Design & Layout⁹
 Coffee News® Apparel, Promotional Items, etc.

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⁸Highest-income metropolitan statistical areas in the United States, http://en.wikipedia.org/wiki/Highest-income_metropolitan_statistical_areas_in_the_United_States, March 4, 2015.

⁹ When advertisers need ad design & layout services, the Publishers usually charge an upfront ad design & layout fee to the advertisers to offset the costs that Publishers are normally charged for such services.

TABLE I*
Cost and Revenue Analysis -- Single Editions

<u>Costs per week</u>	<u>One Coffee News® Edition</u>	<u>Dollar amount</u>
Printing:	\$0.09 per copy x 1,500 copies	\$135.00
Deliveries:	60 locations at \$1.25 per stop	\$ 75.00
Weekly fees:	\$80 per week (on your first franchise)	\$ 80.00
	Total Costs	\$290.00
<u>Ad Revenue</u>		
\$35 per ad/week x 32 ads	Total Ad Revenue:	\$1,120.00
<u>Revenue per week</u>		
	<u>100% ads sold</u>	<u>80% ads sold</u>
Ad rev.:	\$1,120.00	\$ 896.00
Cost/wk:	\$ -290.00	\$ -290.00
Rev./wk:	\$ 830.00	\$ 606.00
	<u>x 52 weeks</u>	<u>x 52 weeks</u>
Rev./yr:	\$43,160.00	\$31,512.00
		<u>60% ads sold</u>
		\$ 672.00
		\$ -290.00
		\$ 382.00
		<u>x 52 weeks</u>
		\$19,864.00

The following model provides a profit/ cost projection for five (5) edition of Coffee News. **Please note:** The figures in this example will vary depending upon how efficiently you structure your business, printing costs, ad production costs, deliveries, etc.

TABLE II**
Comparison Analysis of the cost/revenue projection for 3 Coffee News editions

Cost and Revenue Analysis – Three (3) Editions

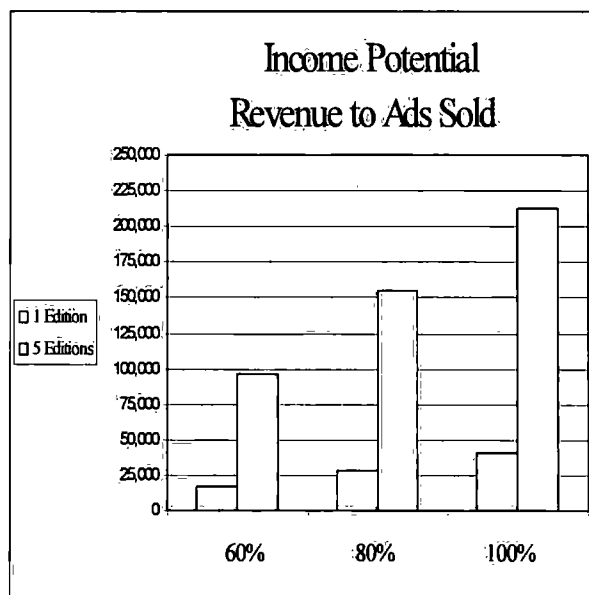
<u>Costs per week</u>	<u>Three (3) Coffee News® Editions</u>	<u>Dollar amount</u>
Printing:	\$0.09 per copy x 4,500 copies	\$405.00
Deliveries:	180 locations at \$1.25 per stop	\$225.00
Weekly fees:	\$80 /wk + (\$25/wk x 2)	\$130.00
	Total Costs:	\$760.00
<u>Ad Revenue</u>		
\$35 per ad/week x 96 ads	Total Ad Revenue:	\$3,360.00
<u>Revenue per week</u>		
	<u>100% ads sold</u>	<u>80% ads sold</u>
Ad rev.:	\$3,360.00	\$2,688.00
Cost/wk:	\$ -760.00	\$ -760.00
Rev./wk:	\$ 2,600.00	\$ 1,928.00
	<u>x 52 weeks</u>	<u>x 52 weeks</u>
Rev./yr:	\$135,200.00	\$100,256.00
		<u>60% ads sold</u>
		\$2,016.00
		\$ -760.00
		\$ 1,256.00
		<u>x 52 weeks</u>
		\$65,312.00

TABLE III***

Comparison Analysis of the cost/revenue projection for 5 Coffee News editions

<u>Costs per week</u>	Five (5) Coffee News® Editions	<u>Dollar amount</u>	
Printing:	\$0.09 per copy x 7,500 copies	\$ 675.00	
Deliveries:	300 locations at \$1.25 per stop	\$ 375.00	
Weekly fees:	<u>\$80 /wk + (\$25/wk x 4)</u>	<u>\$ 180.00</u>	
	Total Costs	\$ 1,230.00	
<u>Ad Revenue:</u>			
\$35 per ad/week x 160 ads	Total Ad Revenue:	\$ 5,600.00	
<u>Revenue per week:</u>			
	<u>100% ads sold</u>	<u>80% ads sold</u>	<u>60% ads sold</u>
Ad rev.:	\$ 5,600.00	\$ 4,480.00	\$ 3,360.00
Cost/wk:	<u>\$-1,230.00</u>	<u>\$-1,230.00</u>	<u>\$-1,230.00</u>
Rev./wk:	\$ 4,370.00	\$ 3,250.00	\$ 2,130.00
	<u>x 52 weeks</u>	<u>x 52 weeks</u>	<u>x 52 weeks</u>
Rev./yr:	\$227,240.00	\$169,000.00	\$110,760.00

TABLE IV****

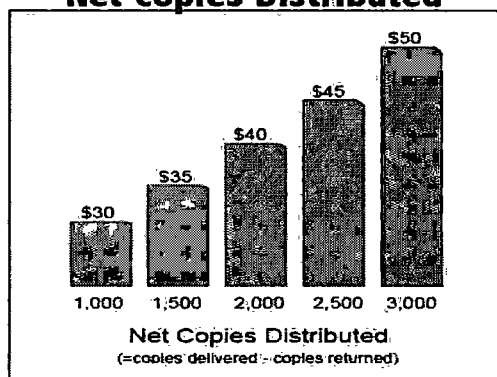
Comparison Analysis of Potential Gross Revenue to Ads Sold

*** Note: The graph above provides a snapshot comparison of potential revenue to ad sales for a single edition of Coffee News versus 5 editions of Coffee News.

The advertising rates are determined by you based on the readership of the Coffee News in your area. Our past experience shows that the more locations you distribute to, the greater the readership. The following table may assist you in determining an appropriate advertising rate based upon the number of distribution locations:

TABLE V*****

**Typical Ad Rates Vs.
Net Copies Distributed**



Coffee News Publishers usually offer advertisers a 13, 26 or 52 week commitment for advertising. You may also offer the advertiser an open-ended agreement option. In general, the longer a business continues to advertise with Coffee News®, the greater the response is over time. You may provide some incentive to the advertisers for a longer term.

TABLE VI***
Ad Cost Breakdown**

<u>26 week average</u>	<u>13 week</u>	<u>26 week</u>	<u>52 week</u>
\$55 per ad ¹	\$59.95/wk	\$54.95/wk	\$49.95/wk
\$50 per ad	\$54.95/wk	\$49.95/wk	\$44.95/wk
\$45 per ad	\$49.95/wk	\$44.95/wk	\$39.95/wk
\$40 per ad	\$44.95/wk	\$39.95/wk	\$34.95/wk
\$35 per ad	\$39.95/wk	\$34.95/wk	\$29.95/wk
\$30 per ad	\$34.95/wk	\$29.95/wk	\$24.95/wk

As of December 31, 2014, there were 473 franchisees in the system. Given the flat weekly fees structure adopted by Coffee News franchise system, the above disclosure does not include franchisees' performance because Coffee News does not collect financial data from the franchisees. The results of the franchisees may differ from the above stated results. Other than

the preceding financial performance representation, Coffee News does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing.

If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mr. William A. Buckley, at One Cumberland Place, Suite 102, Bangor, ME 04401, (207) 941-0860, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

Item 20 Table No. 1

**Table No. 1-A United States and Central American Outlet Summary
For years 2016 to 2018**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Changes
Franchised	2016	500	471	-29
	2017	471	434	-37
	2018	434	416	-18
Company-Owned	2016	5	5	0
	2017	5	8	+3
	2018	8	8	0
Total Outlets	2016	505	476	-29
	2017	476	442	-34
	2018	442	424	-18

**Table No. 1-B Canada Outlet Summary
For years 2016 to 2018**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Changes
Franchised	2016	211	209	-2
	2017	209	203	-6
	2018	203	200	-3
Company-Owned	2016	0	0	0
	2017	0	0	0
	2018	0	0	0
Total Outlets	2016	211	209	-2
	2017	209	203	-6
	2018	203	200	-3

Item 20 Table No. 2
Transfers of Outlets from Franchisees to new Owners (other than the Franchisor)
For years 2016 to 2018

Table No. 2-A United States

State	Year	Number of Transfers
Arizona	2016	11
	2017	6
	2018	3
California	2016	2
	2017	0
	2018	0
Florida	2016	14
	2017	14
	2018	5
Illinois	2016	3
	2017	0
	2018	0
Indiana	2016	6
	2017	5
	2018	0
Kansas	2016	7
	2017	6
	2018	5
Kentucky	2016	1
	2017	0
	2018	0
Maine	2016	0
	2017	9
	2018	0
Michigan	2016	5
	2017	1
	2018	0
Nebraska	2016	0
	2017	0
	2018	6
New Jersey	2016	0
	2017	2
	2018	0
New York	2016	2
	2017	0
	2018	0
North Carolina	2016	2
	2017	1
	2018	1
Ohio	2016	0
	2017	0
	2018	6

State	Year	Number of Transfers
Oklahoma	2016	0
	2017	2
	2018	0
South Carolina	2016	7
	2017	4
	2018	9
South Dakota	2016	3
	2017	0
	2018	0
Texas	2016	3
	2017	5
	2018	6
Total Transfers in the United States	2016	63
	2017	51
	2018	50

Table No. 2-B Canada
Transfers of Outlets from Franchisees to new Owners (other than the Franchisor)
For years 2016 to 2018

State	Year	Number of Transfers
Alberta	2016	13
	2017	0
	2018	0
British Columbia	2016	3
	2017	0
	2018	4
Newfoundland & Labrador	2016	6
	2017	0
	2018	0
Nova Scotia	2016	0
	2017	2
	2018	0
Ontario	2016	4
	2017	1
	2018	0
PEI	2016	2
	2017	2
	2018	2
Total Transfers in Canada	2016	28
	2017	3
	2018	4

Table No. 2-C Grand Total Transfers of Outlets in the United States, Central America, and Canada

State	Year	Number of Transfers
Grand Total	2016	91
	2017	54
	2018	54

**Item 20 Table No. 3
Status of Franchised Outlets
For years 2016 to 2018**

Table No. 3-A The United States

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Alaska	2016	1	0	0	0	0	0	1
	2017	1	0	1	0	0	0	0
	2018	0	0	0	0	0	0	0
Arizona	2016	23	2	4	0	0	0	21
	2017	21	4	5	0	0	0	20
	2018	20	3	0	0	0	0	20
California	2016	20	0	5	0	0	0	15
	2017	15	0	2	0	0	0	13
	2018	13	0	4	0	0	0	9
Colorado	2016	2	0	0	0	0	0	2
	2017	2	0	2	0	0	0	0
	2018	0	0	0	0	0	0	0
Florida	2016	55	0	6	0	0	0	49
	2017	49	0	3	0	0	0	46
	2018	46	2	7	0	0	0	41
Georgia	2016	13	0	0	0	0	0	13
	2017	13	0	9	0	0	0	4
	2018	4	2	2	0	0	0	4
Illinois	2016	11	1	0	0	0	0	12
	2017	12	0	1	0	0	0	11
	2018	11	0	2	0	0	0	9
Indiana	2016	14	3	0	0	0	0	17
	2017	17	2	2	0	0	0	17
	2018	17	1	0	0	0	0	18
Iowa	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Kansas	2016	21	0	1	0	0	0	20
	2017	20	0	7	0	0	0	13
	2018	13	7	6	0	0	0	14
Kentucky	2016	11	4	2	0	0	0	13
	2017	13	0	0	0	0	0	13
	2018	13	0	0	0	0	0	13
Louisiana	2016	12	0	0	0	0	0	12
	2017	12	0	9	0	0	0	3
	2018	3	0	0	0	0	0	3
Maine	2016	13	0	2	0	0	0	11
	2017	11	6	0	0	3	0	14
	2018	14	11	0	0	0	0	25

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Maryland	2016	9	0	0	0	0	0	9
	2017	9	0	0	0	0	0	9
	2018	9	0	0	0	0	0	9
Massachusetts	2016	2	3	0	0	0	0	5
	2017	5	0	0	0	0	0	5
	2018	5	2	0	0	0	0	7
Michigan	2016	12	5	0	0	0	0	17
	2017	17	3	1	0	0	0	19
	2018	19	0	3	0	0	0	16
Minnesota	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Mississippi	2016	13	0	0	0	0	0	13
	2017	13	0	0	0	0	0	13
	2018	13	4	0	0	0	0	17
Missouri	2016	8	0	0	0	0	0	8
	2017	8	0	0	0	0	0	8
	2018	8	0	0	0	0	0	8
Nebraska	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Nevada	2016	1	0	1	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
New Hampshire	2016	8	0	4	0	0	0	4
	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
New Jersey	2016	19	0	1	0	0	0	18
	2017	18	0	0	0	0	0	18
	2018	18	0	0	0	0	0	18
New York	2016	3	0	0	0	0	0	3
	2017	3	0	2	0	0	0	1
	2018	1	0	1	0	0	0	0
North Carolina	2016	34	0	5	0	0	0	29
	2017	29	2	5	0	0	0	26
	2018	26	0	4	0	0	0	22
North Dakota	2016	4	0	0	0	0	0	4
	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
Ohio	2016	22	0	6	0	0	0	16
	2017	16	0	0	0	0	0	16
	2018	16	0	3	0	0	0	13
Oklahoma	2016	4	0	0	0	0	0	4
	2017	4	0	0	0	0	0	4
	2018	4	0	2	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Oregon	2016	4	0	2	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Pennsylvania	2016	4	0	0	0	0	0	4
	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
South Carolina	2016	22	3	0	0	0	0	25
	2017	25	0	4	0	0	0	21
	2018	21	0	2	0	0	0	19
South Dakota	2016	8	0	0	0	0	0	8
	2017	8	0	0	0	0	0	8
	2018	8	0	0	0	0	0	8
Tennessee	2016	12	0	0	0	0	0	12
	2017	12	0	0	0	0	0	12
	2018	12	0	3	0	0	0	9
Texas	2016	55	0	3	0	0	0	52
	2017	52	8	2	0	0	0	58
	2018	58	1	9	0	0	0	50
Utah	2016	4	0	4	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
Virginia	2016	7	0	2	0	0	0	5
	2017	5	0	2	0	0	0	3
	2018	3	0	0	0	0	0	3
Washington	2016	19	0	0	0	0	0	19
	2017	19	0	0	0	0	0	19
	2018	19	0	0	0	0	0	19
West Virginia	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	3	0	0	0	0
Wisconsin	2016	7	0	0	0	0	0	7
	2017	7	0	2	0	0	0	5
	2018	5	0	0	0	0	0	5
Wyoming	2016	2	0	2	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
TOTAL in the U.S.	2016	500	21	50	0	0	0	471
	2017	471	25	59	0	3	0	434
	2018	434	33	51	0	0	0	416

Table No. 3-B Status of Franchised Outlets in Central America

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Panama	2016	0	1	0	0	0	0	1
	2017	1	0	1	0	0	0	0
	2018	0	0	0	0	0	0	0
Honduras	2016	1	0	0	0	0	0	1
	2017	1	0	1	0	0	0	0
	2018	0	0	0	0	0	0	0
Mexico	2016	1	0	1	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
Total in Central America	2016	2	1	1	0	0	0	2
	2017	2	0	2	0	0	0	0
	2018	0	0	0	0	0	0	0

Table No. 3-C Totals for United States and Central America

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Total in United States and Central America	2016	502	22	51	0	0	0	473
	2017	473	25	61	0	3	0	434
	2018	434	33	51	0	0	0	416

Table No. 3-D Status of Franchised Outlets in Canada

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Alberta	2016	67	1	0	0	0	2	66
	2017	66	0	1	0	0	1 + 1*	63
	2018	63	1	0	0	0	0	64
British Columbia	2016	47	2	0	0	0	6	43
	2017	43	3	0	0	0	2	44
	2018	44	4	0	3	0	0	45
Manitoba	2016	16	1	0	0	0	0	17
	2017	17	0	0	0	0	4*	13
	2018	13	0	0	1	0	0	12
New Brunswick	2016	9	0	0	0	0	0	9
	2017	9	0	0	0	0	3	6
	2018	6	0	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Newfoundland & Labrador	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Nova Scotia	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
Ontario	2016	55	4	0	0	0	2	57
	2017	57	7	0	0	0	5	59
	2018	59	0	3	2	0	0+1*	55
PEI	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Saskatchewan	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
Total in Canada	2016	211	8	0	0	0	10	209
	2017	209	10	0	0	0	11 + 5*	203
	2018	203	5	3	6	0	1*	200

* Area adjustment in franchise unit number

Table No. 3-E Grand Total of the United States, Central America, and Canada

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other reasons	Outlets at End of the Year
Grand Total	2016	713	30	51	0	0	10	682
	2017	682	35	61	0	3	16	637
	2018	637	38	54	6	0	1*	616

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Item 20 Table No. 4
Status of Company-Owned Outlets in the United States¹⁰
For years 2016 to 2018

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Maine -	2016	5	0	0	0	0	5
	2017	5	0	3	0	0	8
	2018	8	0	0	0	0	8
Totals	2016	5	0	0	0	0	5
	2017	5	0	3	0	0	8
	2018	8	0	0	0	0	8

Item 20 Table No. 5
Table No. 5-A Projected Openings For the United States As Of December 31, 2018

The United States

State	Franchise Agreements Signed But Franchise Not Operating	Projected New Franchises in the Next Fiscal Year	Projected Company-owned Openings in the Next Fiscal Year
Alabama	0	2	0
Arizona	0	3	0
California	0	3	0
Connecticut	0	3	0
Florida	0	5	0
Georgia	0	3	0
Illinois	0	3	0
Indiana	0	3	0
Kansas	0	3	0
Louisiana	0	3	0
Maine	0	3	0

¹⁰ This lists the franchises owned by us as a franchisee of 2703203.

State	Franchise Agreements Signed But Franchise Not Operating	Projected New Franchises in the Next Fiscal Year	Projected Company-owned Openings in the Next Fiscal Year
Minnesota	0	3	0
Mississippi	0	3	0
Missouri	0	2	0
New Jersey	0	2	0
New York	0	3	0
North Carolina	0	5	0
Ohio	0	3	0
Pennsylvania	0	3	0
South Carolina	0	2	0
Tennessee	0	3	0
Texas	0	5	0
Virginia	0	3	0
Washington	0	3	0
TOTALS	0	74	0

Item 20 Table No. 5
Projected Openings For Canada only As Of December 31, 2018

Province	Franchise Agreements Signed But Franchise Not Operating	Projected New Franchises in the Next Fiscal Year	Projected Company owned Openings in the Next Fiscal Year
British Columbia	0	1	0
Canada North (Yukon, NWT, Nunavut)	0	1	0
Manitoba	0	1	0
Nova Scotia	0	1	0
Ontario	0	2	0
Saskatchewan	0	1	0
Total	0	7	0

Table No. 5-C Grand Total of the United States and Canada

State	Franchise Agreements Signed But Franchise Not Operating	Projected New Franchises in the Next Fiscal Year	Projected Company owned Openings in the Next Fiscal Year
GRAND TOTAL	0	81	0

Coffee News publishers' information is disclosed in **Exhibit D**, a listing of Coffee News publishers, which is attached to this disclosure document.

The information of former Coffee News publishers who had an outlet terminated, canceled, not Renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise agreement during the period January 1, 2018 and December 31, 2018 or who has not communicated with the us within ten weeks of the application date is disclosed in **Exhibit E**, a listing of former Coffee News publishers, which is attached to this disclosure document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. During the last three years, publishers have signed the License Agreements containing the confidentiality clauses to protect our intellectual properties. In some instances, current and former publishers sign provisions restricting their ability to speak openly about their experience with Coffee News. You may wish to speak with current and former publishers but be aware that not all of those publishers will be able to communicate with you.

ITEM 21

FINANCIAL STATEMENTS

See Exhibit C for:

1. Audited Coffee News USA, Inc. and 2703203, Manitoba, Inc. Financial Statements for FYE, 12/31/2016, 12/31/2017, and 12/31/2018.
2. All financial statements are in U.S. Dollar. No exchange rate between the Canadian dollars and the U.S. dollars was calculated as Coffee News USA was potentially at par and there was no need.

ITEM 22

CONTRACTS

See Exhibit A for a copy of the franchise agreement.

ITEM 23

RECEIPT

THE LAST TWO PAGES OF THE DISCLOSURE DOCUMENT ARE DETACHABLE DOCUMENT ACKNOWLEDGING RECEIPTS OF THE DISCLOSURE DOCUMENT BY THE PROSPECTIVE FRANCHISEE

EXHIBIT A

COFFEE NEWS LICENSE AGREEMENT

COFFEE NEWS LICENSE AGREEMENT

This COFFEE NEWS LICENSE AGREEMENT ("Agreement") entered into between Coffee News USA, Inc. referred to as "Licensor", and _____ referred to as "Licensee" on this 1st day of _____, 2019.

Whereas Licensor holds an exclusive license for the distribution of a weekly periodical called "Coffee News" (the "Periodical") in the United States, authorizing Licensor to grant licenses which provide nonexclusive rights to use the system, names and marks of the Periodical and to distribute the Periodical to restaurants and other local establishments within a specified geographic area, and seeks to enter into licensing agreements with any such qualified candidates to be Licensor's prospective Licensees throughout the United States; and

Whereas Licensee recognizes the benefits to be derived from being identified with and licensed by Licensor, and being able to utilize the system, names and marks which Licensor makes available, and is desirous of obtaining from Licensor a license to receive, print and distribute the Periodical and to employ Licensor's sales methods and techniques; and

Whereas Licensee proposes to establish a sales organization which adequately covers the region subject to this Agreement and promote the goodwill of the Periodical;

Now, therefore, in consideration of the mutual covenants herein contained, Licensor and Licensee hereby agree as follows:

1. GRANT OF LICENSE.

1.1 Grant and Acceptance. Subject to the terms and conditions contained herein, Licensor hereby grants to Licensee, and Licensee hereby accepts, the exclusive rights to receive, print and distribute the Periodical within the municipal or geographic boundaries of _____ and /or such territories defined in the attached Schedule A of this Agreement, for use solely as indicated herein and for the period beginning on the date hereof and continuing until the Agreement shall terminate as hereinafter provided. Licensee may not purchase more than twenty (20) such licenses in the aggregate under this Agreement and other separate licensing agreements. Licensor does not recognize the expansion of the municipal or geographic boundaries by voluntary annexation, annexation by statute, or involuntary annexation during the term of this agreement.

1.2 Nonexclusivity. Licensor and Licensee agree that this Agreement shall be nonexclusive in that Licensor is free to license other Licensees, provided that such Licensees do not operate within the municipal or geographic boundaries of _____, the region covered by this Agreement.

2. LICENSE FEE PAYMENTS.

2.1 Fee Payments. In consideration of the license granted by Licensor to Licensee and the services to be rendered hereunder, Licensee shall pay to Licensor as follows:

(a) Deposit. A non-refundable deposit of \$9,500.00 to secure exclusivity and compensate Licensor for the provision of thirteen (13) weekly editions of the Periodical over the course of the initial three (3) months of this Agreement concluding on _____, _____, 20____ (the "Initial Period"), or, in the case of multiple licensing agreements entered into between Licensor and Licensee, as set forth in Schedule A attached hereto and incorporated herein. The payment of \$9,500.00 must be made in the following manner:

\$ 500.00	is to be paid before draft of the license agreement
\$9,000.00	is to be paid upon signing of the license agreement
\$9,500.00	TOTAL

(b) Postponement Fees. In the event that Licensee wishes to postpone the start date of Licensee's business by one month or more, Licensee needs to pay for additional \$1,000.00 to us to obtain such extension and hold Licensee's area for such one or more months before Licensee pays the full amount due under the Agreement.

(c) Weekly Fees. For the first license granted to Licensee, weekly payments of \$80 per week beginning upon the conclusion of the Initial Period. In the case of multiple licenses granted to Licensee under separate licensing agreements, weekly payments of \$40 per week for each additional license purchased, to be charged for each week beginning after the first nine (9) months of Licensee's operation in accordance with Schedule A.

(d) Additional Licenses. For any additional licenses granted to Licensee under a separate licensing agreement, a non-refundable deposit of \$7,000.00 to be paid in accordance with Schedule A. However, following the end of the initial term of this Agreement, Licensee shall pay a non-refundable deposit equal to the then prevailing rate for new Licensees to purchase an additional license.

(e) Method of Payment. Except as provided in Schedule A, payment by Licensees of weekly fees beginning with the fourth month term of this Agreement shall be made by credit card or check or optionally, by preauthorized automatic debit to the Licensees demand deposit account, when available.

(f) Adjustment of Weekly Fees. Commencing on March 1 of each year of the term of this Agreement, the weekly fees may be adjusted upward or downward by Licensor, subject to a maximum increase equal to the increase in the "Consumer Price Index of Urban Wage Earners and Clerical Workers- (CPI-W, 1982-1984 - 100)" published by the Bureau of Labor Statistics U.S. Department of Labor. This percentage increase in the cost of living shall be calculated from the percentage of change in the CPI-W from the first day of the term year immediately prior to the instant term year to the first day of the instant term year.

(g) There are no other initial fees or payments required for services or goods before the date of the agreement. The date of the agreement is considered Licensee's date of opening Licensee's franchise business. Three months after Licensee's opening Licensee will pay a required Weekly fee for the continued support and services from Licensor including receipt of copy or content for Licensee's periodical as indicated in Section 2.1 (c) above. The Weekly fee is more fully explained in Item 5 of the Franchise Disclosure Document. Initial fees and payments will be due upon Licensor's completion of all pre-opening obligation.

2.2 Failure to Make Payment. Unless otherwise prohibited by law, failure to make payment of either the deposit for additional or weekly fees in accordance with Schedule A for a period of sixty (60) days from the due date may result in the loss of all licenses and termination of receipt of the Periodical by Licensee, at the option of Licensor.

3. TERM AND RENEWAL.

3.1 Term. The term of this Agreement shall commence upon execution hereof by all parties hereto and shall expire on _____ 31, 20____, subject to earlier termination pursuant to the terms of this Agreement.

3.2 Renewal. Licensee shall have the right to automatically renew this agreement for subsequent four (4) year periods provided that:

(a) Performance of Obligations. Licensee has duly performed its obligations hereunder to the satisfaction of Licensor;

(b) Agreement In Force. This Agreement is in full force at the end of the term provided for in paragraph 3.1 and Licensee is not then in breach of any terms hereof;

(c) Renewal Terms. The Licensee hereby agrees that upon renewal, the Licensee shall comply with the then current Coffee News License Agreement, except that there shall be no additional deposit from the Licensee. Licensor shall furnish the Licensee with a copy of Licensor's then current License Agreement (and related agreements), which Agreement the Licensee must execute no later than 3 months prior to the expiration of this Agreement.

(d) Notice. Licensee must give written notice to Licensor of its exercise of its option to renew at least six (6) months prior to the end of the first term, or at least six (6) months prior to the end of the first term of any renewal thereof.

4. SUPPLY OF PERIODICAL.

4.1 Form of Periodical. Licensor shall supply to Licensee a copy of the Periodical in a good quality photocopied state (the "Copy"). The Copy shall contain the format and information to be included under all sections of the Periodical except the "What's Happening" section. Licensee shall provide the local information of interest to its customers in the "What's Happening" section including a schedule of events occurring in the region such as sports events, concerts and festivals.

4.2 Frequency of Supply. Licensors shall post the Copy on the company web page for download by Licensee in eight-week increments, with each download containing eight (8) weekly editions of the Copy. The Copy shall be posted on line no later than five (5) business days prior to the end of the previous eight (8) week period. Licensors may deliver the Copy to Licensee by electronic transfer, provided that Licensors and Licensee mutually agree upon the method and technology to be used for such transfer.

4.3 Responsibility For Supply. Licensee acknowledges that Licensors is a mere Licensee of 2703203 Manitoba, Inc. The delivery of Copy to Licensee is dependent upon the continued production by 2703203 Manitoba Inc. of such Copy according to the terms of a licensing agreement entered into between 2703203 Manitoba Inc. and Licensors and, to the extent that 2703203 Manitoba Inc. does not deliver Copy to Licensors, Licensee's sole recourse shall be to 2703203 Manitoba Inc. In the event that 2703203 Manitoba Inc. does not deliver copy to Licensors, Licensors is authorized but is not obligated to supply archival Copy until supply by 2703203 Manitoba Inc. is resumed. If 2703203 Manitoba Inc. should for any reason be permanently unable to supply Copy, Licensors shall have the right to produce and supply Copy to Licensee under the terms of a separate agreement entered into between Licensors and 2703203 Manitoba Inc.

4.4 Printing Service. Licensee acknowledges and agrees that it will purchase the printing services from Coffee News Printing, LLC in Houlton, Maine for a minimum period of one (1) year from the date of this Agreement. Upon expiration of such one (1) year, Licensee may continue using the printing service of Coffee News Printing, LLC, but has the option to purchase printing service from another print shop. If Licensors provides Licensee with financing to purchase minimum of four or more franchised units, subject to the initial payment of the training fees referenced in Paragraph 10 hereof, Licensee agrees that it shall use the printing services of Coffee News Printing, LLC during the term of the loan.

5. CONTENT OF PERIODICAL.

5.1 MAINTENANCE OF CONTENT. Except as provided for herein, Licensee shall not edit, change, add to, eliminate from, or alter in any way the contents or format of the Periodical without the prior written consent of Licensors. For clarity, Licensee agrees that the unalterable characteristics of the Periodical (the "Format") include, but are not limited to, the following:

(a) Size. Eleven inches by seventeen inches (11" x 17") page size format.

(b) Coloring. Light brown coloring of paper.

(c) Format. Two-sided printing with each page divided into three (3) columns, with the two (2) border columns each allowing for eight (8) advertisements arranged vertically and a center column allowing for the publication of information.

(d) Sections. On the cover page, the center column shall be divided into 5 sections entitled as the "Coffee News" heading, "Everybody's Talking", "Quoteable Quotes", "What's Happening" and "Trivia". On the reverse side, the center column shall

be divided into 4 sections referred to as "Your Weekly Horoscope", "Did You Know", "On the Lighter Side" and "Answers" (to "Trivia" section on the cover page).

(e) Proportions of Advertisements. The proportions of all advertisements are of equal size, approximately two and seven-eighths inches by two inches (2 7/8" x 2"), in a rectangular rounded corner box with one open corner.

(f) Advertisement Borders. The borders of advertisements are in a series of backwards and forwards "S" shapes.

5.2 General Editorial Control. Licensor shall exercise editorial supervision over the Periodical and may make such changes as it may deem necessary and advisable. Licensor shall have final authority regarding the content of the Periodical.

6. NAMES, MARKS AND TRADE SECRETS.

6.1 License of "Coffee News" Name and Format. Nothing in this Agreement shall be construed as an assignment or grant to Licensee of any right, title or interest in or to the "Coffee News" name or Format, it being understood that all rights relating hereto are reserved by 2703203 Manitoba Inc., a corporation of the Province of Manitoba, Canada and Licensor except for this license to use the "Coffee News" name and Format only as specifically and expressly provided in this Agreement. Furthermore, nothing in this Agreement shall be construed as an assignment, grant or license to Licensee of any right, title or interest in any trade names, service marks, trade symbols, emblems, signs, slogans or insignia not designated by this Agreement as licensed to Licensee, which may be developed by Licensor for use with other Licensees. Licensee recognizes the great value of the goodwill associated with the "Coffee News" name and Format and acknowledges that the name and rights therein and goodwill pertaining thereto belong to Licensor and 2703203 Manitoba Inc. Licensee hereby agrees that every use of the "Coffee News" name and Format shall inure to the benefit of Licensor and 2703203 Manitoba Inc. and that Licensee shall not at any time acquire any rights in such name. Licensee agrees that it will not, while this Agreement is in effect or thereafter, attack the title or any rights of Licensor or 2703203 Manitoba Inc. in and to the "Coffee News" name or Format or attack the validity of this license of the use of such name or Format or do anything which would jeopardize or diminish Licensor's rights to or the value of such name.

6.2 Use of Trade Secrets. Licensee shall not directly or indirectly furnish to any other party any confidential information as to the "Coffee News" Format, methods of operation, advertising, promotion, ideas or any other information relating to Licensor's business of "Coffee News" without the written consent of Licensor. The provisions contained herein shall survive the termination, expiration, transfer, assignment, of this Agreement. Licensee shall execute a non-disclosure or confidentiality agreement with its employees, officers, key personnel, agents, or stockholders, as the case may be, that such employees, officers, key personnel, agents, or stockholders, as the case may be, shall be bound by the contractual provisions contained in this paragraph, and will be liable for damages, reasonable attorney fees and court cost if the Licensor and/or Licensee has to enforce their contractual rights by legal actions.

7. OBLIGATIONS OF LICENSOR.

In addition to the other obligations in this Agreement, Licensor has the following obligations:

7.1 Operations Manual. Licensor shall provide to Licensee an operations manual describing how to arrange the distribution of the Periodical within the region covered by this Agreement, how to sell advertising, how advertising in the Periodical operates and how to design such advertisements, how to determine the suggested pricing of advertising, and how to determine coverage areas. This manual also will include sample Filler ad Advertisements, office supply samples such as sample insertion orders, sample business cards, envelopes and monthly sales envelopes for use by Licensee in producing its own supplies of such materials (The "Operations Manual").

7.2 Trade Information. Licensor shall disclose to Licensee the unique marketing and sales techniques employed in the design and format of the Periodical.

7.3 Periodical Holders and Other Products. Licensor shall disclose the design of the Periodical holder if Licensee desires to have such holders made locally and to allow the purchase of either Periodical holder labels or Periodical holders with labels attached from Licensor preferred vendor, Darter Specialties, 514 Cornwall Avenue, P.O. Box 188, Cheshire, CT 06410 or other vendors to be named in the future.

7.4 Support Services. Licensor shall provide Licensee support services as deemed reasonable and advisable by Licensor. This could include but not be limited to telephone conferencing, a newsletter, business and marketing ideas, form and display rack samples, and other networking concepts as they develop in the future.

8. OBLIGATIONS OF LICENSEE.

In addition to the other obligations in this Agreement, Licensee has the following obligations:

8.1 Best Efforts. Licensee shall use its best efforts to promote the Periodical by obtaining advertisers for the Periodical in the Licensee's region. Licensee shall distribute the Periodical to as many restaurants, hotels, coffee shops and other outlets directed by Licensor as possible and to otherwise distribute the Periodical in such other ways as Licensor may deem to be in the best interest of both parties.

8.2 Payment of Debts: Adverse Action. Licensee shall pay promptly when due all taxes, accounts, and indebtedness of any kind incurred by Licensee in the conduct of its business unless being contested actively in good faith. Licensee shall pay any tax assessed by any State or other taxing authority in Licensee's designated region on fee payments to or other revenue received by Licensor from Licensee. Licensee agrees to notify Licensor in writing within five days of the commencement of any action, suit, or proceeding which, if decided adversely to Licensee, would materially and adversely affect Licensee's financial condition and to notify Licensor within five days of the issuance of any order, writ, injunction, award, or decree of any court, agency or other governmental instrumentality which adversely affects Licensee's financial condition.

8.3 Spendthrift Provision. This license will be and remain personal and exclusive to Licensee to the fullest extent authorized or permitted by law. No part of any interest of Licensee under the provisions of this instrument will be subject to garnishment, levy, or seizure by any creditor or any other person claiming against or in the right of Licensee under any proceeding or writ at law or in equity. Licensee agrees not to pledge or encumber this Agreement, without the express written consent of the licensor.

8.4 Laws and Licenses. Licensee shall comply with all applicable federal, state and local laws and regulations. Licensee and its employees shall obtain and at all times maintain any and all permits, certificates or licenses necessary for the full and proper operation under the license granted herein.

8.5 Non competition During and After Term of Agreement. During the term of this Agreement and for a period of two (2) Years after the termination, expiration, transfer, or assignment of this Agreement, Licensee or the Licensee, either as individuals or a business entity, their family members or the officers, directors, other key personnel, employees or stockholders, as the case may be, shall not directly or indirectly, through corporations, partnerships, trusts, associations, joint ventures, or unincorporated businesses, perform any services for, engage in or acquire, be an employee of, have any financial, beneficial, or equitable interest in, or have any interest whatsoever in any publication of a type similar to the Periodical that operates within the region covered by this agreement. Licensee shall execute a non-competition agreement with its employees, officers, key personnel, agents, or stockholders, as the case may be, that such employees, officers, key personnel, agents, or stockholders, as the case may be, shall be bound by the contractual provisions contained in this paragraph, and will be liable for damages caused by violation of the provision contained herein plus reasonable attorney fees and court cost if the Licensor and/or Licensee has to enforce their contractual rights by legal actions.

8.6 Guarantee to Advertisers. Licensee shall guarantee to advertisers that advertisements run in the Periodical shall be "either error-free or free of charge".

8.7 Continuing Archive. Licensee shall provide Licensor with a continuing archive of two (2) complete copies of every issue of the Periodical printed and distributed in Licensee's geographic area. Licensee shall mail such copies to Licensor on a monthly basis, with mailing to occur on the first business day of every month.

8.8 Outlet List. Licensee shall provide to Licensor every six (6) months an updated list of outlets distributed through and the number of copies of the Periodical distributed in Licensee's region.

8.9 Supply to Outlets. Licensee shall ensure that each outlet has a sufficient number of copies to cover each weekly seven (7) day period.

8.10 Periodical Holders. Licensee shall ensure that each outlet has a Periodical holder in use and shall replace any lost, broken or stolen holder promptly.

8.11 Notification of Violations. Licensee shall immediately notify Licensor of any apparent infringements of or challenges to the use of the "Coffee News" name or Format or Licensee's licensed business in the region covered by this Agreement.

Licensee shall not communicate with any person other than Licensor, 2703203 Manitoba Inc., and its counsel in connection with any such infringement, challenge or claim. Licensee agrees that 2703203 Manitoba Inc. shall have sole discretion to take such action as it deems appropriate and the right to exclusively control any litigation or other administrative claim or action relating to any such infringement, challenge or claim. Any money, damages or other benefits arising out of such infringement, challenge or claim shall accrue to 2703203 Manitoba Inc. Licensee agrees to execute any and all instruments and documents, render such assistance and perform such acts as may, in the opinion of the counsel of 2703203 Manitoba Inc., be necessary or advisable, to protect and maintain the interests of 2703203 Manitoba Inc., Licensor and its Licensees in any litigation or administrative proceeding or to otherwise protect and maintain the interest of 2703203 Manitoba Inc. and Licensor in the "Coffee News" name and Format or their businesses.

8.12 Independent Contractor Status and Indemnification. Licensee is an independent contractor or licensee of the Licensor, and is not an agent, legal representative, joint venturer, partner, employee, servant or agent of Licensor, for any purpose whatsoever. Licensee is not authorized to make any contract, lease, warranty, or representation on behalf of Licensor, or to create any obligation, express or implied, on behalf of Licensor. Licensee shall be responsible for, and shall promptly pay when due, all expenses of Licensee's licensed business, including, but not limited to all taxes and levies connected with the said licensed business and any income arising therefrom. Licensor shall not be liable for any such expenses, taxes, levies or disbursements otherwise paid or incurred in connection with the establishment and maintenance of the aforesaid business.

8.13 Indemnity. Licensee will indemnify Licensor and its employees and hold them harmless from and against all losses, claims, actions, damages, liabilities and expenses, including attorneys fees, arising from loss of life, personal injury, damage to property or any other loss or injury suffered by Licensee's agents, employees or third parties, arising directly or indirectly from, or as a result of, or in connection with Licensee's operation of the Periodical business in the licensed area or by reason of Licensee's use of the system, names or marks of the Periodical. Licensee shall indemnify Licensor and its employees and hold them harmless from and against all copyright or trademark challenges of Licensee's right, title or interest in any trade names, service marks, trade symbols, emblems, signs, slogans or insignia used in Licensee's licensed business. Further, Licensee shall indemnify Licensor and its employees and hold them harmless from and against all claims arising out of Licensee's use of any such social media network.

8.14 The sale of License by Licensee. Licensee agrees not to pledge or encumber this Agreement except with the express written approval of Licensor, to be granted in the Licensor's sole discretion, which Licensee may request in the event that Licensee seeks to sell the license granted hereunder to a third party who desires to use said license as collateral for purchase financing. Licensor shall have the authority to extend the term of this Agreement beyond the term set forth in paragraph 3 to enable a purchaser of the license to obtain financing of said purchase if Licensor, in his sole discretion, determines such extension to be necessary. Licensee may request approval of the use of the license granted hereunder as collateral and/or the extension of the term of this Agreement by written request sent to address provided under paragraph 14.

8.15 Compliance with Coffee News Social Media Policies. Licensee acknowledges and agrees to comply with Coffee News Social Media Policies that Coffee News adopted that may be amended from time to time. It is acknowledged that the Licensees are responsible for their own content posted or published through the social media and are responsible for complying with all laws and regulations and third-party site terms and conditions. Coffee News will not have any liability for the Licensee's use of social-media sites. Additionally, Coffee News does not have responsibility or obligation for monitoring Licensee's compliance with such laws, regulations, and third-party terms and conditions. Any approval by Coffee News of the use of social media sites or monitoring thereof does not constitute a representation that the Licensees are in compliance with these laws, regulations or terms and conditions. The Licensees are responsible for monitoring their own employees, representatives, agents, etc. to ensure compliance with these requirements set forth in the Policies. A copy of the Coffee News Social Media Policy is attached hereto as Schedule D to this Agreement and all content of the Policy is incorporated as part of the Agreement.

9. RESERVATION OF RIGHTS.

9.1 Reservation of Rights. All rights in the Periodical other than those specifically granted herein by Licensor to Licensee are reserved by Licensor for full use by it or its assignees, transferees or Licensees.

10. TRAINING

10.1 Training Program. Licensor offers a three day Coffee News College every 8-13 weeks for all North American Licensees / franchisees. All signatories to this License Agreement are required to attend the next available Coffee News College. All existing Licensees may attend future initial training programs voluntarily.

10.2. Training Program. Such training consists of 3 day classroom program utilizing both veteran Licensees and corporate staff to provide a combination of lectures and hands on involvement. There is also time allowed for networking between you and veteran Licensees during this period. The training is normally offered in Bangor, Maine and at other random locations around North America on at least one (1) additional occasion, depending upon the volume of new Licensees. The topics covered in the 3 day training program include without limitation sales, advertisement design, billing, collections, distribution, marketing, and startup.

10.3. Expenses. The initial training program is at no additional cost to you. The one-time training fee of \$2,500.00 is included in the \$9,500.00 initial franchise fees. However, you are responsible for your own travel and hotel stay expenses. Your attendance of subsequent training program will be at your own expenses.

10.4 When Licensee obtains finance for full funding to purchase minimum of four franchises subject to Paragraph 4.4 hereof, Licensee shall attend the next Coffee News College at the time of purchase.

11. SUCCESSORS AND ASSIGNMENT.

11.1 Successors and Assigns of Licensor. All rights of Licensor in this Agreement shall inure to the benefit of Licensor's successors and assigns.

11.2 Nontransferability of Licensee's Interest. Licensee agrees that its interest in this Agreement is not transferable and shall not be sold, pledged, hypothecated, assigned or transferred without the express written consent of Licensor, provided that Licensor's consent shall not be unreasonably withheld. When a transfer is granted by Licensor, the transferee Licensee shall execute Coffee News' then current License Agreement and related documents to govern the remaining term of this Agreement.

11.3 Ownership Changes. If Licensee is a corporation or partnership, Licensee agrees to notify Licensor of any change in stock ownership or partnership interest in Licensee while this Agreement is in effect. Any such change which, together with all prior changes, results in a change of the person or persons having control of the entity shall be a transfer subject to the provisions of this paragraph 10 and its subparagraphs.

11.4 Transfer Upon Death or Permanent Incapacity. Immediately upon the death or permanent incapacity of the Licensee or if the Licensee is a corporation, upon its dissolution or upon the death of any person with a substantial or controlling interest in the Franchise, the Licensee has the following options:

- a) if requested by the Licensee's heirs, Licensor, at its sole discretion, may allow a family member of the Licensee or another officer of the Licensee entity continue to temporarily operate the franchise. Such temporary operation may be converted to a full-term operation, which will be contingent upon Licensor's approval after said family member has developed sufficient skill necessary to operate the franchised business; or
- b) if the officer(s) of the Licensee's entity decides to sell the franchise, Licensor, at its sole discretion, may allow a temporary operating agreement until the franchise is sold; If the Licensee's entity is registered as a sole proprietor, Licensor at its sole discretion may allow a temporary operating agreement signed by a responsible and duly authorized person until such time as the franchise is sold or transferred to a new owner with Licensor's approval; or
- c) the franchise shall be transferred automatically back to Licensor and by signing this License Agreement, the Licensee agrees that his/her interest in the franchised business shall not be part of probate of his/her estate.

A transfer fee may be assessed and required for transfers set forth in above Sections 11.4 (a) and (b) depending upon the skill level and knowledge of the buyer or transferee.

12. LEGAL FEES ASSOCIATED WITH LICENSE.

12.1 Legal Fees Associated With License. Licensee shall bear the expense of all legal fees, costs and expenses associated with the operation of the license granted herein. Such fees shall include, but not be limited to, the costs associated with the determination of the legal requirements of and compliance with the

statutes, ordinances and regulations regarding arrangements of this type in the State of _____ . Licensee shall supply Licensors with a letter of opinion, drafted by an attorney qualified and licensed to practice law in the State of _____ , stating that this Agreement and Licensee's operation of its licensed business hereunder are in full compliance with the statutes, ordinances and regulations of the State of _____ .

13. BREACH, DEFAULT AND TERMINATION.

13.1 Breach by Licensee. If Licensee breaches or defaults under any provision of this Agreement, Licensors shall have all rights and remedies permitted by law or equity, including, but not limited to, the right of termination. Any termination by Licensors shall have no effect upon Licensee's obligation to pay the non-refundable deposit due in accordance with subparagraph 2.1 (a) and/or Schedule A. The forfeiture by Licensee of such non-refundable deposit in the case of termination shall be liquidated damages and not a penalty. For the purposes of this paragraph, a default or breach shall include, but not be limited to, the following:

(a) Unlicensed Distribution. The printing or distribution of unlicensed or unauthorized issues of the Periodical.

(b) Similar Publication. The printing, distribution or participation in, directly or indirectly, any publication of a similar type to the Periodical.

(c) Insolvency. The insolvency, bankruptcy or placement in receivership of Licensee.

(d) Criminal Offenses. The conviction of Licensee or its principal shareholder with a major criminal offense which, by its nature and by the potential long-term imprisonment threatened, would result in serious damage to the reputation of the Periodical or the effective business operation of Licensors.

(e) Attachment or Seizure. Attachment or seizure of any of Licensee's assets, provided Licensors is certain that such seizure or attachment is an extreme threat to the continued successful operation of the exclusive license.

(f) Nonpayment. Failure to pay when due the deposit payments, due in accordance with subparagraph 2.1 (a) and/or Schedule A, or weekly fees, due in accordance with subparagraph 2.1(b) and/or Schedule A, for sixty (60) consecutive days whether or not Licensors has advised Licensee in writing of such failure.

(g) Mental Incompetency. The mental incompetency of Licensee, its operator or principal shareholder.

(h) Breach or Default. The Breach or default by Licensee under any other contract or agreement between Licensee and Licensors.

(i) Lack of Communication. The Licensee has not communicated with Licensors within 10 weeks of Licensors' three (3) attempts of contact via phone, email or such other reasonable methods.

(j) Others. Failure to comply with any requirements of this Agreement.

13.2 NON Waiver by Licensors. Neither Licensors' waiver of a breach or default by Licensee, nor delay or failure to exercise any right upon breach or default, nor acceptance of any payment, shall be deemed a waiver nor shall the same impair rights for other breaches or defaults of the same or a different kind. The description of any breach or default in any notice shall not preclude the later assertion of other additional defaults or breaches.

13.3 Termination By Licensee. Licensee shall have the right to terminate this Agreement by providing Licensors with written notice to Licensors one hundred twenty (120) days prior to the effective date of such termination. Licensee shall have the right to terminate this Agreement within the Initial Period covered by the non-refundable deposit, in which case the non-refundable deposit shall be forfeited to Licensors as liquidated damages and not as a penalty. Any termination by Licensee shall have no effect upon Licensee's obligation to pay the non-refundable deposit due in accordance with subparagraph 2.1(a) and/or Schedule A.

14. EFFECT OF TERMINATION.

14.1 Effect Upon Licensee's Rights. Upon termination of this Agreement for any reason, all of Licensee's rights hereunder shall forthwith cease and Licensee shall not thereafter publish or use the Periodical or any part thereof or the system, names and marks associated with the Periodical in any manner whatsoever.

14.2 Continuation of Licensors' Rights. Upon termination of this Agreement for any cause whatsoever, all rights, title and interest in and to the Periodical shall remain with Licensors as holder of an exclusive license covering the United States.

14.3 Return of Materials. Upon termination of this Agreement for any reason, Licensee shall return the Operations Manual, all printed and working copies of the Periodical then in existence plus all advertiser lists, present advertiser identities, telephone numbers and addresses, together with all files and records pertinent to such customers in the licensed area, monthly sales records up to the date of termination, all camera-ready artwork in connection with the Periodical, holders and all printed back issues.

15. NOTICES.

15.1 Notices. All notices, requests, payments, demands and reports to be given under this Agreement are to be in writing, delivered by hand, telegram, certified or registered mail, or courier service guaranteeing overnight delivery, except that regular 6 month reports from Licensee and shipments of Copy by Licensors may be sent by regular mail, to the following address (which may be changed by written notice):

LICENSORS:

Coffee News USA, Inc.
One Cumberland Place, Suite 102
Bangor, ME 04401

Phone: 207-941-0860

LICENSEE:

Email Address:

Phone:

Notice by mail shall be deemed received on the third business day after mailing or upon actual receipt, whichever is earlier.

16. INTERPRETATION.

16.1 Amendments. This Agreement constitutes the entire agreement between the parties and may not be changed except with a written document signed by both parties with the exception of the amendments. Nevertheless, nothing in this Agreement or in any related agreement is intended to disclaim the representations that Licensor has made in the franchise disclosure document.

16.2 Choice of Law and Consent To Jurisdiction. This Agreement shall be governed by the laws of the State of Maine. Licensor and Licensee agree that any legal or equitable action for claims, debts or obligations arising out of, or to enforce the terms of, this Agreement may be brought by either party in the United States District Court for the District of Maine, or in any courts of the State of Maine, and that such court shall have personal jurisdiction over the parties and the venue of the action shall be appropriate in such court.

16.3 Construction of Language. The language of this Agreement shall be construed according to its fair meaning and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires; if more than one party or person is referred to as Licensee, their obligations and liabilities shall be joint and several. Headings are for reference purposes only and do not control interpretation. All the terms and words used in this Agreement, regardless of the number or gender in which they are used, shall be deemed and construed to include any other number (singular or plural) or any other gender as the context or sense of this Agreement, or any section or clause hereof, may require.

16.4 Successors. References to Licensor or Licensee include such successors, assigns, or transferees as are permitted in accordance herewith.

16.5 Severability. If any provision of this Agreement is deemed invalid or inoperative for any reason, that part shall be deemed modified to the extent necessary to make it valid and operative, or if it cannot be so modified, then severed, and the remainder of the Agreement shall continue in full force or effect as if the Agreement had been signed with the invalid portion so modified or eliminated.

16.6 Exhibits and Schedules. All exhibits and schedules attached hereto are incorporated by reference in the appropriate paragraph and form a part of the Agreement.

16.7 Enforceability. The parties to this Agreement understand and agree that, if any portion of the restrictive covenants set forth in this Agreement is held to be unreasonable, arbitrary, or against public policy, then that portion of those covenants shall be considered divisible as to time and region. The parties to this Agreement agree that if any court or competent jurisdiction determines that the specified time period or the specified region of application of any covenant is unreasonable, arbitrary, or against public policy, then a lesser time period, geographical area or both, that is determined to be reasonable, non-arbitrary, and not against public policy, may be enforced against the parties hereto. The parties to this Agreement agree and acknowledge that they are familiar with the present and proposed operations of "Coffee News" Licensees and believe that the restrictive covenants in this Agreement are reasonable with respect to their subject matter, duration, and geographical application. Notwithstanding that the parties agree that any court of competent jurisdiction may modify the time period or specify geographical area of applicability in this agreement, the parties do not intend that a court be able to modify the payment terms set forth herein.

16.8 Arbitration. Except for obtaining injunctive relief by either party against actual or threatened conduct that would cause irreparable harm to that party, all controversies, disputes or claims arising under this Agreement between Licensor and Licensee shall be submitted for arbitration to the Office of the American Arbitration Association nearest to Licensor on demand of either Licensor or Licensee. Such arbitration proceedings shall be conducted in Bangor, Maine. Except as otherwise provided in this Agreement, such claims shall be heard by one arbitrator in accordance with the then Current Commercial Arbitration Rules of the American Arbitration Association. The administrative cost of the arbitration, including the cost of the arbitrator, shall be borne equally by the parties. Each party shall be responsible for the payment of its own attorneys' fees and expenses. At Licensor's request, the arbitrator shall require Licensee to produce all books and records of the Licensee's business for Licensor's examination and use as evidence in the arbitration. The arbitrator shall have the authority to award all relief at law or equity but shall not have the authority to award exemplary or punitive damages. The award and decision of the arbitrator shall be conclusive and binding upon the parties and judgment upon the award may be entered in any court of competent jurisdiction identified in paragraph 15.2 above, including an order pursuant to an opinion of the arbitrator for specific performance of any of the requirements of this Agreement. Licensor and Licensee agree that any contest of such award shall be in the courts specified in Paragraph 15.2 above. The arbitrator shall not add, delete, modify or amend any of the terms of this Agreement. This Agreement to arbitrate shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. During the period of any dispute or arbitration, the terms of this Agreement will remain in full force and effect on all parties, including the payment of all fees due in accordance with Schedule A and including the use of the trademark by the Licensee.

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17. SIGNATURES.

_____ IN WITNESS THEREOF the parties have signed this Agreement on the day and year first above written.

WITNESS:

WITNESS:

LICENSOR:

Coffee News USA, Inc.
One Cumberland Place, Ste. 102
BANGOR, ME 04401

By _____
William A. Buckley, Its President

LICENSEE:

WITNESS:

WITNESS:

By _____

By _____

SCHEDULE A - Option

1. REGION

_____, including seasonal licenses:

Projected Coffee News Licenses =

2. DEPOSIT PAYMENT

Deposit: \$ __,000.00 due on or about _____ 1, 2019.

3. RETURN OF LICENSES

After every six months, Licensee has the option to return the remainder of Licensee's license if Licensee is unable to put such licenses into operation. If Licensee's licenses are not in operation but Licensee desires to maintain possession of such licenses, Licensee may pay the next level of licensing fees.

4. WEEKLY LICENSING FEES

Feb 1/____ - and on _____ \$ 80.00/wk (1 CN's)

Please note: Timing of the weekly licensing fees is over-generous on purpose- to allow Licensee more than enough time to get the entire region in operation well before Licensee reaches his/her maximum licensing fees.

Also, if Licensees are able to put more Coffee News publications in operation than Licensee's licensing fees expect, that is to Licensee's benefit only. Licensee's licensing fees do not increase. In the event that Licensee decides to sell Licensee's licenses, the new buyer will pay to Licensor a transfer fee of \$ 2,500.00 and will pay licensing fees based on the number of Coffee News publications in operation at the time of the sale.

**SCHEDULE B
PROMISSORY NOTE**

\$ _____, 20__

I, _____ [name and address of the Licensee] doing business as _____ [trade name of his business] (the "Debtor") promise to pay to the order of **Coffee News USA, Inc.** at One Cumberland Place, Bangor, Maine 04401 (the "Holder"), the sum of _____ Dollars (\$ _____) (the amount is called "principal") plus interest accruing at the Annual Percentage Rate (APR) of _____ percent (_____ %) and such other finance charges, if any.

1. The payments shall be made as follows:

Principal Amount Financed:	\$ _____
Annual Interest:	_____ %
Duration of Loan:	_____ (months)
Start Date of Loan:	_____
Monthly Payment:	\$ _____
Total Number of Payments:	_____
Principal Amount to be paid:	\$ _____
Finance Charges to be paid:	\$ _____
Total Cost of the loan:	\$ _____

2. Each monthly payment shall be made on the _____ day of each calendar month beginning on _____, 20__. Debtor will make these payments every month until he/she have paid all of the principal and interest and any other charges described above that he/she may owe under this Note. In no event shall any monies continue to be owed after _____, 20__, which is called the "maturity date." Any unpaid balance may be pre-paid at any time without penalty.

3. The Debtor acknowledges and hereby agrees to grant Holder, with any and all the licensed rights to the territory that was granted to Debtor in the foregoing Coffee News License Agreement, to secure the payment set forth in this Promissory Note and to secure the performance of all covenants and agreements contained herein. In the event of a failure to pay interest, principal or any other amount due on this Promissory Note in accordance with its terms, or of a breach of any other covenant, condition or agreement contained herein, remaining uncured for a period in excess of five (5) days (except that no grace period shall be permitted for a default under this Note or the foregoing Coffee News License Agreement), or any breach in the covenants, conditions or agreements in any instrument given in connection with the Promissory Note and debt secured hereby, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the undersigned, or if the foregoing Coffee News License Agreement for which the parties have entered into this Promissory Note is terminated for any reason, then the entire debt secured hereby, together with all charges to which Holder would be entitled under the Promissory Note or by law if the Promissory Note were prepaid in full, shall be due and payable, Holder shall have the right to realize upon the security granted herein, and the payment and acceptance of any sum on account of this note shall not be considered a waiver of such right of election. The failure at any time of Holder to exercise this option shall not constitute a waiver of the right to exercise

the right at any other time. Upon realizing the security granted herein, Holder has the right and power to sell the license that was granted to Debtor in the foregoing Coffee News License Agreement.

4. If the Promissory Note is not paid when due and shall be placed by the Holder in the hands of any agent or attorney for collection through legal proceedings or otherwise, the undersigned shall pay to the Holder the costs and reasonable expenses of collection, including without limitation, reasonable attorney's fees.

5. This Schedule B and the Promissory Note contained herein shall be governed by and construed according to the laws of the State of Maine.

6. Nonperformance of either party shall be excused to the extent that performance is rendered impossible by strike, fire, flood, governmental acts, orders or restrictions, or any other reason where failure to perform is beyond the control and not caused by the negligence of the non-conforming party.

7. The parties agree that neither party may assign or transfer any rights and obligations under this Schedule B, directly or indirectly except upon the prior written consent of the other party. Subject to the foregoing, this Schedule B shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

8. If any provision of this Schedule B is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

The undersigned hereby acknowledges receipt of a filled-in copy of this Schedule B, the Promissory Note, and Exhibit A to this Promissory Note (the Guaranty of Performance), which is incorporated as part of this Schedule B by reference. The undersigned acknowledges and agrees that he/she has read and understand the entire Schedule B and that he/she has been offered an opportunity to obtain legal consultation in connection with the Schedule B and the Promissory Note contained herein before his/her signature.

IN WITNESS WHEREOF, the parties hereto have executed this Promissory Note contained herein on this ____ day of _____, 20____.

Holder:

Debtor:

Coffee News USA, Inc
By: William A. Buckley
Title: President

[Licensee's name]
By:
Title:

[witness]

[witness]

STATE OF MAINE)
) SS.
COUNTY OF PENOBSCOT)

Personally appeared before me on this _____ day _____ of _____, 20____, the above named **William A. Buckley** to me known to be the person who executed the foregoing Schedule B as **President** of the above named Holder and, being duly sworn, stated upon that the Schedule B is true and correct.

Notary Public

My Commission expires: _____

STATE OF _____)
) SS.
COUNTY OF _____)

Personally appeared before me on this _____ day _____ of _____, 20____, the above named _____ (the "Debtor") to me known to be the person who executed the foregoing Schedule B as _____ of the above named Debtor and, being duly sworn, stated upon that the Schedule B is true and correct.

Notary Public

My Commission expires: _____

**SCHEDULE C
PROMISSORY NOTE
(An alternative option to SDHCEDULE B)**

\$ _____, 20__

I, _____ [name and address of the Licensee] doing business as _____ [trade name of his business] (the "Debtor") promise to pay to the order of **Coffee News USA, Inc.** at One Cumberland Place, Bangor, Maine 04401 (the "Holder"), the sum of _____ Dollars (\$ _____) (the amount is called "principal") and such other finance charges, if any.

1. The payments shall be made as follows:

Principal Amount Financed: \$ _____
Duration of Loan: _____ (months)
Start Date of Loan: _____

Monthly Payment (\$25.00/week
for each franchised unit): \$ _____

Total Number of Payments: _____
Principal Amount to be paid: \$ _____
Finance Charges to be paid: \$ _____
Total Cost of the loan: \$ _____

2. Each monthly payment shall be made on the ____ day of each calendar month beginning on _____, 20__. Debtor will make these payments every month until he/she have paid all of the principal and interest and any other charges described above that he/she may owe under this Note. In no event shall any monies continue to be owed after _____, 20__, which is called the "maturity date." Any unpaid balance may be pre-paid at any time without penalty.

3. The Debtor acknowledges and hereby agrees to grant Holder, with any and all the licensed rights to the territory that was granted to Debtor in the foregoing Coffee News License Agreement, to secure the payment set forth in this Promissory Note and to secure the performance of all covenants and agreements contained herein. In the event of a failure to pay interest, principal or any other amount due on this Promissory Note in accordance with its terms, or of a breach of any other covenant, condition or agreement contained herein, remaining uncured for a period in excess of five (5) days (except that no grace period shall be permitted for a default under this Note or the foregoing Coffee News License Agreement), or any breach in the covenants, conditions or agreements in any instrument given in connection with the Promissory Note and debt secured hereby, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the undersigned, or if the foregoing Coffee News License Agreement for which the parties have entered into this Promissory Note is terminated for any reason, then the entire debt secured hereby, together with all charges to which Holder would be entitled under the Promissory Note or by law if the Promissory Note were prepaid in full, shall be due and payable, Holder shall have the right to realize upon

the security granted herein, and the payment and acceptance of any sum on account of this note shall not be considered a waiver of such right of election. The failure at any time of Holder to exercise this option shall not constitute a waiver of the right to exercise the right at any other time. Upon realizing the security granted herein, Holder has the right and power to sell the license that was granted to Debtor in the foregoing Coffee News License Agreement.

4. If the Promissory Note is not paid when due and shall be placed by the Holder in the hands of any agent or attorney for collection through legal proceedings or otherwise, the undersigned shall pay to the Holder the costs and reasonable expenses of collection, including without limitation, reasonable attorney's fees.

5. This Schedule C and the Promissory Note contained herein shall be governed by and construed according to the laws of the State of Maine.

6. Nonperformance of either party shall be excused to the extent that performance is rendered impossible by strike, fire, flood, governmental acts, orders or restrictions, or any other reason where failure to perform is beyond the control and not caused by the negligence of the non-conforming party.

7. The parties agree that neither party may assign or transfer any rights and obligations under this Schedule C, directly or indirectly except upon the prior written consent of the other party. Subject to the foregoing, this Schedule C shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

8. If any provision of this Schedule C is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

The undersigned hereby acknowledges receipt of a filled-in copy of this Schedule C, the Promissory Note, and Exhibit A to this Promissory Note (the Guaranty of Performance), which is incorporated as part of this Schedule C by reference. The undersigned acknowledges and agrees that he/she has read and understand the entire Schedule C and that he/she has been offered an opportunity to obtain legal consultation in connection with the Schedule C and the Promissory Note contained herein before his/her signature.

IN WITNESS WHEREOF, the parties hereto have executed this Promissory Note contained herein on this ____ day of _____, 20 ____.

Holder:

Debtor:

Coffee News USA, Inc
By: William A. Buckley
Title: President

[Licensee's name]
By:
Title:

[witness]

[witness]

STATE OF MAINE)
) SS.
COUNTY OF PENOBSCOT)

Personally appeared before me on this _____ day _____ of _____, 20____, the above named **William A. Buckley** to me known to be the person who executed the foregoing Schedule C as **President** of the above named Holder and, being duly sworn, stated upon that the Schedule C is true and correct.

Notary Public

My Commission expires: _____

STATE OF _____)
) SS.
COUNTY OF _____)

Personally appeared before me on this _____ day _____ of _____, 20____, the above named _____ (the "Debtor") to me known to be the person who executed the foregoing Schedule C as _____ of the above named Debtor and, being duly sworn, stated upon that the Schedule C is true and correct.

Notary Public

My Commission expires: _____

EXHIBIT A TO SCHEDULE B and/or SCHEDULE C

GUARANTY OF PERFORMANCE

(To Be Executed by Principal Stockholder(s) If Licensee/Debtor is a Corporation, professional corporation, partnership, limited liability partnership, limited liability company)

FOR VALUE RECEIVED, and in consideration for, and as in inducement to Coffee News USA, Inc. as the Holder to make the foregoing Schedule B / C to Coffee News License Agreement with _____ [name of the Licensee/Debtor], as the Debtor (the "Schedule B"), the undersigned, who each own 5% or more of the Debtor, unconditionally guarantee the full performance of all the covenants, conditions and agreements therein provided to be performed and observed by the Debtor and the Debtor's successors and assigns pursuant to the Schedule B / C and the Promissory Note contained therein, and expressly agrees that the validity of this Guaranty of Performance and the obligations of the guarantor(s) hereunder shall not be terminated, affected or impaired by reason of the granting by Holder of any indulgences to Debtor or by reason of the assertion by Holder against Debtor of any of the rights or remedies reserved to Holder pursuant to the provisions of the Schedule B / C or by the relief of Debtor from any of Debtor's obligations under said Schedule B / C by operation of law or otherwise (including without implied limitation, the rejection or assignment of the Schedule B / C and/or the Promissory Note) in connection with proceedings under bankruptcy laws now or hereafter enacted), irrespective of Holder's consent or other action or inaction with respect to such relief, the undersigned hereby waiving notice, protest, demand of the acceptance of this Guaranty all suretyship defenses and all defenses in the nature thereof.

The undersigned further covenants and agrees that this Guaranty shall continue in full force and effect as to any modification or extension of the Schedule B / C, whether or not the undersigned shall have received any notice of or consented to such modification or extension. The undersigned further agrees that the undersigned's liability under this Guaranty shall be primary, and that in any right of action which shall accrue to Holder under said Schedule B / C, Holder may, at Holder's option, proceed against the undersigned and Debtor, jointly and severally, and may proceed against any or all of the undersigned without having commenced any action against or having obtained any judgment against Debtor. In addition to any other remedies Holder may have against the undersigned and the obligations of the undersigned to Holder, the undersigned shall reimburse Holder for all costs and liabilities incurred by Holder in connection with the enforcement of this Guaranty of the Schedule B / C or a default under either including, without limitation, all costs of collection and reasonable attorney's fees. No party liable under this Guaranty shall be entitled to rights of subrogation against any party or interest in the Schedule B / C before the full performance and observance of all covenants, conditions and agreements of the Schedule B / C.

It is agreed that the failure of Holder to insist in any one or more instances upon a strict performance or observance of any of the terms, provisions or covenants of the Schedule B / C or to exercise any right therein contained shall not be construed or deemed to be a waiver or relinquishment for any subsequent performance or observance of such term, provision, covenant or right, but the same shall continue and remain in full force and effect. Receipt by Holder of payment with knowledge of the breach of any provision of the Schedule B / C and the Promissory Note contained therein shall not be deemed a

waiver of such breach.

No assignment or other transfer of the Schedule B / C or any interest therein shall operate to extinguish or diminish the liability of the undersigned guarantor(s) under this Guaranty. Wherever reference is made to the liability of Debtor named in the Schedule B, such reference shall be deemed likewise to refer to the undersigned guarantor(s).

It is further agreed that all of the terms and provisions hereof shall inure to the benefit of the respective successors and assigns of Holder, and shall be binding upon the respective heirs, executors, administrators and assigns of the undersigned.

If any provision of the Schedule B / C and/or Exhibit A to Schedule B / C is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

WITNESS THE EXECUTION UNDER SEAL, WHEREOF, this ____ day of _____, 20__.

Guarantor(s):

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

SCHEDULE D

Coffee News Social Media Policy For Coffee News Licensees

As the franchisor of the Coffee News franchise, Coffee News USA, Inc. ("Coffee News" or "We") acknowledge that various technology and social media platforms such as Facebook, YouTube, Twitter, blogs, message boards, wikis, social networking services, video and photo sharing websites, etc., are changing the way people interact. The use of the social media to promote businesses is getting more popular than ever. We respect and support Coffee News Licensees' (or "your") rights to interact with others through social media in a responsible and knowledgeable manner.

In the meantime, Coffee News, as it has always been, is committed to protect its interest including without limitation its Intellectual property rights, the goodwill associated with the Coffee News brand, contractual rights under the Coffee News License Agreement, and the rights not to be harmed by conduct of others whose activities that Coffee News is not legally responsible. Coffee News Social Media Policy (the "Policy") will help the Coffee News Licensees make respectful and appropriate decisions about their interactions with others concerning Coffee News on the Internet. It is acknowledged that both Coffee News Agreement and Coffee News Franchise Disclosure Document contain the governing provisions relating to advertising which cover the use of social media. This Policy provides you with certain guidelines under the advertising provisions.

It is acknowledged that the Licensees are responsible for their own content posted or published through the social media and are responsible for complying with all laws and regulations and third-party site terms and conditions. Coffee News will not have any liability for the Licensee's use of social-media sites. Additionally, Coffee News does not have responsibility or obligation for monitoring Licensee's compliance with such laws, regulations, and third-party terms and conditions. Any approval by Coffee News of the use of social media sites or monitoring thereof does not constitute a representation that the Licensees are in compliance with these laws, regulations or terms and conditions. The Licensees are responsible for monitoring their own employees, representatives, agents, etc. to ensure compliance with these requirements set forth in the Policies. Given the constant change and development of the technology, this Policy is subject to change and modification at any time.

WHEREFORE, Coffee News adopts the following Social Media Policies that all Coffee News Licensees shall follow:

1. General Guidelines:

Coffee News suggests that all Licensees, comply with the following general guidelines:

- a. Be professional and remember that you are part of the Coffee News brand. Wherever possible or appropriate, disclose your licensee relationship with Coffee News.
- b. Keep your post and comments about your business.
- c. Be responsible and honest at all times.
- d. Be credible, accurate, fair and thorough.

- e. Post meaningful, respectful comments. No spam and no language that is offensive to others. When disagreeing with other's opinions, be objective and respectful.
- f. Keep in mind that your online post and comments are permanent.
- g. Whenever you post Coffee News trademark and/or logo online, make sure that you use the trademark and logo correctly in consistent with the Coffee News brand. We take great care to protect the brand and our web efforts and so should you.
- h. Do not post or link to any materials that are defamatory, harassing or indecent.
- i. Do not give a personal opinion that can be construed as judgmental. Do not talk about politics or religion. Stay away from causes.
- j. If you are unsure of whether you should post something or not, do not post it.
- k. Be aware of praise and criticisms posted by other people, competitors, customers, vendors about Coffee News and share those posts with Coffee News.

2. Username format

Due to the importance of brand consistency and the risk of customer confusion, Coffee News suggests that a Licensee use a username including the wording "Coffee News," a space, and then end with the city in which the Licensee is located. (e.g. "Coffee News_ Maine.")

3. Compliance with laws, regulations and third-party terms

The Licensees are obligated to comply with all laws and regulations that are applicable to the use of social media. The Licensees are prohibited from actions including without limitation defaming or disparaging competitors, customers, employees, suppliers, subcontractors, or Coffee News; harassing employees, customers, or any other individuals or entities; using copyrighted materials, trademarks or other proprietary materials in an infringing manner; discriminating against employment applicants, violating privacy laws and policies or otherwise misusing the proprietary information of others; or violating laws or other ethical standards, such as fraud or misrepresentation. All posts by the Licensees on the site must be truthful and not misleading. The Licensees are not encouraged to mention their competitors on the site, but if they do, the Licensees must follow the guidelines contained in this Policy.

4. Confidential information

The Licensees may not use or post the confidential and/or proprietary information of Coffee News pursuant to the Coffee News License Agreement, or breach any other restrictions on confidentiality or disclosure. Additionally, the Licensees may not comment on legal matters, or private matters internal to the Coffee News franchise system. Further, the Licensees need to carefully review the content of the site before publishing or posting and may not disclose proprietary information of their clients, customers or suppliers, or use the names of clients, customers or suppliers without permission.

5. Endorsements and testimonials

The Licensees shall comply with all rules and regulations concerning the endorsement of products pursuant to the 2012 FTC Endorsement Guidelines, as it

may be amended from time to time. If the Licensee is in any way compensated relating to promote and post about a product, then any post by the Licensee on that topic must disclose such relationship.

6. Ownership of domain names, accounts and content

In consistent with the Coffee News License Agreement, any goodwill generated from Coffee News Licensees' social media account belongs to Coffee News. Coffee News reserves the right of ownership to its Licensees' social-media accounts, the content therein, and the domain names associated with these accounts.

7. Franchisor-generated content

From time to time, to keep the brand image consistent, the Licensees may be required to post or use content provided by Coffee News.

8. Exclusion of incendiary topics and the right to remove content

To protect its brand, Coffee News reserves the right to monitor the use of social media and social networking by the Licensees. Subject to Coffee News' sole discretion, Coffee News has the right to remove, or require a Licensee to remove, any content posted by the Licensee that violates this Social Media Policy, violates any laws or regulations, or that Coffee News feels is not consistent with an appropriate use of its trademarks and/or logo.

9. Disclaimers

Licensees shall post or publish Disclaimers stating that the views and content of the site are those of the Licensees, and do not necessarily reflect the position of Coffee News.

The Issuance date: _____, 20____

**COFFEE NEWS LICENSE AGREEMENT
SCHEDULE E**

CONFIDENTIALITY ADDENDUM

Attached to and made a part of the Coffee News License Agreement among and between Coffee News USA, Inc., or 2703203 Manitoba Inc. (collectively the "Licensor") and Coffee News franchisees (the "Licensee"):

1. Any provision set forth in this attached Coffee News License Agreement (the "Agreement") and/or its Exhibits which are inconsistent or contrary to the provisions set forth in this Confidentiality Addendum shall be void and have no effect. All other terms shall remain in full force and effect.
2. Parties acknowledge that Licensor developed a Licensor website-based customer relationship management platform ("Coffee News CRM") which is available for Licensee to manage his/her/its franchised business.
3. With respect to Licensee's customers information or data that the Licensee has entered into the password protected Coffee News CRM account ("Licensee's Confidential Information"), Licensor shall not disclose the Licensee's Confidential Information for Licensor's marketing programs without prior consent of the Licensee.
4. Within 30 days from the closing date of Licensor's transfer, assignment, or sale of its interest in the Coffee News franchise business, Licensor shall provide the Licensee with notice of said transfer, assignment, or sale and offer the Licensee an opportunity to modify or remove any Licensee's Confidential Information.
5. Nevertheless, the Licensee shall be deemed to have given Licensor his/her/its consent to disclose the Licensee's Confidential Information and the Licensor shall not be held liable for disclosing the same if:
 - a. The Licensee voluntarily surrender or return to Licensor the franchised Territory pursuant to the Agreement; or
 - b. The Licensee has failed to communicate with Licensor regardless of Licensor initiated communication for 10 weeks or longer, which has caused termination of the Agreement; or
 - c. The Licensee fails to modify or remove the Licensee's Confidential Information within 30 days after Licensor's notice of Licensor's transfer, assignment or sale.

[The remainder of the page intentionally left blank]

IN WITNESS THEREOF the parties have signed this Confidentiality Addendum on the day and year first above written.

LICENSOR:

WITNESS:

Coffee News USA, Inc.
One Cumberland Place, Ste. 102
BANGOR, ME 04401

WITNESS:

By _____
William A. Buckley, Its President

LICENSEE:

WITNESS:

By _____

WITNESS:

By _____

EXHIBIT

B

COFFEE NEWS Newsletter Sample

Massage Therapy Clinic
Better for You than Candy...
Lead Longer than Candy...
Give A Gift from the Heart...
Relax and Rejuvenate with Massage & Body
Work Packages this Valentine's Day.

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Everybody's Talking

Who will come? It's a subject most people don't talk about openly, but everyone probably spends some time thinking about who would attend their funeral and what might be said about them. Amir Vehabovic, of Gradiska, Bosnia, decided to take his musings farther by taking his death to see who would come to mourn him. He ordered a false death certificate and he bribed undertakers to provide an empty coffin, then sent invitations to 45 people to attend his funeral. Spying from the nearby bushes, he was dismayed that only his elderly mother showed up. "I really thought more of you would turn up," he wrote in an angry letter to his friends!

Long time to wait: Alan Brogan and Irene Kinnair met and fell in love when they were youngsters in an orphanage together. At the ripe age of 9, Alan told Irene he was going to marry her someday. It finally happened - 50 years later. Soon after his declaration of love, Alan was moved to another orphanage and the friends lost touch with one another. Forty years later, they met again, but Alan was in a relationship. But a decade after that, fate reunited them in Sunderland, England. They were both single, and the romantic attraction was still there. Four months later, they married. "Fifty years was a long time to wait," says Alan.

Cool lady: Sandy Gimpe may be 67 years old, but she's still flying high, jumping and falling, and risking life and limb. Gimpe is a stunt woman in Hollywood. She's done some high flying, been trampled, and had a heyday doubling for such actresses as Cloris Leachman, Jodie Foster, Sally Field and Sarah Jessica Parker. "I don't want to ever quit," Gimpe says of her career choice. The five-foot wonder woman stays in shape by working out every day, and she has even produced her own workout video. "I want people who are getting older to beat the aging process," says Gimpe.

Quite an inheritance: An American rock star, Isaac Slade, the lead singer of The Fray, and Baronet Sir Benjamin Slade, a British aristocrat with a \$15-million historic estate, have discovered they have something in common - family blood ties. And for Isaac, 29, that means he's in line to inherit Benjamin's 13th century English estate in Somerset. Slade senior had no heirs, so he set about to search for some, and found Isaac, believed to be his only living relative. Slade junior is thrilled at the prospect of taking over the estate. Sir Ben is happy, too. "I am just over the moon to have found him," he says.

Quoteable Quotes

Where beams of imagination play, the memory's soft figures melt away.
Alexander Pope

The highest purpose of intellectual culture is to give a man perfect knowledge and mastery of his own inner self.
Novalis

What's Happening

Wild Pursuit: The Leukemia & Lymphoma Society's Annual Gala, Wild Pursuit. For The Cure will be held Sat. Feb. 16 at The Country Club of Jackson, 7pm til midnight. The evening will include wild game cuisine, cash bar, live & silent auctions, and entertainment by Aquanet. For ticket or further info, call (601) 956-7447.

Victorian Valentines: Children ages 5 to 12 are invited to create a Victorian Valentine craft at the Mansion House Museum, 420 E. Fortification St., Jackson, on Tuesday, Feb. 12, 3:30-4:30pm. Free, reservations required. Info, call (601) 961-4724. To include your community event in What's Happening, fax (601) 898-9857 or email to: coffeeenews@bellsouth.net.

For A Chance To Win \$25.00

1. Find the Ad with the hidden Coffee Cup artwork.
 2. Cut out the Ad and mail it along with completed entry form to:
 Coffee News Contest • 107 Rockwood Dr. • Madison, MS 39110

Name _____ Phone _____ Age _____
 Address _____

Where do you pick up *Coffee News*?
 Two \$25.00 winners drawn each month. Winners will be announced in future issues of *Coffee News*. One entry per household weekly. Thank you!

Trivia

1. The world's largest spider is named after which biblical character?
2. How many kerats is pure gold?
3. The practice of decorating a Christmas tree originated in which European country?
4. Which Alexander discovered the first antibiotic?
5. Back, Blanket, and Buttonhole are all types of what?

(Flip bottom of page for answers)

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You have to face a Holy God on Judgement Day. Are you a good person... by God's standards?

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Your Weekly Horoscope

ARIES (March 21 - April 20)
You may decide to change the decor of your home, or you may attend a musical or artistic event that exposes you to new styles that are different. Lucky numbers: 4, 8, 13, 14, 32, 42.

LIBRA (Sept. 24 - Oct. 23)
Practical concerns dominate. It is a good time to learn practical skills, do your taxes, organize your files, and take care of business. Lucky numbers: 5, 12, 15, 21, 40, 48.

TAURUS (April 21 - May 21)
Your perception of people gets rather hazy; you tend to see them through rose-colored glasses. It is best not to make firm commitments at this time. Lucky numbers: 2, 4, 29, 30, 31, 45.

GEMINI (May 22 - June 21)
If you have creative or artistic inclinations, your work will blossom. You can come up with some really lovely, inspiring images. Lucky numbers: 6, 8, 10, 12, 47, 48.

CANCER (June 22 - July 23)
It's a good time to get a new perspective on your life; but don't force yourself to make important decisions while you are not comfortable with any alternatives. Lucky numbers: 4, 14, 19, 32, 45, 46.

LEO (July 24 - Aug. 23)
Physical thrills and excitement have a strong appeal for you now, and you want to do something new and out of the ordinary. Try a new sport. Lucky numbers: 8, 10, 13, 42, 43, 49.

VIRGO (Aug. 24 - Sept. 23)
Your needs for love, companionship, friendship, and sharing are very strong now, and you won't want to be alone or go off to do solitary work. Lucky numbers: 14, 18, 29, 33, 34, 38.

SCORPIO (Oct. 24 - Nov. 22)
A significant development in a close relationship or strong feelings of attraction to someone you encounter are very likely at this time. Lucky numbers: 3, 13, 24, 26, 35, 47.

SAGITTARIUS (Nov. 23 - Dec. 21)
A tip, or a lot of activity, is very likely. A significant conversation, learning from another and getting ideas and perceptions across to others is also likely. Lucky numbers: 11, 12, 15, 28, 44, 45.

CAPRICORN (Dec. 22 - Jan. 20)
You may hear from someone who has important information for you or feel a pressing need to write or call someone else in order to bring some matter in the open. Lucky numbers: 2, 6, 11, 25, 29, 37, 41.

AQUARIUS (Jan. 21 - Feb. 19)
Your desire for love and affection, as well as beauty and pleasure, is strong now and you act on feelings and creative impulses more readily than usual. Lucky numbers: 3, 15, 19, 24, 25, 31.

PISCES (Feb. 20 - March 20)
You have a very realistic and no-nonsense attitude at this time and are rather critical, skeptical, or cautious about new ideas. Deep, quiet study and solitary reflection is favored. Lucky numbers: 4, 8, 20, 28, 29, 33.

Lucky numbers this week: This week's odds favor Aries, Cancer and Pisces winners with the luckiest numbers being 4 and 32.

Did You Know...

Quirky: In the 1960s, physicist Murray Gell-Mann needed a word for subatomic particles. He chose "quark," a word he first read in the book *Finnegans Wake*, which was written by James Joyce.

Hissy fit: The deadly king cobra, the huge, hooded snake of southeast Asia, will try to avoid contact with humans if possible. However, if startled, it will stick its head up, spread its hood and hiss. As well, it sways from side to side. These are the cues that tell the human visitor to back away.

First toothpaste: Getting your teeth clean about 4,000 years ago involved using a paste devised by Egyptian physicians who mixed pumice stone and strong wine vinegar together. It was brushed on using a chew stick.

Clean face: Ancient Egyptian males were proud of a nice hairless face. A clean-shaven mug was a status symbol, and members of the royal family were buried with their collection of bronze shaving razors.

On the Lighter Side

Did you ever notice when you blow in a dog's face he gets mad at you? But when you take him in a car he sticks his head out the window?

Children are natural mimics. They act like their parents in spite of every attempt to teach them good manners.

Heat causes things to expand. Thus, in summer the days are longer.

Mathematics is 10% inspiration... and 99% perspiration.

When people run around and around in circles we say they are crazy. When planets do it we say they are orbiting.

You can't tell which way the train went by looking at the track.

There is absolutely no substitute for a genuine lack of preparation.

Someone who thinks logically is a nice contrast to the real world!

Answers

Trivia answers: 1. Coliah, 2. 24th, 3. Germany, 4. Fleming, 5. Switches

(Over)

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Congrats to our Feb. 8th \$25.00 Winner
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...and many more in Clinton, North Jackson, Rankin County, Madison & Ridgeland.

EXHIBIT

D

COFFEE NEWS Publishers List

EXHIBIT D
COFFEE NEWS PUBLISHERS LIST (as of 12/31/2018)

International Coffee News Franchises

AUSTRALIA

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Laurie & Pam Hook	Seaford VIC AU 3198 0422 939 179	4
Rita Petruccelli	35 Hutchinson Drive Lynbrook VIC 3975 0401 272 702	1
Sue Mazur	Thorneside, AU 4158 07 3036 6275	1
Steve and Donelle Rous	Carina, QLD 4157 0448 869 575	2
Lee Lim	McDowall QLD 4053 0421 838 212	2
Denise Maloney	Arundel QLD 4214 0488 797 901	2
Greg Board	Shoal Point, Mackay QLD 4751 0419 796 785	1
Suzi Manley and Troy Colley	Victoria Point QLD 0478 806 261	3
Total		16

BAHRAIN

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Hamad Al Khalifa	PO Box 115 Manama, Bahrain 011-973-39447117	2
TOTAL		2

CANADA

NAME OF FRANCHISEE	ADDRESS/TELEPHONE	# OF FRANCHISES
Alberta - 64		
Patrick Arisman	151 Country Village Rd. NE Unit 1320, Calgary, AB T3K 5X5 403-831-4358	1
Mike & Melynda Crampton	1333 25 Street, Box 2773 Didsbury, AB T0M 0W0 403-518-1281	2
Kerry Crapo	23 Fairview Close Brooks, AB T1R 0N7 403-793-0507	1
Lori & Cody Cunningham	39159 Range Rd. 10 Red Deer County T4S 2E3 403-314-0870	1
Wes Huffman	16 Willowsprings Cres. Sylvan lake, AB T4S 1G1 403-887-0077	25
Bryon Farguson	RR 2, Site 15, Box 8 Red Deer, AB T4N 5E2 403-346-4141	4
Walter Heuvigh Capital Marketing	Suite 331, 9768 170 th Street Edmonton, AB T5T 5L4 780-220-6390	25
Veronica Peterson	37 Forest Drive Sylvan Lake, AB T4S 1H4 403-864-4459	1
Duane & Carma Thomson	78 South 1st Street South McGrath, AB T0K 1J0 403-759-1002	3
Dorothy Quaife	128 Westview Drive Sylvan Lake, AB T4S 1H5 403-887-3950	1
British Columbia - 45		
Jaret & Kim Dutour	#121 - 10215 St. Surrey, BC V3R 4A8 604- 861-3337	4
Carrie Foss	P.O. Box 1422 Oliver, BC V0H 1T0 250-535-0455	3
Ben Hechter	3818 Garden Grove Dr. Burnaby, BC V5G 4A7 604-725-7385	1

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Brian Kaardal Bite Me Marketing	101 – 901 Island Way Campbell River, BC V9W 2C2 250-287-2510	2
Marco Oscarson	6122 Brickyard Road Nanaimo, BC V7L 3J4 250-751-7611	10
Leander Sauer	304-1561 Vidal St. White Rock, BC V4B 5A7 604-306 – 5766	16
Andrew Scott	2312 Wakefield Dr. Langley, BC V2Y 1B4 604-783-4192	4
Dennis Tarr	180 52A Street Delta, BC V4M 3P6 604-839-0921	4
Andrew Zurrin	Box 355 Cranbrook, BC V1C 4H8 250-489-6112	1
Manitoba – 12		
Leslie Daum	367 McMeans Avenue East Winnipeg, Manitoba R2C 0W9 204-510-1540	2
Alastair Gillespie	182 Baltimore Road Winnipeg, Manitoba R2C 0W9 204-793-1418	10
New Brunswick - 6		
Sherry Arsenault	90 Vincent Road Quispamis, NB E2E 1T5 506-849-1446	3
Paul & Anne Babineau	49 Winter Ave. Moncton, NB E1C 5x2 506-855-3776	2
Jack Dow	527 Beaverbrook Court Fredericton, NB E3B 1X6 506-453-9802	1
Newfoundland - 6		
Tom Williamson	42 Ocean View Rd. Conception Bay South, NL A1X 0E7 709-682-8028	6

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Nova Scotia - 3		
Glenn & Barbara Ash	74 Lynne Dr. Sydney, NS B1P 2Z8 902-539-8290	1
Jeff Dunham	7 D'Aubin Lane Kentville, NS B4N 2X6 902-365-4123	2
Ontario - 56		
Tony Brooks	372 Larry Street Port Stanley, ON N5L 1H5 519-672-6397	8
Bonnie Craig	79 Ollikkala Road RR1 Kaministiquia, ON P0T 1X0 807-767-2179	1
Derek Cross	2733 Los Palmas Crt. Mississauga, ON L5N 2G6	7
Kathy Eller	320 Robinson St. Woodstock, ON N4S 3B9 519-532-0762	3
Craig Gilles	3 Landsend Street Sudbury, ON P3C 1B9 705-525-7073	2
Mike Bell	99 Badgley Rd. RR1 Carrying Place, ON K0K 1L0 613-438-5953	6
Gayle & Chris Hanlon	43 Chaplin Ave. St. Catharines, ON L2R 2E4 519-878-9781	3
Karen Halstead & Greg Davies	29 White Water Dr. Port Dover, ON N0A 1N9 519-583-2994	4
John Janisse	1613 Greenwood Cres. SS6 Belle River, ON N0R 1A0	4
Karen Newton	25 Alfred Street West Thornbury, ON 509-599-7099	4
Betty van Riel	3642 Charlotte Ave. Long Sault, ON K0C 1P0 613-938-6967	1
Bonnie Wiatr	19 South Parkwood Blvd. Elmira, ON N3B 3L1	9

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Theresa Yzerman	1170 Broad Street E. Dunnville, ON N1A 3A2 289-377-9849	4
Prince Edward Island - 2		
Brad Curran	15 old Bedford Rd. Mount Stewart, PE 902-388-6777	2
Saskatchewan - 6		
Sheri Wotypka	Box 1174 Swift Current, SK S9H 3X3 306-741-2408	1
Walter Heuvingsh Capital Marketing (Regina & Lloydminster)	Suite 331, 9768 170th Street Edmonton, AB T5T 5L4 780-220-6390	5
Total		200

NEW ZEALAND

FRANCHISEE	ADDRESS & PHONE	# OF FRANCHISES
Helen Fisher	P O Box 394 Pukekohe NZ 2120 09 239 1702	1
Gary Holmes	5A Beresford Street Pukekohe NZ2120 0274 966 283	3
NAME OF FRANCHISEE	ADDRESS/TELEPHONE	# OF FRANCHISES
Graham and Barbara Greenhorn	P O Box 38-770 Howick NZ 2145 09 537 6037	1
Brendon Catherine Johnson	19 Hammond Ave Hatfields Beach NZ 3434 09 427 8455	1
Quinn Nguyen	9 Regent Street Hamilton 3216 022 016 2668	2
Carol Stewart	108 Elliot Street Papakura NZ 2113 027 333 1212	2

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Julie Butel	P O Box 7031 Whangarei NZ 0144 09 459 1453	1
Greg Hall	19 Fisher-Point Drive Westgate NZ 0814 027 478 0192	3
Hayley Newton	111 Pah Road Auckland 1023 021 197 7600	2
Rahul Jain	31 Poppy Watts Grove Stokes Valley NZ 5019 022 430 3962	1
Adrian Dermer	7 Miro Place Kaitaia NZ 0410 021 127 8685	1
Jono Kennedy	61 Viscount Road Dunedin NZ 9018 09 459 1453	1
Rishi Paveskar	2/264 Onewa Road Birkenhead NZ 0626 021 0871 5709	2
Bhavik & Kejal Soni	84 Captain Scott Road Glen Eden NZ 0602 06 878 4510	2
Shane Atkinson	167 Easterbrook Road RD1 Kaiapoi NZ 7691 021 125 2557	5
Georgina Walker	28 Panapa Road RD2 Hastings NZ 4172 06 878 4510	1
Abhijeet Chaves and Megha Koli	2/1214 New North Rd Mt Albert NZ1025	2
Deane McIntyre	22A Waihi Road Tauranga NZ3110	2
TOTAL FRANCHISES		33

NORTHERN IRELAND

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
John Hutchinson	178 Ballymoney Road, Ballymena, Co Antrim, N Ireland BT43 5HG 07711020592	4
TOTAL		4

SOUTH AFRICA

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
GAUTENG – 3		
Donovan Maistry	2 Amaani Villas Raslouw Gardens Raslouw Centruion +27 83 383 8674	1
Des Reynolds	15 Ashford View Cnr Octave/ Opera Str Radiokop 1724 +27 71 607 0418	2
KWAZULU NATAL – 4		
Patricia Hardy	9 The Links 81 Ashley Drive Gillitts 3610 +27 82 740 8444	4
TOTAL		7

SPAIN

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Alvaro Filgueiras Basanta	Calle Rua de Xenebro, 14-3 D 27003 Lugo, Galicia	4
TOTAL		4

UNITED STATES

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
ARIZONA – 23		
Eugene Lee Baron	2614 Country Club Dr. Bullhead City, AZ 86442 928-763-6721	2
Richard Taylor	1036 E. Meadow Lane Phoenix, AZ 85022 602-677-4556	3
Mark Blum	1126 E Charlestown Av Phoenix, AZ 85022 602-558-8616	3
Stephen Gillingham Mary Mason Tri Cities Enterprises, LLC	9056 W. Sierra Pinta Drive Glendale, AZ 85308 623-326-1702	1
Leeann Herriman James N. Herriman	4088 W. Rocky Spring Dr. Tucson, AZ 86745 520-661-1688	3
Barbara and Dale Hulvey	231 W Giaconda Way, Ste 133 Tucson, AZ 85704 520-207-9100	4
Robert Kastelic	10752 North Chapin Court Oro Valley, AZ 85737 520-334-7436	1
Paul Nelson	7718 W Cheryl Dr. Peoria, AZ 85345 602-550-7732	6
CALIFORNIA – 9		
Joy A. Collier	32227 Success Valley Drive Porterville, CA. 93257 559-788-2340	1
Christopher Lawrence dba Majukin Publishing (Cristi Kimura)	3617 Running Springs Way, Bakersfield CA 93311 661-747-2744 / 661-912-3947	5

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Gene Lytle	645 S. Lovers Lane Suite 4 Visalia, CA 93292 559-594-9444	3
FLORIDA – 41		
Richard & Peggy Miller	2061 Big Pass Lane Punta Gorda, FL 33955 239-560-0381	4
John & Linda Bando	160 Lisa Lane Oldsmar, FL 34677 727-789-6677	6
Nicolle Fernandez-Shute	533 Leeward Lane New Port Richey, FL 34652 201-600-6738	8
Roger L. Giegerich	135 Sunbird Square Sebring, FL 33872 863-273-1452	3
Sandy Harrison Tim Race	328 SW Greenridge Ln Lake City, FL 32025 386-965-5055	4
Eugene J. Hudon Donna R. Hudon	254 Fortuna Drive Palm Beach Gdns, FL 33410 561-252-7778	3
Chris Knorenschild	309 Hammock Grove Ct Jacksonville, FL 32259 904-230-0187	1
Mark Krakower	6706 Paseo Castille Sarasota, FL 34238 941-921-1547	1
Gerald Langford	2224 Eagles Hammock Blvd Middleburg, FL 32086 904-235-7900	1
Cynthia Marshall Ross Vickers	2306 N Archer Rd Avon Park, FL 33823 863-443-0438	3

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Andy Blackburn	52 Pecan Drive Ocala, FL 34472 352-589-6118	5
Ron Vellucci	532 Fox Hollow Lane St. Augustine, FL 32086 904-797-3591	2
GEORGIA – 4		
Randy Cole Vanessa K. Cole	1102 Ridgely Circle Dalton, GA 30720 706-463-1117	2
Bobby Gusman	1041 Broadview Point Greensboro, GA 30642 305-785-8258	2
ILLINOIS – 9		
Dan Ramsden	3204 Spyglass Circle Palos Height, IL 60463 708-258-1119	3
Syed H. Jaffery Zakia Fatima	890 Foxworth Blvd, 116 Lombard, IL 60148 630-827-9230	5
George Shawtell and Patricia Moore	20238 S. Greenfield Lane Frankfort, IL 60423 708-525-1673	1
INDIANA – 18		
Dave Charrlin	17197 Timberstream Dr. Noblesville, IN 46062 317-520-2310	3
Ryan Harrison	301 S. Monticello St. Winamac, IN 46996 855-964-8433	1
Scott Nguyen	7408 Holden Dr Fort Wayne, IN 46706 260-450-2829	1
David Onion Amy Hill	4055 Greendale Dr. Fort Wayne, IN 46815 260-336-2492	4

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Lisa Lillemoen Shaw	P.O. Box 4932 Elkhart, IN 46514 574-202-6397	7
Josh Stubblefield Coffee News on the Sunnyside, LLC	248 Spring St Jeffersonville, IN 47130 812-786-2224	2
IOWA - 6		
Gil Semprini CDCMarketing, LLC	2622 53 St. Des Moines, IA 50310 515-975-0054	6
KANSAS - 14		
Deborah M. Jackson	112 S Scott Ave Belton, MO 64012 816-331-2848	14
KENTUCKY - 13		
David L. Hermesen	2401 Sir Johns Ct. Louisville, KY 40220 502-479-8038	3
Lawrence R. Rother	2106 Boulevard Napoleon; Louisville, KY 40205-1834 502-235-2707	6
Ken & Jill Miller	344 Boiling Springs Dr Lexington, KY 40511 859-699-3813	4
LOUISIANA - 3		
Brandi Parfait	PO Box 82434 Lafayette, LA 70598 337-417-6025	3
MAINE - 25		
Coffee News USA, Inc.	One Cumberland Place Bangor, ME 04401 207-941-0860	8
Mark Albert	127 Frazer Ave. Madawaska, ME 04756 207-436-0577	1

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
John H. Dyer	99 Oak St., Apt A, Ellsworth, ME 04605 207-812-1900	2
Glenn Coombs	56 Kent St. Portland, ME 04102 207-415-3783	9
Chris & Bonnie Popper	131 Grant St. Bangor, ME 04401 207-947-2116	1
Michele Lancaster	1068 Dover Rd. Garland, ME 04939 207-270-1135	1
Reid Stanley	HCR 65 BOX 111 Benedicta, Maine 04733 207-365-7165	3
MARYLAND – 9		
Thomas L. Balsamo Angela R. Balsamo TAB Publishing dba Coffee News Bowie	8048 Mayer Avenue, Pasadena, MD 21122 443-790-1360	5
Jody H. Youll Madaco Marketing, LLC	1901 Stockton Road Joppa, MD 21085 410-877-1962	4
MASSACHUSETTS – 7		
Thomas A. Clarke Holli M. Clarke	192 Pleasant St.#1 Leominster, MA 01453 978-549-8948	2
Ryan Krippendorf	1 Huntington Ave, Unit 4 Amesbury, MA 01913 978-270-7192	2
Trish Paduano	204 Partridge Rd Pittsfield, MA 01201 413-329-9279	3
MICHIGAN – 16		
Christopher Girard Do-All, Inc.	1400 S. Lincoln Street Bay City, MI 48708 989-894-2851	3

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Angela Prokes	1615 Brentwood Dr Wixom, MI 48393 248-231-2411	3
Lora L. Wilson	687 NE 5 th Street Chrystal River, FL 34429 352-637-1960	5
Robert Maitland Kathy Maitland	6092 Higgins Ave. Sterling Heights, MI 48314 586-739-4766	2
Alma Blackburn	7756 Pioneer Ypsilanti, MI 48197 734-545-4780	3
MINNESOTA – 6		
Michael J. Baldwin	9384 North Sleepy Hollow LN Bayside WI 53217 414-588-2850	1
Matthew S. Ketchum Amy W. Ketchum Ketchum Companies LLC d/b/a Coffee News South Metro	2300 O'Meara Ct., Burnsville, MN 55306 952-892-0400	4
Charlene M. Sennwald	4099 32 nd St. SW Pine River, MN 56474 218-831-0898	1
MISSISSIPPI – 17		
Wendy Coltharp	2659 Bienville Rd Nesbit, MS 38651 662-812-2488	4
Martha L. Douglass Loyd E. Douglass Campbell Creek Publishing, LLC dba Pearl River Coffee News	187 Conerly Rd., Braxton MS 39044 601-824-5932	4
Bethanne Dufour Coffee News of Pine Belt, LLC	10 Professional Parkway Hattiesburg, MS 39402 601-606-2266	2

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Diane R. Lisenbe Timothy D. Lisenbe	107 Rockwood Drive Madison, MS 39110 601-607-7988	3
Brian K. Parton	205 Morris Noble Rd. Ocean Springs, MS 39564 800-359-1410	4
MISSOURI – 8		
Deborah M. Jackson	112 S Scott Ave Belton, MO 64012 816-331-2848	8
NEBRASKA - 6		
Hobbess Logan	1233 S. 119 th Street Omaha, NE 68144 402-709-0149	6
NEW HAMPSHIRE - 4		
Gary M. Blue GJ Productions II LLC	412 Ledgeview Drive, Rochester, NH 03839 603-332-9156	1
Roy C. Fairbanks Jr.	459 Berry River Rd Barrington NH 03825 603- 332-6311	3
NEW JERSEY – 18		
John F. Arizzi Joanne M. Arizzi JAD Publications LLC.	22 Bunker Drive, Leht, NJ 08087 609-294-0940	2
David Dailey Donald F. Devingo Gravitas Marketing, LLC	141 Willow Drive Jackson, NJ 08527 732-300-8314	10
Heera Sidhu	1700 Grand Ave, 1st Floor Asbury Park, NJ 732-800-6397	2

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Michael G. Trainor	117 French St. Haddon Twnshp, NJ 08108 609-313-4910	4
NORTH CAROLINA - 22		
Joyce A. Blankenship WNC Marketing Concepts, LLC.	5 Brooks Cove Rd. Candler, NC 28715 828-665-1546 or 828-231-4481	2
Alan Dandison	717 West Henderson St Salisbury, NC 28144 704-762-6626	2
Al Ebron	PO Box 602 Morehead City, NC 28557 252-558-1294	3
Morris L. Fer Kim D. Roberts-Fer	11 Dazzling Brook Lane Waynesville, NC 28786 828-456-3855	2
Scott Kaiser	108 Branchside Lane Holly Springs, NC 27540 919-740-3635	4
Kevin S. Lanier Cream and Sugar Ventures, LLC	104 Gage Court, Fort Mill, SC 29715 803-548-0637	3
Samuel M. Post Alicia H. Post	317 Lantz Ave., Salisbury, NC 28144 704-232-0923	5
Theresa Vollmer	2221 Mica Mine Lane Wake Forest, NC 27587 919-562-8510	1
NORTH DAKOTA - 4		
Steven M. Herman SELS, LLC North Dakota	4401 River Oaks Circle Sioux Falls, SD 57105-7042 605-332-2602	4

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
OHIO – 13		
Jac A. Clay Clayco Marketing, LLC.	1454 Jefferson Street SE New Philadelphia, OH 44663 330-339-7980	4
Matthew Williams	7915 Wales Ave NW North Canton, OH 44720 330-977-0029	6
Kenneth Spooner	6030 Ogilby Dr Hudson, OH 44236 216-375-2889	3
OKLAHOMA – 2		
Randall L. Woods Janice K. Woods	2824 Suroya St. Muskogee, OK 74403 918-687-1135	2
OREGON – 2		
Andrea Jablonski	128 S. Keene Way Dr. Medford, OR 97505 541-973-6587	2
PENNSYLVANIA – 4		
Jen Kline Clark	5920 Grant Ave Bensalem, PA 19020 215-962-3933	4
SOUTH CAROLINA – 19		
Julia C. Howell James R. Howell Back Porch Publishing, LLC	901 Bruce Rd. Cayce, SC 29033 803-447-1339	6
Jodi Simmons	5025 Wayneland Dr. K8 Jackson, MS 39211 601-540-1953	7
Larry Rochester	200 Pate Dr. Suite A Greenville, SC 29609 864-325-4016	6

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
SOUTH DAKOTA - 8		
Lori Paulsen Sauser Paul Sauser	909 Columbus St. Rapid City, SD 57701 605-391-5674	3
Steven M. Herman SELS, LLC	4401 River Oaks Circle Sioux Falls, SD 57105-7042 605-332-2602	5
TENNESSEE - 9		
Evelyn Chadwick	PO Box 4102 Dalton TN 30719 706-218-0456	2
Randy Cole Vanessa K. Cole (Tennessee)	1102 Ridgeleigh Circle Dalton, GA 30720 706-463-1117	4
Lisa Lillemoen Shaw	P.O. Box 4932 Elkhart, IN 46514 574-202-6397	3
TEXAS - 50		
Daniel Cavazos	6842 Inca Dove El Paso, TX 79911 915-241-7566	4
Timothy P. Evans Janet L. Evans JTA Enterprises LLC DBA Coffee News of N.E. Tarrant County	5057 Comstock Cir., Keller, TX 76248 817-379-5270	12
Adam Jochelson	6060 North Central Expressway, Ste 500 Dallas, TX 75206 214-789-2326	12
Bertrand McHenry	2109 Castle Beach Court League City, TX 77573 281-300-8228	3
Patricia A. Prein Phillip D. Prein Prein Industries	3053 Landrum Village Lane Montgomery, TX 77316 832-622-4136	11

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Mike & Kendra Thomason	1307 West Maine Street Gun Barrel City, TX 75156 903-288-9876	3
Thomas K. Tennon	4308 Douglas Ave Midland, TX 79703 432-238-9020	4
Mark/Kelly Willicut	154 Tarpon St Bayou Vista, TX 77563 409-539-2311	1
VIRGINIA – 3		
Debra Kemelek	1490-5A Quarterpath Rd. #195 Williamsburg VA 23185 757-784-0016	3
WASHINGTON – 19		
Gerald Cummings	601 SE Picadilly Dr Shelton, WA 98584 541-817-7979	2
Bill Paquin Terri A. Pequin	472 Spencer Rd Sequim, WA 98382 207-479-1616	1
Brenda L. Plantz	3525 SW 339th PL Federal Way, WA 98023 253-670-3648	6
Daniel J. Stusser Pareto-Curve Marketing, Inc.	P.O. Box 4008, Olympia, WA 98501-0008 360-357-1000	3
V-Team LLP William Vollmer Robert Vollmer Debra Vollmer	164 Valley Meadows Dr Chehalis, WA 98532 360-740-4726	1
P. Michael Zetty, Jr Susan E. Zetty	8746 Coralie Pl NW Bremerton, WA 98311 360-692-4328	6
WISCONSIN – 5		
Michael J. Baldwin	9384 North Sleepy Hollow LN Bayside WI 53217 414-588-2850	1

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Beverly A. Van Lieshout Geraldine V. Trepanier	2424 Hampton Ave Green Bay, WI 54311 920-660-7397	4
TOTAL	UNITED STATES	416

GRAND TOTAL		682
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EXHIBIT

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COFFEE NEWS
Former Publishers List

EXHIBIT E**FORMER COFFEE NEWS PUBLISHERS LIST (as of 12/31/2018)****CANADA**

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Kalvin Bradshaw	6515 Willoughby Way Langley, BC V2Y 1K3 604-328-0155	2 Transfers
Murray Cunningham	(32045 Rd. 25N Grunthal, MB) P.O. Box 98, Sarto, MB R0A 1X0 Ph: 204-295-0555	1 Gave Back
Shar Dubas	24266 48 th Ave. Langley, BC V2Z 2 M4 604-312-8487	2 Transfers
Davood & Eileen Khatami	12-8311 Steveston Hwy. Richmond, BC V7A 1M4 604-649-0629	3 Gave Back
Christine Larabee	724 Denise St. Timmins, ON P4H 5K1 705-262-7127	1 Gave Back
John Toomey	61 Dakin Dr. Ajax, OnN L1T 2S2 905-683-4675	1 Gave Back
Gerry Trembley	319 Stonebridge Way Belle River, ON N0R 1A0	3 Terminated
Total		13

NEW ZEALAND

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Johno Bourgeais and Blair Partington	17 King St Cambridge NZ 3434 027 294 3228	1 Transfer
Gary Preet	35 McGinty St Takanini NZ 2112 021 485 435	3 Transfers
Do Nguyen	19 Archibald Road Kelston NZ 0602 027 289 5588	1 Transfer
Do Nguyen	19 Archibald Road Kelston NZ 0602 027 289 5588	1 Transfer
Brenda Ford	33 Edward St. Richmond NZ 7020 027 284 4701	1 Transfer

NAME OF FRANCHISEE	ADDRESS/ TELEPHONE	# OF FRANCHISES
Karen Barr	2 Whaley Greens Silverdale NZ 0932 022 394 3519	3 Transfers
Stuart Kelly	38 Longford Park Drive Papakura NZ 2113 021 263 1381	1 Closed
Total		11

SOUTH FRICA

GAUTENG - 1		
Celestine David and Mandy David ZOROSPARK (PTY) LTD	41 Olive Street Ext.6 Lenasia 1820 +27 79 064 8884	1 - Returned
MPUMULANGA - 1		
Nokuthula Mahlangu	1749 The Ridge Reyno Ridge Witbank +27 79 056 7171	1 - Returned
KWAZULU NATAL - 2		
Rozenna Thambiran Inner West (Durban)	42 Blue Jade 50 Summit Drive Sherwood 4091 +27 71 350 8041	1 - Returned
Amanda Murray Hibiscus Coast (Lower KZN Coast)	43 Outlook Rd Southbroom, KZN +27 (74) 307-8012	1 - Returned
TOTAL		4

SPAIN

Ziortza Castro Belaunde	Plaza San Agustin 7- 4 A 48950 Erandio (Bizcaia)	6
TOTAL		6

UNITED STATES

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
ARIZONA		
Don Percy	195 Quail Lane Sparta, TN 38583 702-289-6681	3 - TRANSFER
CALIFORNIA		
Pamela L. Smith	1135 7th St., Norco, CA 92860 951-907-3441	4 - CLOSED
FLORIDA		
Felice Fella	PO BOX 150503 Cape Coral, FL 33915 239-810-7869	3 - CLOSED
Gregg & Michelle Hepp	3824 NE Barbara Dr Jensen Beach, FL 34957	3 - CLOSED
Mac McLaughlin	15215 Livingston Ave #172 Lutz, FL 33559 813-841-7551	5 - TRANSFER
Michael & Melissa Murphy	6303 Rose Rush Ct. Lakewood Ranch, FL 34202 941-730-6605	3 - CLOSED
GEORGIA		
Dan Spota	6510 Britannia Place Cumming, GA 30040 678-756-4733	2 - CLOSED
ILLINOIS		
Katie A. Conrad Cool Beans, Ltd	2317 Hastings Dr. Plainfield, IL 60586 815-439-4402	2 - CLOSED

KANSAS		
Aaron Nguyen	1956 North Red Brush Ct. Wichita, KS 67226 316-990-8894	6 - CLOSED
Chad Tilton Anita Tilton	4922 Phelps Rd Kansas City, MO 64136 816-269-3409	5 - TRANSFER
MICHIGAN		
Steve Warmington	1524 Lakeshore Dr. Muskegon, MI 49441 231-557-4027	3 - CLOSED
NEBRASKA		
Douglas Johnson	5644 11 th St. Omaha NE 68137 402-339-6942	6 - TRANSFER
NORTH CAROLINA		
Rosanne Phelps	480 Saint George Rd. Fort Mill, SC 29708 803-431-5866	2 - CLOSED
Sam Howell	23 Spankey Rd. Swannanoa, NC 28778 828-316-8115	1 - TRANSFER
Doug Mace	524 W Fleming Dr Morganton, NC 28655 828-448-8934	2 - CLOSED
NEW YORK		
Fay Symons	170 W. Broadway Apt 7D Long Beach, NY 11561 516-897- 5319	1 - CLOSED
OHIO		
Alan M. Escott Buckeye Publications, LLC	3015 Crafton Road Beachwood, OH 44122 440-527-0303	2 - CLOSED

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
Julie F. McLain	4305 Cheval Cr, Stow, OH 44224 330-677-0952	6 - TRANSFER
Andrew Mlocki	7291 Dell Haven Dr. Parma, OH 44130 440-709-6748	1 - CLOSED
OKLAHOMA		
Cheryl Boyd	2380 S. 86 th E. Ave Tulsa, OK 74129 918-829-4240	2 - CLOSED
SOUTH CAROLINA		
Claire Thompson	130 Limehouse Dr Summerville, SC 29485 478-737-0002	3 - TRANSFER
Peggy Masterson	14 Seashell Court Simpsonville, SC 29926 864-504-7479	2 - TRANSFER
Leigh Sullivan Ike Sullivan	528 Oak Haven Dr. Lancaster, SC 29720 803-283-7777	2 - CLOSED
Timothy J. Young	106 Devon way Anderson, SC 29621 864-222-2306	4 - TRANSFER
TENNESSEE		
Don Percy	195 Quail Lane Sparta, TN 38583 702-289-6681	3 - CLOSED
TEXAS		
Bubba Tijerina-Adams	8715 Bridginton San Antonio, TX 78239 832-492-4384	1 - CLOSED

NAME OF FRANCHISEE	ADDRESS / TELEPHONE	# OF FRANCHISES
James R. Carson	12810 Anmar Drive Cleveland, TX 77328-7309 281-850-2997	6 - TRANSFER
Lori Danielson Leah Hickman	4170 Manorview Lane Mesquite, TX 75150 214-563-9395	3 - CLOSED
Mike Murphy	PO BOX 151554 Lufkin, TX 75915 936-238-7250	2 - CLOSED
Jamie Borham	1014 Shilington Katy, TX 77450 281-795-8891	3 - CLOSED
WEST VIRGINIA		
Rick B. Anderson, Sr. Stand Sure Publishing, LLC.	424 Cedar St., Morgantown, WV 26501 304-296-4137	3 - CLOSED
TOTAL		Closed – 53 Transferred – 41

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT

F

State Regulatory Authorities

EXHIBIT F

STATE REGULATORY AGENCIES

<u>CALIFORNIA</u> Commissioner of the Department of Business Oversight 320 West 4TH Street, Suite 750 Los Angeles, CA 90013-2344 Phone: 1-866-275-2677	<u>NEW YORK</u> NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8236
<u>HAWAII</u> Director of the Department of Commerce and Consumer Affairs 335 Merchant St., Rm 203 Honolulu, HI 96813	<u>NORTH DAKOTA</u> Securities Commissioner State of North Dakota Capitol Building Bismarck, ND 58505
<u>ILLINOIS</u> Illinois Attorney General 500 South Second St. Springfield, IL 62706	<u>RHODE ISLAND</u> Director, Dept. of Business Regulation 233 Richmond ST., Suite 232 Providence, RI 029034232
<u>INDIANA</u> Indiana Secretary of State 302 West Washington , Room E111 Indianapolis, IN 46204	<u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Securities 124 S EUCLID, Suite 104. PIERRE SD 57501
<u>MARYLAND</u> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020	<u>VIRGINIA</u> State Corporation Commission Division of Securities/Retail Franchising 1300 East Main ST., 9 th Floor Richmond, VA 23219
<u>MICHIGAN</u> Michigan Department of Commerce Corporations and Securities Bureau 670 Law Building Lansing, MI 48913	<u>WASHINGTON</u> Dept. of Financial Institutions Securities Division PO Box 9033 Olympia, WA 98501
<u>MINNESOTA</u> Commissioner of Commerce 133 East Seventh ST. St. Paul, MN 55101	<u>WISCONSIN</u> Commissioner of Securities Fourth Floor 101 East Wilson St. Madison, Wisconsin 53702

EXHIBIT

G

Agents for Service of Process

EXHIBIT G

AGENTS FOR SERVICE OF PROCESS

<u>ILLINOIS</u> Office of the Attorney General 500 South Second St., Springfield, IL 62706	<u>RHODE ISLAND</u> Chief Securities Examiner Division of Securities 233 Richmond St., Suite 232 Providence, RI 029034232
<u>INDIANA</u> Indiana Securities Division Secretary of State 302 West Washington, Room e111 Indianapolis, IN 46204	<u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Securities 124 South Euclid, Ste. 104 Pierre, SD 57501
<u>MARYLAND</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore MD 21202-2020	<u>TEXAS</u> Statutory Document Section Secretary of State P.O. Box 12887 Austin, TX 78711
<u>NEW YORK</u> New York Department of State One Commerce Plaza 99 Washington Ave., 6 th Fl. Albany, NY 12231-0001 (518) 473-2492	<u>VIRGINIA</u> Clerk of the Commission State Corporation Commission 1300 East Main St., 1 st Floor Richmond, VA 23219
<u>NORTH DAKOTA</u> Franchise Examiner Office of Securities Commissioner 600 East Blvd., Fifth Floor Bismarck, ND 58505	<u>WASHINGTON</u> Director of Dept. of Financial Institutions Securities Division 150 Israel Rd. SW Tumwater, WA 98501 (360) 902-8760
<u>CALIFORNIA</u> Commissioner of the Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344	<u>HAWAII</u> Commissioner of Securities King Kalakaua Building 335 Merchant Street, Rm. 203 Honolulu, Hawaii 96813
<u>OREGON</u> Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310	<u>WISCONSIN</u> Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission P.O. Box 1768 Madison, WI 53701

EXHIBIT

H

State Addendum

EXHIBIT H

CALIFORNIA ADDENDUM

- a. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Disclosure Document.
- b. The franchisor, any person or franchise broker in Item 2 of the FDD is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
- c. California Business and Professions Code 20000 through 20043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
- d. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. sec. 101 et seq.).
- e. 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.
- f. The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- g. The Franchise Agreement requires binding arbitration. The arbitration will occur in Bangor, Maine with the costs being borne equally by both parties. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professional 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.
- h. The Franchise Agreement requires application of the laws of Maine. This provision may not be enforceable under California law.
- i. Section 31125 of California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed materials modification of an exiting franchise.
- j. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

EXHIBIT I

NOTICE OF EXEMPTION FOR INTERNET ADVERTISEMENT

**NOTICE OF EXEMPTION FOR INTERNET ADVERTISEMENT
SECTION 310.156.3 (a)(1) OF
TITLE 10, CALIFORNIA CODE OF REGULATION**

1. Coffee News advertising on its website at www.coffeenews.com. Coffee News or anyone acting with its knowledge agrees to comply with the California Franchise Investment Law (Corp C §31100 et. Seq.) in Coffee News' internet advertising. The contact person regarding Coffee News' website advertisement is Ms. Melissa Coombs at Coffee News USA, One Cumberland Place, Ste. 102, Bangor, Maine, 04401-8444, (207) 941-0860, abbie@coffeenews.com.
2. Coffee News' internet advertisement will not be directed to any specific person or group within California by a "non-passive form of communication...such as e-mail, instant messages, or other similar modes of communication" by anyone acting with Coffee News' knowledge.
3. OUR WEBSITE HAD NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

Franchisor / Coffee News USA, Inc.:



By: William A. Buckley
Title: President & CEO

Date: 4/15/19

ITEM 23

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 Coffee News USA offers you a franchise, Coffee News USA must provide this Disclosure Document to you 14 calendar- days before you sign a binding agreement with, or make a payment to coffee News, or an affiliate in connection with the proposed franchise sale.

If Coffee News USA 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 Office of Commissioner of the Department of Business Oversight at 320 West 4TH Street, Suite 750, Los Angeles, CA 90013-2344.

You may contact the following franchise seller offering the franchise:

Mr. William A. Buckley
One Cumberland Place, Suite 102
Bangor, Main 04401
Tel: (207) 941-0860.

Coffee News USA INC. authorizes the Commissioner of the Department of Business Oversight, 320 West 4TH Street, Suite 750, Los Angeles, CA 90013-2344 to receive service of process for us.

Issuance Date: March 26, 2019

I have received a disclosure document dated

This disclosure document included the following Attachments and Exhibits:

EXHIBITS:

- A. Franchise Agreement
- B. Sample Coffee News
- C. Financial Statements
- D. Coffee News Publishers List
- E. Former Coffee News Publishers List
- F. State Regulatory Authorities
- G. Agents for Service of Process
- H. State Addendum
- I. Notice of Exemption for Internet Advertisement

Date:

Publisher

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