FRANCHISE DISCLOSURE DOCUMENT

DELUX FRANCHISE, INC.
62-B Main Street
Port Washington, NY 11050
(516) 883-3962
www.deluxtransportation.com

As a Delux® franchisee, you will operate a luxury limousine and sedan transportation business using the trade names, "Delux" and "Delux Transportation Services," and provide transportation services to corporate clients and the public at large.

There is no initial franchise fee or fee to renew. The franchisee is required to pay a continuing operations fee based upon thirty (30%) percent of the gross fares. The total investment necessary for the establishment of each single franchised car ranges from approximately $20,929.75 to $30,150.75 for the first three (3) months of operation.

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, franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Peter Blasucci, President, Delux Franchise, Inc., at 62-B Main Street, Port Washington, NY 11050 – Telephone (516) 883-3962.

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, DC 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 be laws on franchising in your state. Ask your state agencies about them.

Issued: October 5, 1994, as amended [Pending]

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	As stated in Item 19, Delux Franchise, Inc. does not provide information about outlet sales, costs, profits or losses. You should try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit C and D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit F includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Delux Franchise business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be Delux Franchise franchisee?	Item 20 or Exhibits C and D list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out your state's registration requirement, or to contact your state, use the agency information in Exhibit E.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted**.**

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New York State. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in New York State than in your own state.

2. **Governing Law.** The franchise agreement states that New York law governs the agreement, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

DELUX FRANCHISE, INC.

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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

A. The Franchisor

To simplify the language in this Offering Circular, “we” or “us” means Delux Franchise, Inc., the Franchisor. “You” means the person who buys the franchise. Delux Franchise, Inc. was incorporated in the State of New York on August 23, 1993 and has its principal place of business at 62-B Main Street, Port Washington, NY 11050. We do business under the trade name "Delux Transportation Services" and our service mark, Delux®, and logo (which are referred to in general as the "Proprietary Marks"). We do not have a sales office at any location other than our principal place of business, and do not presently retain the services of any sales organization.

Since October, 1994, we have offered franchises for the operation of luxury limousine and sedan cars (hereinafter the "Franchised Business") which sell transportation services to certain corporate clients and the public at large and which rely upon a dispatch communication system. We have never offered franchises in any other line of business.

Our agent for service of process is the New York Secretary of State, One Commerce Plaza, 99 Washington Avenue, Albany, NY 12231-0001.

B. Our Predecessors and Affiliates

We do not have any predecessor and have not sold franchises for a business similar to the type which is offered herein. However, we have affiliates (referred to as the "Affiliates" or the “Delux Group”) which, as described below, operate businesses selling transportation and related services to the public in similar markets as the Franchised Business. The Affiliates, all of which are New York corporations and located at the Franchisor's business premises, are listed (with year of incorporation) and described as follows:

- Delux Transportation Services, Inc. (1988) administers advertising and promotional campaigns for the Delux Group.

- Delux Taxi of Long Island, Inc. (1980), Arrow Island Limousine, Inc. (1985), and Port Conveyance Inc. (1993) operate taxis servicing the Long Island area.

- Motown, Inc. (1982) operates maintenance and garage facilities for vehicles owned or leased by the Delux Group. Motown, Inc. also leases cars to Delux Group corporations and qualified Franchisees.

- Willets Management Systems, Inc. (1980) performs administrative, management, and financial services on behalf of the Delux Group, including the Franchise.

- Reagan Conveyance Corp. d/b/a Delux Transportation Services (2002) holds a New York City Taxi & Limousine Commission ("NYC TLC") "base license" which regulates and polices the operation of franchised cars in New York City. Reagan Conveyance is also a qualified "central dispatching facility" for purposes of securing workers' compensation coverage and benefits for its franchisees and drivers under Article 6-F of the New York State Executive Law, the New York Black Car Operators' Injury Compensation Fund, Inc. ("Black Car Fund"). Reagan Conveyance also holds a Privilege Permit that allows For-Hire Vehicle (FHV) Services, such as those performed by its Franchisees, to pick-up and drop-off at airports operated by the Port Authority of New York and New Jersey.

Neither we nor any affiliate in the Delux Group have offered franchises in any other line of business prior up to and including the effective date of this Offering Circular. The Franchisor does not have a "parent" corporation or other business entity.

C. The Franchise Offered

We offer you a Franchise Agreement which gives you the right to own a Franchised Business and to operate up to three franchised vehicles, subject to our approval. The franchise offered is characterized by a system (the "System") which includes operational guidelines, promotional and advertising methods.

As a Franchisee, you will have the right to utilize the communications system operated by our affiliate, Willets Management Systems, Inc. ("Willets") and are authorized to use Proprietary Marks and certain other services provided by us. You will operate certain Communication Equipment. By such means, you will be able to receive customer calls relayed from the base station. Using the communications system, we or our affiliate will inform you of the location of potential car service customers who have contacted our communications headquarters for transportation service. You are required to (a) purchase a smartphone from a qualified seller, (b) use proprietary equipment owned by the Franchisor in order to process billing using credit cards and (c) maintain this equipment. For each dispatched trip, the customer will pay you, either in cash, by a major credit card approved by us or a charge account transaction. By agreement with us, Willets will render credit card and charge account processing for you and process payment of the Continuing Operations Fee, Dispatch Fees and other administrative fees charged to you in connection with the operation of the Franchise.

Subject to our approval, you may operate up to three (3) vehicles under the Franchise Agreement. No Franchisee or franchise may operate more than three (3) franchised vehicles.

The competition includes other black car companies, both privately and cooperatively owned, engaged in the black car industry, who are competing for the same customers, including those operated by certain members of the Delux Group of affiliates, as well as other Franchisees.

D. Industry-Specific Regulations

If you do not have one, you will be required to obtain a chauffeur's driver's license. You may be required to obtain permits issued by local municipalities or their agencies (including the NYC TLC) in order to operate within their jurisdictions. You also will be required to purchase insurance as is required by New York's insurance and employment laws and regulations in connection with the operation of a livery car and limousine business.

Item 2

BUSINESS EXPERIENCE

The following is a list of directors, principal officers and other executives who have management responsibility in connection with the operation of the business relating to the franchises described in this Offering Circular. The principal occupation and business experience of each person during the past five years, including the names and locations of prior employers is described below. Unless otherwise indicated, the location of the employee is Port Washington, New York.

Peter Blasucci, President and Treasurer. Peter Blasucci has been Franchisor's President and Treasurer since its inception in 1993. From 1967 to the present, Mr. Blasucci has been and is currently employed as the President and Treasurer of the Affiliates. Mr. Blasucci has been engaged in taxi and limousine transportation since 1967 and is experienced in all aspects of the business.

Andrea Majer, Executive Vice President and Corporate Secretary. Andrea Majer has been the Franchisor's Executive Vice President and corporate secretary since its inception in 1993. From 1972 to the present, Ms. Majer has been and is currently employed as the vice president and corporate secretary of the Affiliates. She also directs corporate initiatives aimed to broaden the organization's reach. Ms. Majer has been engaged in taxi and limousine transportation since 1972 and is experienced in all aspects of the business. Ms. Majer is on the board of the Black Car Assistance Corporation.

Valorie Lay-Loolam, Chief Financial Officer. Valorie Lay-Loolam has served as Chief Financial Officer for the Franchisor and its affiliates since February, 2015. From 2009-2014 she served as its Controller. From 1997 to January, 2015 she also served as the A/P bookkeeper for the Franchisor and/or its affiliates, and she has been its Accounting Manager since 2003. Prior to joining the Franchisor and/or its affiliates, Ms. Lay-Loolam worked for the private placement investment firm, Sterling Securities from 1991 to 1997. She was also employed by Shearson Lehman Hutton Inc. from 1981 through 1990, and there served as Assistant Vice President in the Equity Research Marketing Department from 1986-1990. Ms. Lay-Loolam holds a B.A. degree in Economics from The State University of New York at Stony Brook.

Harpreet Singh, Director of Driver Relations and Driver Trainer. Mr. Singh is responsible for the interface of information between the Corporation and the Franchisees. He joined the Franchisor and the Delux Group in September 2019 as Assistant to the Director of Driver Relations. Mr. Singh became Director of Driver Relations in July 2020. As the Driver Trainer, Mr. Singh is responsible for training the drivers in all aspects of job performance and responsibility as operators of Delux Franchised Businesses. Prior to his employment with the Franchisor and the Delux Group, Mr. Singh was a member of the safety and training oversight team at United Carrier in Edison NJ from January 2004 until August 2019, where he served as manager (2004-2010) and fleet manager (2010-2019). Mr. Singh holds a Bachelor of Computers degree in Computer Science from IIS Infotech, Delhi India.

No company or person is planned to represent the Franchisor in the sale of franchises in this state except the Franchisor's officers and directors.

Item 3

LITIGATION

No litigation is required to be disclosed in this item.

Item 4

BANKRUPTCY

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

Item 5

INITIAL FEES

(i) The Franchise does not charge an initial franchisee fee upon the signing of the Franchise Agreement. Although there is no initial franchise fee, prior to the commencement of operations you will be required to pay a deposit fee for a Smartphone Linking Tool ($50) and for Initial Driver Training ($300 per driver), which are due upon delivery and paid to Franchisor's affiliate, Willets Management. Carefully review Items 6 and 7 below for other fees and expenses to be paid in connection with the establishment and operation of the franchised business.

(ii) The Franchisor is not required to assist you in the purchase or lease of a vehicle, but Franchisor's affiliate, Mo-Town, Inc., may offer to finance your purchase in certain circum-stances. In such event, Mo-Town, Inc. will purchase the vehicle and lease the car to you. Mo-Town, Inc. will charge a financing rate equal to ten and one-half (10.5%) percent per annum, based upon the agreed value of the car, plus $75 per month as a management fee, payable for the full term of the

lease. Estimated monthly lease payments are between $600 and $1,750, depending upon make, model, color and appointments. Mo-Town, Inc. may also charge an acquisition profit of no greater than five (5%) percent of the amount paid to acquire ownership of the leased vehicle. [Lease financing is procured over a period of three to four years with an option to purchase the vehicle at the end of the lease for $1.] Late fees of 1¼% per month and an early termination fee of $500 may also be applicable. See Item 10 below.

(iii) You may elect to terminate the Franchise Agreement within a period of thirty (30) days after you become qualified by us and available to transport customers and commence franchise operations ("the initial 30-day period"), which election shall not be more than sixty (60) days after the completion of training. Notice of termination must be given to us in writing via certified mail. The Franchise Agreement may be terminated by us if you do not satisfactorily complete our training. If the Franchise Agreement is terminated by you within the initial 30-day period, or if we notify you that you have not completed the training program to our satisfaction, you will be required to pay, per driver, $100 per day for each additional day of classroom training and $50 per day for each additional day of on-road training.

We will not refund or otherwise be responsible for third-party application fees, car purchase or lease costs, expenses attendant to the purchase of equipment, goods, materials, services, training or other setup activities, cellular telephone and beeper unit costs, or, with the exception of deposits paid to the Franchisor or its affiliate, any service fees which you may have paid in connection with your obligations under the Franchise Agreement. Upon termination, the Franchise Agreement shall immediately become cancelled, but you will still be required to obey the Franchise Agreement's provisions regarding restrictive covenants (Franchise Agreement, ¶8) and the consequences of termination (Franchise Agreement, ¶11).

(iv) After the commencement of franchise operations, proceeds from continuing operations fees go into the general operating account of the Franchisor and are used as such in our discretion, in part, to pay or defray some of the following expenses incurred, respectively, by the Franchisor or any affiliate that renders services to the Franchisor: (1) screening and approving of the franchisee; (2) employees' salaries, fringe benefits, and costs for the preparation and sale of this franchise offering; (3) furnishings, equipment and associated supplies related to Franchisor's office; (4) legal fees, accounting fees, and compliance with federal, state, and other laws with respect to this franchise offering; (5) development of the procedures utilized in training and in providing opening, training and assistance; and (6) administration of the franchise system.

THE FOLLOWING PAGE BEGINS WITH ITEM "6"

Item 6

OTHER FEES

The following is a list of first time or recurring funds required or may be required to be paid by you to the Franchisor or its designated affiliate or to a third party, or which the Franchisor or an affiliate imposes or collects on behalf of a third party, in connection with the operation of the Franchise business, including but not limited to, royalty, lease, advertising, training, rental fees, and equipment:

Name of Fee	Amount	Due Date	Remarks
Continuing Operations Fee	30% of gross fare	Weekly	Note 1
Cost of Smartphone	$500-$1400	At franchise startup	Note 2
Smartphone Linking Tool	$50 deposit	At franchise startup	Note 2
Smartphone Data Service	$60-$100 8.625% sales tax	Monthly	Note 3
Weekly Dispatch Fee	$25 + 5% sales tax	Weekly	Note 4
Advertising	None	N/A	Note 5
Initial Training	$300/per driver	Lump sum on completion	Note 6
Additional Training	$100/day (classroom) $50/day (on-road)	Lump sum on completion	Note 7
Transfer Fee	$500	Upon assignment or transfer of franchise	Note 8
Vehicle Finance Costs	$975-$1,875	Monthly	Note 9
Motor Vehicle Reports	$10	Prior to signing the FA and thereafter as needed	Note 10
Credit Card Processing Fee	$10	Monthly	Note 11
Special handling Fees	$50	Per occurrence	Note 12
Black Car Fund	3.0% surcharge	Collected at time of billing and paid by customer	Note 13
PANYNJ Access Fee	$2.50 pick-up/ drop-off	Collected at time of billing and paid by customer	Note 14

NOTES

1. You will be required to pay to us a non-refundable Continuing Operations Fee based upon a percentage of your total gross fares (exclusive of statutory or government surcharges, sales tax, gratuities, tolls, parking expenses and the like). As a Franchisee, you will be required to deliver to Willets Management Systems, Inc. ("Willets"), all credit card and charge account transaction slips made in payment of franchise services rendered by you and these will be recorded as deposits to your account. Cash received from customers will be retained by you, but will be duly accounted for and considered a part of the total amount of gross fares that will be the basis for calculating the Continuing Operations Fee payable by you. A Continuing Operations Fee of 30% will be applied to total gross fares. Total gross fares are calculated and credited to your account every week. Based upon your account as it exists within the applicable payment period, Willets will remit payment to you in the form of a net balance payment, which is computed by deducting from your account the Continuing Operations Fee and any other allowable deductions, additional fees or costs owed to us. [Willets is authorized to deduct from any net balance payment the following: Continuing Operation Fees; Dispatch Fees and other unpaid fees or expenses chargeable against the Franchisee's account at the time payment is made.] The net balance payment is paid to you two (2) weeks ["Two-Week Payment Plan"] after the date of travel, providing you submit to Willets the credit card or charge account transaction slips for a single week of operations (measured Wednesday through Tuesday or as we may otherwise direct).

The gross amount of fares to be charged by the Franchisee must conform to the rates filed with the NYCTLC or other governmental agencies, and suggested rates for additional services shall conform to those charged for the same type vehicle Franchise. In the event that discounts, rebates or special customer programs apply to reduce the suggested gross fare, the Continuing Operations Fee is computed upon the gross fare, less deductions for discounts, rebates and special customer programs, paid to the Franchisee. (Franchise Agreement, ¶5A, pp. 5-6; ¶6.1(L), p.8).

You are required to submit to Willets all payment vouchers and credit card transaction slips on a daily basis following the making of the voucher or credit card transaction. Willets will process your credit card transactions and Willets will submit a bill to the customer (or bank or credit card company) and collect the amounts due and then remit payment to you by direct deposit for each valid voucher and each credit card receipt submitted to it, less applicable fees (i.e., Continuing Operations Fees, and other expenses payable by you) associated with the Franchise operation. Willets' sole obligation to pay you for non-completed or no-show trips is conditioned upon Willets' ability to collect for such trips from the customer. Willets has no obligation to pay you for contested trips or charges except where Willets can collect payment from its customers. If Willets pays you for any non-completed or no-show trips, this does not give you the right to receive payment for any other non-completed or no-show trips unless such trip is paid by the customer. If Willets pays you prior to billing its customer and the customer later protests the bill, Willets has the right to investigate and if in Willets' sole determination the customer was correct, Willets may recoup the payment previously made for that completed trip. Willets shall not be obligated to remit payment on bookings where the customer is a "no show," where there was a scheduling error, where you have failed to submit to us proper billing information, or where the customer has refused to pay for your services primarily due to your conduct and, in the event

that sums are advanced to you by Delux Franchise, Inc., Willets, or some other person or entity at our request, in connection with such bookings, you shall be required to repay all such sums. (Franchise Agreement, ¶5.2, p.6.) You must provide Willets with all billing data associated with credit card transactions promptly so that Willets may best serve you and the customers by responding to requests for information about billing and related matters.

Franchisor can increase this or any other fee or change its collection method upon seven (7) days written notice. Franchisor deducts these fees from your weekly bookings. If your weekly bookings are insufficient to cover the fees, you must pay any deficiency directly to Franchisor.

2. You are required to have a smartphone for purposes of transmitting and receiving digital data to and from the Delux Transportation Services hub. You may elect to purchase a smartphone (or use one that you already own) which complies with our technical requirements, and to arrange for data and voice service. The term "Communications Equipment" refers to all devices for transmitting and receiving digital data and voice communications. The smartphone must have an iPhone (iOS version 9.0 or higher) or Android operating system (Version 4.4 or higher); be comparable or better than a Samsung Galaxy 3; and capable of accepting the proprietary software that enables data communication with the Delux Transportation Services hub. The Communications Equipment or the smartphone must have GPS functionality.

You will be responsible to pay an authorized dealer all costs related to the purchase of the smartphone (approximately $500-$1400, a cost which is usually financed by the vendor over the course of a defined 2-year plan) and the monthly data and voice communications expenses charged by the third-party vendor of your choice (e.g., T-Mobile, Verizon, AT&T, and the like). We will load a proprietary software program into your smartphone without fee. You will be required to pay a $50 deposit for a linking tool that will enable you to charge customers using credit cards. You are responsible for the replacement cost of the smartphone if it is lost or as a result of damage (including, without limitation, water damage and physical damage) regardless of whether the loss was attributable to accident, negligence, abuse or misuse. If we change the communications system, you may be required to purchase upgraded phones and associated communications equipment as we may require.

3. Average smartphone data and voice plans average approximately $60-$100 per month per smartphone, any portion of which is or is not refundable or pro-rated according to the provider's terms of service. A state and local sales tax of 8.625% (on Nassau County sales) is also charged in connection with the cellular data service. The foregoing charges are subject to change in the event that a given provider increases or decreases its rates for data and voice services. Data and voice services and applicable charges will be incurred for the entire term of the Franchise Agreement. If the Franchisor changes the communications system used by the franchise, you will be required to purchase upgraded phones and associated communications equipment as the Franchisor may require. At the end of the franchise agreement you are required to return any proprietary equipment provided by the Franchisor or its affiliate, Willets Management Systems, Inc.

4. You are required to pay a non-refundable Dispatch Fee of $25 plus 5% tax on a weekly basis, due upon the periodic settlement of the Franchisee's account.

5. There are no additional advertising fees which a Franchisee will be required to make.

6. You and your drivers will be required to attend the Franchisor's initial training program, consisting of two (2) days of classroom training and two (2) days of on-road training at a total cost of $300 per person, which is charged to cover a part of the administrative costs associated with the training program. You will also bear the cost of lodging (if any), meals and transportation incurred during the training, as more fully explained in Item 7 below.

7. In the further event that we conduct follow-up training, you and each of your employee-drivers shall be required to take this training. Follow-up training shall not be required for more than five (5) days in any single year. The cost of the additional classroom training will be $100 per day, per person, and $50 per day, per person, for additional on-road training, payable at the conclusion of training, together with any expenses for lodging, meals or transportation incurred. We will schedule a training program for a new driver not later than sixty (60) days after receipt of your written request and the required training fee.

8. If you choose to assign the Franchise, as a condition precedent to our consent to the assignment, you will be required to pay to us a non-refundable Transfer Fee of $500, which will be used to cover our administrative and legal costs in connection with the assignment. (Franchise Agreement, ¶9.3(I), p.12).

9. Vehicle Finance Costs. You will need to lease or purchase a vehicle in order to operate the Franchise from a vendor of your choice. The approximate purchase price of a qualified vehicle is $35,000 to $55,000; the qualifications of any franchised vehicle are always subject to our approval as to model year, make, color, and appointments. Pursuant to NYC TLC rules, you are required to use a vehicle which is no more than five (5) model years old (You will need to compute by using the manufacture date of the model year as the start of the first year). The purchase or lease of a qualified vehicle may be arranged through any reputable car dealer of your choice. Although we are not required to provide you with any assistance in the purchase or lease of a vehicle, we may offer to assist you by procuring a car lease through our affiliate, Mo- Town, Inc. In such event, Mo-Town, Inc. will purchase the vehicle and then will lease the car to you. Mo-Town, Inc. will charge a financing rate equal to ten and one-half (10.5%) percent per annum, computed upon the agreed-upon value of the vehicle, plus $75 per month as a monthly management fee, for the term of the lease; Mo-Town, Inc. may also charge an acquisition profit of no greater than five (5%) percent of the amount paid to acquire ownership of the leased vehicle. [Lease financing is procured over a period of three to four years with an option to purchase the vehicle at the end of the lease for $1.] Late fees of 1¼% per month and an early termination fee of $500 may also be applicable. See Item 10 below. You must also pay any licensing fees required for the registration and operation of the vehicle, and any additional licensing requirements mandated by local regulatory agencies, including but not limited to the State of New York, County of Nassau Taxi & Limousine Commission, the City of New York, particularly, the NYC TLC (at fees then charged by such Commission). (Franchise Agreement ¶6.1(J), p.8). See Item 7 for a listing of additional fees related to licensing.

10. You will be charged a non-refundable administrative fee of $10 for every motor vehicle report we obtain in connection with your initial application and the operation of the franchised vehicle for any additional driver employed by you.

11. We will charge you a non-refundable administrative fee of $10 per month for administrative work associated with credit card processing, handling, reporting, customer relations, and the like.

12. You will be charged a special handling fee of $50 per occurrence, for transactions requested by you that require us to deduct funds for "special reports," partial deductions for lease payments, and special requests for adjustments in the "standard deductions" for continuing operations fees, vehicle lease fees, etc. This fee is non-refundable.

13. Under the Article 6-F of the New York State Executive Law, the New York Black Car Operators' Injury Compensation Fund, Inc. ("Black Car Fund") was created for the purposes of providing workers' compensation insurance for black car operators and drivers associated with a central dispatching facility. Franchisor's affiliate, Reagan Conveyance Corp. has registered with the Black Car Fund as a central dispatching facility in order for you and your employees to obtain the workers' compensation insurance required by state law. The expenses of participating in the Black Car Fund are funded by mandatory surcharges on all gross invoices, billings, and credit for transportation and related services, including, but not limited to, fares, tolls, parking, waiting time, tips, telephone use, service charges and other miscellaneous charges. At present the surcharge is 3.0%, which constitutes an additional billing payable by the customer. The workers' compensation provided by the Black Car Fund via its affiliation with Reagan Conveyance Corp. only covers franchisees and their drivers while they are performing operations pursuant to the franchise agreement.

14. On April 5, 2021, the Port Authority of New York and New Jersey (PANYNJ) enacted a requirement for all For-Hire Vehicle ("FHV") bases to obtain a Privilege Permit and to charge an access fee for pick-ups and drop offs at all three PANYNJ airports: John F. Kennedy, Newark, and LaGuardia. Franchisor's affiliate, Reagan Conveyance Corp., has obtained a Privilege Permit as a "Livery Base Owner", and by such affiliation the franchisee is licensed to pick up and drop at PANYNJ airports. An Access Fee of $2.50 for each drop off and pick up is added the customer's fare as provided under the permitting agreement. Reagan Conveyance and Willets Management handle all accounting and reporting requirements mandated by the PANYNJ.

THE FOLLOWING PAGE BEGINS WITH ITEM "7"

Item 7

ESTIMATED INITIAL INVESTMENT

Payments Made For First Three Months	Amount	Payment Method	To Whom Made
1. Initial Franchise Fee	-0-		
Additional Franchised Car	-0-		
2. Communications Equipment:			
Cost of Personal Smartphone	$500 to $1400	Financed	Vendor
Personal Smartphone Service	$180 to $300	As incurred	Vendor
Smartphone Linking Tool	$50 (deposit)	Lump Sum	Willets Management
3. Supplies & Equipment	$1610	As incurred	Vendor
4. Fuel & Car Maintenance	$5525 to $7176	As incurred	Vendor
5. Working Capital	$3000 to $5000	As incurred	Vendor
6. Vehicle-Lease/Purchase	$2925 to $5650	As incurred	Motown, Inc. or Financed Car Financing Company
Vehicle Registration	$37	As incurred	NYS Dept. Motor Vehicles
Licensing – Livery	$252	As incurred	Nassau County TLC
Medallion & related fees	$625	As incurred	N.Y.C. – TLC
CMV Tax	$800	As incurred	NYC Dept. of Finance or NYS DMV
Diamond Sticker	$300	As incurred	Nassau Co. TLC
Taxi Driver's License	$128.50	As incurred	State of New York
Finger Printing Fee	$90.25	As incurred	NYS Div. of Criminal Justice Serv.
Drug Testing Fee	$32	As incurred	LabCorp or comparable
Defensive Driving Course	$40 to $100	As incurred	Vendor
7. Insurance: Auto Liability & Physical Damage (Average Driver)	$3750 to $5000	30% deposit premium with balance in 7 monthly installments	Insurer
8. Insurance: Workers' Compensation (Black Car Fund)	-0-	3% surcharge pd. by customer	Willets Management
9. Training (Classroom – 2days)	$200	As Incurred	Willets Management
Training (On-road - 2 days)	$100	As Incurred	Willets Management
Meals & Travel	$30 to $60	As Incurred	Vendor
Lodging (if necessary)	$120 to $240	As Incurred	Vendor
10. Incorporation	$500 to $750	As incurred	Attorney
11. E-ZPass®	$135 to $250	As incurred	NY/NJ Bridge & Tunnel Auth.
12. Privilege Permit (NY Port Authority)	-0-	Access Fees pd. by customer	Willets Management
TOTAL	**$20,929.75 to $30,150.75**		

The total investment necessary for the establishment of each single franchised car ranges from approximately $20,929.75 to $30,150.75 for the first three (3) months of operation.

NOTES

1. There is no Initial Franchise Fee.

2. See Item 6, Notes 2 and 3 for costs and other details concerning the required communications equipment. If the Franchisor changes the communications system used by the franchise, you will be required to purchase upgraded phones and associated communications equipment as the Franchisor may require. Any removals or transfers of the communications equipment into and from a franchised vehicle shall be at your expense. Further, the repair, removal or transfer shall be performed only by personnel authorized by us. As a Franchisee, you assume all risks for and will bear the cost of any and all loss or damage to the Communications Equipment due to any cause whatsoever, whether or not such loss or damage is caused by your or another's negligence.

3. You should obtain emergency equipment (flares, a blanket, first aid kit), clothing, and miscellaneous items, including an interior car partition ($100), according to standard operating procedures (SOP's), the total estimated cost of which is $1,500.

4. Your fuel and maintenance costs are estimated based upon an average consumption of 11 gallons per day, an average fuel price from $3.70 to $4.23 per gallon, and an average of 16 miles per gallon. Thus, daily fuel costs are between $41.69 and $58.18. Maintenance costs are estimated at $2,600 per year, averaged at approximately $50 per week.

5. In order to complete the first three months of operation we estimate you will need to have working capital or cash on hand between $3,000 and $5,000. The working capital is calculated on the basis of the first three (3) months of operation and the estimated funds necessary to pay the initial setup costs; the variation in required working capital is dependent upon your individual circumstances and financial needs.

6. As indicated hereinabove in Item 6, Note 10, you are required to purchase or lease a vehicle for use in the franchised business. The estimated monthly vehicle finance or lease payment is between $975 and $1,875, depending upon numerous factors including but not limited to the year, make, model and appointments of the vehicle you select and your credit worthiness. The approximate purchase price of a qualified vehicle is $35,000 to $55,000, subject to our approval as to model year, make, color, and appointments. The purchase of the vehicle may be financed by any reputable lender or financing company. In the event that we or any of our affiliates provide financing to you on any vehicle lease, payments by you must be made in a diligent and timely manner; a late fee, computed at one and one-quarter (1¼%) percent per month of the amount due, will be added to the monthly payment if it is remitted after the due date.

You must also pay any licensing fees stated below, together with required fees for the vehicle registration ($37) and associated fees (e.g., fingerprinting fee, $90.25; drug test fee, $32). Particularly, you must meet any additional licensing requirements mandated by local regulatory agencies and pay fees therefore, including, but not limited to, the County of Nassau (NY) Taxi and Limousine Commission ($252), the State of New York ($128.50); the NYC TLC (2-year Medallion and related fees, $550 plus an additional fee, $75), and Defensive Driving Course ($40 - $100, depending upon the provider), as the fees then charge by such agencies. (Franchise Agreement 6.1(K), p. 8). A Commercial Motor Vehicle Tax (CMVT) of $800 is charged bi- annually (once every 2 years) for vehicles licensed by the NYC TLC that are registered outside of NYC (Non TLC plates)

while the NYS DMV collects the tax for vehicles registered within NYC. All motor vehicles regularly used in NYC for the transportation of passengers, regardless of the mileage within the City are required to pay the CMVT. [*N.B.* When renewing your registration: If you have proof that you paid the CMVT to the NYS DMV or the NYC Department of Finance, you must insert a copy of your registration and any receipts that you were issued as proof of payment with your renewal package.]

7. You are required to purchase and maintain automobile insurance at no less than the limits for personal injury liability, property damage No-Fault coverage as required by New York State and NYC TLC of not less than $1,000,000 single limit and $200,000.00 personal injury protection, and list Delux Franchise, Inc., Delux Transportation Services, Inc., and Reagan Conveyance Corp. as an additional insured on the policy. The approximate annual cost of vehicle insurance for an average driver with a good driving record is $7,500 per year for a single driver, plus the cost of physical damage insurance which ranges from 3% to 7% of the retail value of the vehicle (assuming a $1,000 deductible), depending on your experience rating and the prevailing insurance market. The premium cost is determined by your insurance carrier. We estimate that you will be required to pay to your insurer an initial deposit of approximately 30% of the total premium, with the balance of the annual premium paid over the succeeding 7 months; however, the payment method may vary if the policy period is less than one year. Your automobile insurance costs will typically vary based on the number of franchised vehicles which you are authorized to operate, the number of drivers operating each franchised vehicle, the value of the franchised vehicle and the driving record of the franchisee and employee drivers. (Franchise Agreement, ¶7.1(A), p. 8-9). The present range of premiums for vehicle insurance is between $7,500 and $10,000, depending upon the foregoing factors. You must provide us with evidence of insurance coverage in advance of the commencement of franchise operations and as a condition precedent to the final approval and qualification of any employee-driver.

8. You must obtain Workers' Compensation insurance. Under the Article 6-F of the New York State Executive Law, the New York Black Car Operators' Injury Compensation Fund, Inc. ("Black Car Fund") was created for the purposes of providing workers' compensation insurance for black car operators and drivers associated with a central dispatching facility. Franchisor's affiliate, Reagan Conveyance, has registered with the Black Car Fund as a central dispatching facility in order for you and your employees to obtain the workers' compensation insurance required by state law. The expenses of participating in the Black Car Fund are funded by mandatory surcharges on all gross invoices, billings, and credit for transportation and related services, including, but not limited to, fares, tolls, parking, waiting time, tips, telephone use, service charges and other miscellaneous charges. At present the surcharge is 3.0%, which constitutes an additional billing payable by the customer. (Franchise Agreement, ¶7.1(B), p. 9). The workers' compensation provided by the Black Car Fund via its affiliation with Reagan Conveyance Corp. only covers franchisees and their drivers while they are performing operations pursuant to the franchise agreement.

9. The training costs are described in detail in Item 6, Notes 5-6 hereinabove. We estimate that your initial training program costs will range from between $30 for meals and travel expenses, and additional $100-$120 per day if lodging is required. Training for each franchise driver, including the owner, will be $100 per day for two days of classroom training and $50 per day for two days of on-road orientation training, which will be billed to and payable by you after completion of the training.

10. You will be required to operate through a corporate form. The cost of incorporation ranges from $500-$750.

11. The Franchisee is required to subscribe to E-ZPass® sold by the New York and New Jersey Bridge and Tunnel Authority. The E-ZPass®program requires a $25.00 minimum deposit and enables the Franchisee to pay for all bridge and tunnel crossings through the E-ZPass®Account. We estimate that E-ZPass®fees will average between $135.00 and $250.00 per month. The minimum deposit may be increased, depending on the amount of your usage of E-ZPass®. Any unused portion of the deposit is completely refundable upon termination of the E-ZPass®Account. You will be required to provide the Franchisor with copies of E-ZPass® statements in order to verify billings rendered to System customers. You will be reimbursed for all E-ZPass®fees with your weekly statements, and we estimate that no more than one month's E-ZPass®fees will have to be advanced by you at any one time.

12. On April 5, 2021, the Port Authority of New York and New Jersey (PANYNJ) enacted a requirement for all For-Hire Vehicle ("FHV") bases to obtain a Privilege Permit and to charge an access fee for pick-ups and drop offs at all three PANYNJ airports: John F. Kennedy, Newark, and LaGuardia. Franchisor's affiliate, Reagan Conveyance Corp., has obtained a Privilege Permit as a "Livery Base Owner", and by such affiliation the franchisee is licensed to pick up and drop at PANYNJ airports. An Access Fee of $2.50 for each drop off and pick up is added the customer's fare as provided under the permitting agreement. Reagan Conveyance and Willets Management handle all accounting and reporting requirements mandated by the PANYNJ.

There is no requirement to make any expenditure for real property. Other than noted above, no inventory is required to commence operation. You may incur other expenses as mandated by federal, state and local governments or their agencies.

Federal health insurance requirements for employers and individuals are now governed by the Affordable Care Act (ACA). The Delux franchise must be operated through a corporate entity, which is invariably a small business corporation with less than fifty (50) employees. As long as the amount of employees working in your franchised company and any affiliated companies totals fifty (50) or less, the ACA does not require you to purchase health insurance for your employees. The Franchisor does not require you to purchase health insurance for your employees and, accordingly, does not provide an estimate of health insurance expenses should you elect to do so. Information on health care options available to self-employed and small business employers is available at https://www.sba.gov/healthcare, an official website of the United States Government. We urge to review your responsibilities under the ACA and related state laws with your accountant, insurance professional or business advisor.

Before making payment to you for franchise services, we have the right to deduct any amounts which you may owe to us or our affiliates or to third party vendors whom you have authorized us to pay on your behalf.

THE FOREGOING ESTIMATES OR RANGES OF COSTS ARE BASED UPON INFORMATION PROVIDED TO THE FRANCHISOR AS OF THE EFFECTIVE DATE OF THIS OFFERING CIRCULAR AND ARE SUBJECT TO CHANGE BASED UPON ECONOMIC CONDITIONS EXISTING AFTER THE EFFECTIVE DATE OF THIS PROSPECTUS.

THERE ARE NO OTHER DIRECT OR INDIRECT PAYMENTS TO THE FRANCHISOR IN CONJUNCTION WITH THE PURCHASE OF THIS FRANCHISE.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Other than as already described in Items 6 and 7 above with respect to the required use of compatible communications systems and the processing by Willets of credit card and charge account transactions, there are no required specifications, designated suppliers, or approved suppliers for goods, services or real estate relating to your franchised business. Other than as set forth in Items 6 and 7 above, we will not derive income from your purchases and leases.

As required by applicable NYC TLC regulation, Franchisees that are inactive will be disaffiliated from Reagan Conveyance's base license with the NYC TLC, effectively suspending the Franchisee's rights to operate under the Reagan Conveyance NYC TLC base. Such suspension shall also disqualify the Franchisee from (a) receiving workers' compensation insurance coverage and benefits under the Black Car Fund and (b) securing privileges for pick-up and drop-off at PANYNJ airports under Reagan Conveyance's Privilege Permit. Suspension shall persist unless and until the Franchisee re-applies to become affiliated with Reagan Conveyance.

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 OFFERING CIRCULAR.

Obligation	Section of Agreement	Item in Offering Circular
a. Site selection and acquisition/ lease	None	None
b. Pre-opening purchases/leases	Articles 4, 6 and 7	Items 5, 6 and 7
c. Site development and other pre-opening requirements	Article 6	Item 11
d. Initial and ongoing training	Article 6	Item 11
e. Opening	Article 6	Items 6 and 7

Obligation	Section of Agreement	Item in Offering Circular
f. Fees	Article 4, 5 and 5A	Items 5 and 6
g. Compliance with standards and policies	Articles 6 and 14	Items 11 and 16
h. Trademarks and proprietary information	Article 12	Item 13
i. Restrictions on products/ services offered	Article 6	Item 16
j. Warranty and customer service requirements	None	None
k. Territorial development and sales quotas	None	None
l. Ongoing products/service	Article 6	Items 6 and 7
m. Maintenance, appearance and remodeling requirements	Article 6	Items 6 and 7
n. Insurance	Article 7	Item 7
o. Advertising	None	None
p. Indemnification	Articles 7 and 16	Item 7
q. Owner's participation/ management/staffing	Article 6	Item 15
r. Records/reports	Articles 5, 5A and 6	Item 6
s. Inspections/audits	Articles 6 and 10	Items 6 and 11
t. Transfer	Article 9	Item 17
u. Renewal	Article 2	Item 17
v. Post-Termination obligation	Articles 10 and 11	Item 17
w. Non-Competition covenants	Article 8	Item 17
x. Dispute resolution	Article 21	Item 17

Item 10

FINANCING ARRANGEMENTS

Neither we nor our affiliates provide financing for your initial investment.

Although we are not required to assist you in obtaining a franchised vehicle, we may, in our sole and absolute discretion, assist you in leasing a vehicle through our affiliate, Mo-Town, Inc. In such event, Mo-Town, Inc. will purchase the vehicle and will then lease it you. In connection with the lease, Mo-Town, Inc. will charge you a financing rate equal to ten and one- half (10.5%) percent per annum (computed on the agreed-upon value of the vehicle), plus a management fee of $75 per month, for the term of the vehicle lease. Late fees of 1¼% per month on overdue amounts and an early termination fee of $500 may also be applicable. Mo- Town, Inc. may also charge an acquisition profit of no greater than five (5%) percent of the amount paid to acquire ownership of the leased vehicle. [Lease financing is procured over a period of three or four years with an option to purchase the vehicle at the end of the lease for $1.] A copy of the Motor Vehicle Lease Agreement is attached as Exhibit "B".

In determining whether to grant a vehicle lease, Mo-Town, Inc. will consider your past employment and work history, customer service record, scheduling requirements, personal references, bankruptcy history, criminal history, litigation history, credit history, credit- worthiness and the availability of alternative financing arrangements., as well as any other information that we deem necessary or important.

All outstanding sums due on any outstanding vehicle lease will be due and payable upon your sale or transfer of the Franchise. (Franchise Agreement, ¶¶4A.3 and 9.3(A)).

Other than indicated above, neither we nor any affiliate receives payment from any source for financing the leased vehicle it to you. The Motor Vehicle Lease does not require you to waive defenses or other legal rights or bar you from asserting any defenses.

Item 11

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

Except as listed below, we need not provide any assistance to you.

A. Pre-Opening Obligations

(i) Before the opening of the Franchised Business to the public, we (or our designee) are required by the Franchise Agreement to give the following supervision, assistance and services to you:

(1) We will administer to you or any driver hired by you to operate the franchised vehicle the initial training program consisting of four (4) days and at other times, described in detail in paragraph "E" below.

(2) We will provide you with the ability to use our communications system upon your providing or securing the necessary communications equipment.

(3) We will provide you with a schedule of suggested rates and ancillary charges for the services which you provide to your customers to the extent you use our dispatch system. Our suggested rates and charges shall be subject to deductions for customer discounts, rebates, credit card charges and commissions in obtaining said bookings, and shall be subject to change at our sole discretion.

(4) We will provide such other assistance or services prior to or in connection with the operation of the Franchise business are listed above as well as on pages 4-6 of the Franchise Agreement.

(ii) Although we are not required by the Franchise Agreement or otherwise, we may render such additional assistance or services prior to the operation of the franchise as set forth below:

(1) Such assistance as may be practicable in securing a smartphone compatible with our communications system, including service therefor; a livery vehicle, by lease or purchase; and other equipment, goods, materials and services required in order to conduct franchise operations.

B. Continuing Obligations

(i) During the ongoing operation of the franchise, we (or our designee) are required by the Franchise Agreement to provide the following services to you:

(1) We will maintain the communications system and a base station dispatch service which are used to facilitate the delivery of transportation services to the public. We will use our best efforts to provide livery vehicle business to you through a communication system (via cellular phone, beeper, computer or digital dispatch, as technology and cost permits).

(2) We will use our best efforts to fairly refer all transportation requests among all franchisees, subject to the suitability of their vehicles to meet the customers' requests.

(3) We will promote and advertise the transportation services to be offered by the franchise throughout the Metropolitan New York Area.

(4) Payment to you, less the Continuing Operations fee due us, will be made on all bookings where the customer has effected payment by a credit card or charge account approved by us (bookings do not include gratuities, parking, tolls and incidental expenses). No payment will be made or credited to you if the customer refuses to pay because you failed, neglected or refused to render service suitable to the customer, or if you failed to secure or record proper

billing information, or if a customer did not keep his appointment ("no show"), or if we made a scheduling error.

(5) We will provide such other services prior to or in connection with the operation of the Franchise business are listed above as well as on pages 3-5 of the Franchise Agreement.

Any of our duties or obligations under the Franchise Agreement may be performed by our designees, employees or agents. Except as required by the Franchise Agreement or otherwise, we are not obligated to provide any other services in connection with the commencement or continuing operation of the Franchised Business. If you ask us to assist you to obtain, maintain or update your licensing, registration, medallions, or insurance, or to otherwise comply with regulatory matters related to the ownership or operation of your Franchise, we will charge you a service fee of $30 per hour, with minimum billable amounts for such services, and the cost of these may be deducted from your account or required to be paid at time of service.

C. Site Selection

There is no franchise site from which you are required to operate. However, transportation requests referred to you by the dispatch service will generally be within an area of operations throughout the New York Metropolitan Area, including Long Island (Nassau and Suffolk Counties), the five boroughs of New York City, Southern Connecticut and Eastern New Jersey.

D. Time From Agreement To Operation

The typical length of time between the signing of the Franchise Agreement and the first payment of any consideration for the franchise and the opening of the Franchisee's business is usually within your control and dependent upon your ability to obtain a suitable vehicle, financing, if necessary, and the scheduling of the initial training program. You must take and pass our initial training program, form a corporation, obtain insurance coverage required by the Franchise Agreement, and procure the additional equipment, goods and materials necessary to commence franchise operations. Typically, we expect this first phase to be completed within the first sixty (60) days after execution of the Franchise Agreement. Within sixty (60) days after the completion of training, you must be available to commence franchise operations. It is estimated that the length of time to complete all of the foregoing and to commence business operations will range from one to four months.

E. Training Programs

Our training program is located in Port Washington, Long Island, New York and consists of two (2) days of classroom training and two (2) days of on-road training, which you driver trainee must take within sixty (60) days after the execution of the Franchise Agreement. The training program is mandatory; you and each of your designated drivers must satisfactorily complete training before operating a franchised vehicle.

The training program is conducted at 62-B Main Street, Port Washington, New York. The program may include, includes but is not limited to, the following topics: the completion of administrative forms, the processing of credit card and charge account transactions, the maintenance of general books and records, etiquette and grooming; the operation of the communications equipment; general orientation; map reading; and location familiarity. Prior to or during training, you are not permitted to actively engage in business. The training program will be offered within thirty (30) days after signing the Franchise Agreement, or as soon thereafter as the Franchisee can attend. It will be taught by a person who is familiar with the qualities necessary to operate a successful business.

Harpreet Singh, Director of Driver Relations and Director of Driver Training, will instruct you on essential aspects of the operation of the franchised business. Mr. Singh has three (3) years of experience as a transportation service supervisor for the Delux Group and sixteen (16) additional years of managerial experience, including safety and training oversight.

You will be expected to commute to the training classes at your own expense and will be responsible for the travel and meal expenses incurred by you or any driver hired by you to operate the franchised vehicle, which can be estimated to be $30 per person per day. The cost of the training for each franchise driver, including the owner, will be $100 per day for two days of classroom training and $50 per day for two days of road orientation training, which will be billed to you by our affiliate after the classes have been taken. Lodging, if necessary, is estimated to cost between $100-$120 per day.

In the event that you or any of your drivers fail to complete the initial training program to our satisfaction, we will have the right, at our sole option, to extend training or require re-training. If the training program is extended or re-administered, you will still be liable to pay the cost of its additional personal expenses incurred as a result. If the circumstances warrant, we have the right to disqualify any driver.

If you or a driver hired by you is required to take additional training beyond the initial training program (e.g., upon the hiring of a new driver employed by you), the cost of such training is as indicated above and payable to us or our affiliate, together with any expenses for lodging, meals or transportation incurred during the training, all of which you will be responsible to pay.

Prior to commencing franchise operations, we recommend that you enroll in and attend the National Safety Council's Defensive Driving Course, a six hour course, which is administered regularly by local civic agencies to maximize your operations of the franchised vehicle.

We may, from time to time, offer additional training programs, workshops, and seminars on a semi-annual basis. In this event, we may recommend that you, or your driver or employee, as appropriate, to attend such training programs. Such additional training programs will be held for one week or less in Port Washington, New York, or at such other Metropolitan New York facility as we may designate. In the event that we sponsor or administer an additional training program at our own instance and option (i.e., one that is not remedial or a

supplemental to initial training), we will not charge you a fee for it; however, you will be liable to pay your own personal expenses and those of any driver or employee hired by you who is required to take such additional training. For any remedial or supplemental training program that is administered to address a deficiency in the operation of any franchised vehicle, we may require you to pay the training fee at the then current rate charged to all franchisees uniformly. Any such training fee paid by you will be in addition to any other training or personal costs which are to be borne by you as provided above.

NO OTHER SUPERVISION, ASSISTANCE OR SERVICES ARE PROVIDED BY THE FRANCHISOR IN CONNECTION WITH THE ESTABLISHMENT OR OPERATION OF THE FRANCHISED BUSINESS.

Item 12

TERRITORY

(i) The Franchise Agreement does not give you a protected territory and other franchisees, as well as livery operated by our affiliates, may operate within the same geographical territory of operations, i.e., Metropolitan New York Area. The Metropolitan New York Area is defined as the area within Long Island (Nassau and Suffolk Counties), the five boroughs of New York City, Southern Connecticut and Eastern New Jersey. You will not receive an exclusive territory. You may face competition from other franchisees, from businesses that we own, or from other channels of distribution or competitive brands that we control.

(ii) We are not limited, by the Franchise Agreement or otherwise, in the number of franchisees which we may establish or sell in the geographical territory of operations.

(iii) We may establish and/or permit other franchises or affiliates to use our service mark or trade name in the geographical territory of operations, and we will continue to have such rights as set forth in this prospectus.

(iv) We are not limited, by the Franchise Agreement or otherwise, in the number of company-owned or affiliated livery cars operating throughout the Metropolitan New York Area and Long Island, which may be identified by our service mark or trade name.

(v) We are not restricted by the Franchise Agreement or otherwise from establishing other Franchises or company-owned livery selling or leasing similar products or services under a different trade name or service mark in the same geographical territory of operations, which we may do by way of internet sales, telemarketing, or other forms direct marketing, and without compensation to you. However, we have not current plans and do not presently operate such business or franchise under different trademarks, other than those now used by the Delux Group.

Item 13

TRADEMARKS

(i) By the Franchise Agreement, you are granted the right to use the trade name and mark, DELUX® and "DELUX TRANSPORTATION SERVICES," and any service mark, trade name, logotypes, slogans and other commercial symbols (the "proprietary marks") established by us for use by our franchises. There will be no reproduction of our trade name or mark by anyone affiliated with any franchisee without our approval. You must use the proprietary marks only in the manner authorized and permitted by the Franchise Agreement and in accordance with the franchise standards and specifications which underlie the goodwill associated with and symbolized by the proprietary marks.

(ii) On August 24, 2018, our affiliate, Delux Transportation Services, Inc., applied to register the Service Mark "DELUX" on the Principal Register of the U.S. Patent & Trademark Office. The application was assigned Serial No. 88-091,695. Notice of Publication was made on January 26, 2019 and official publication of the mark was effected on February 12, 2019. Registration of the Service Mark was granted on April 30, 2019 under Registration Number 5,738,710. For the purposes of promoting franchise operations, Delux Transportation Services, Inc. has granted us the right to use the DELUX® Service Mark and other proprietary marks owned by it.

(iii) The proprietary marks are not registered in the State of New York or any other state.

(iv) There are no presently effective determinations of the United States Patent and Trademark Office, the trademark administrator of this state, or any court, nor any pending interference, opposition or cancellation proceedings; nor any pending material litigation involving our proprietary marks which are relevant to their use in this state or any other in which the franchise is to be operated.

(v) There are no agreements currently in effect which limit our right to use or license the use of the proprietary marks which are in any manner material to the franchised business.

(vi) We have licensed the right to use the proprietary marks in connection with the franchise business and the Franchise Agreement requires you to notify us of any infringement of or challenge to the validity, ownership or use of the proprietary marks. The Franchise Agreement does not require us to protect any rights granted to you with regard to the proprietary marks or to protect you against any claim of infringement or unfair competition with respect to them. However, it is in our best interest to safeguard and police the use of its proprietary marks in order to preserve our continued right to use them in the franchised business. The Franchisee has no rights to compensation or otherwise under the Franchise Agreement if the Franchisor requires the Franchisee to modify or discontinue using the trademark.

(vii) Under the Franchise Agreement, you promise us that, during the term of the Franchise, and after its expiration or termination, you will not, directly or indirectly, commit an act of infringement or contest or aid in contesting the validity or ownership of our proprietary marks, or

take other action against our rights in the marks. The Franchise Agreement provides that any unauthorized use of the proprietary marks will be deemed an infringement of our rights and a violation of law.

(viii) We do not know of any infringing uses of the proprietary marks which could materially affect your use of the proprietary marks in New York or in any state in which the franchise is to be operated.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or copyrights are material to the franchise.

Information relating to the identity and specific transportation needs of our customers is our proprietary information and you must keep such trade secrets confidential during the operation of your franchised business and thereafter. In addition, our standards, rules and regulations, as they related to individual manner and method of operation of the franchised business, are also confidential trade secrets which may not be disclosed by you at any time.

Item 15

OBLIGATIONS OF THE FRANCHISEE TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

The Franchisee is not obligated to participate personally in the direct operation of the franchised business. Franchisor recommends that either the Franchisee or his designee utilize the Franchise rights to obtain the maximum benefit of his investment. The Agreement provides that no person, partnership or corporation other than the Franchisee shall be permitted to use the franchise without the prior written approval of Franchisor. Breach of this provision by a Subscriber may result in termination of his franchise.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The existence of service uniformity, appearance and quality is an integral part of the franchised business. Accordingly, we require you to operate the franchised business in a manner which is intended to produce uniformity of services and appearance, and reflect generally accepted best industry practices. However, any new or different requirements which may be imposed will not unreasonably increase your obligations nor place an excessive economic burden on your franchise operations.

For the purposes of maintaining quality assurance, uniformity of appearance and financial reporting, you are required to operate the franchised business in conformity with such standards and practices as we may prescribe in training or otherwise in writing. If you fail to operate your franchise for period of six consecutive months, the Franchisor may elect to terminate the franchise.

You will be prohibited from using our proprietary marks other than in accordance with the Franchise Agreement and policies of the Franchisor.

Neither you (nor your partner or your corporation or any shareholder thereof), during the term of the Franchise Agreement and for a period of two (2) years thereafter, shall directly or indirectly, under any circumstances, disclose Franchisor's trade secrets, trade lists, plans, business methods, practices, processes or operations or customer list, or solicit or do any business with any company or individual which was serviced as a client of Franchisor, or franchisees or employees of Franchisor.

In accordance with the rules and regulations of the NYC TLC you may be prohibited from owning, leasing or operating vehicles that are registered with the NYC TLC and affiliated with other companies.

Nothing herein should be construed to indicate that Franchisee is prohibited from engaging in work as a for-hire or black car driver for another company engaged in the same or similar business outside the franchised territory. Nothing herein should be construed to indicate that Franchisee is prohibited from engaging in any other employment, self-employment or engaging in other businesses while Franchisee owns a Franchise. However, notwithstanding the foregoing, nothing herein shall be construed as modifying the restrictive covenants contained within paragraph 8.1 of the Franchise Agreement.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read the provisions in the agreements attached to this Offering Circular.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Term of the franchise	Article 2 (¶2.1)	5 years
b. Renewal or extension of the term	Article 2 (¶2.2)	Automatic renewal terms of 5 years, provided Franchisee has no existing violations

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
c. Requirements for you to renew or extend	Article 2 (¶2.2)	Compliance with current Franchise Agreement, and executing a new Franchise Agreement if the standard provisions have been materially changed since the preceding agreement was entered into

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied

d. Termination by you	Article 4 (¶4.2)	Notice of termination must be given within 30 days after commencement of franchise operations

You may terminate the agreement on any grounds available by law.

e. Termination by us without cause	None	Not Applicable
f. Termination by us with cause	Articles 10 (¶¶10.2-10.3)	Breach of Franchise Agreement and other grounds (see Art. 10)
g. "Cause" defined - defaults	Article 10 (¶10.3)	Breach of Franchise Agreement which can be cured and other grounds (see Art. 10)
h. "Cause" defined - defaults	Article 10 (¶10.2)	Breach of Franchise Agreement which cannot be cured and and other grounds (see Art. 10)
i. Your obligations on termination/nonrenewal	Article 11	Cease franchise operations, identification and payment of amounts due (see Art. 11).

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
j. Assignment of contract by us	Article 9 (¶9.1)	No restriction on right to transfer
However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.		
k. "Transfer" by you - definition	Article 9 (¶¶9.2-9.7)	Transfer all or substantially all of the assets of your business or transfer of equitable interest
1. Our approval of transfer by you	Article 9 (¶9.3)	We have the right to approve transfers
m. Conditions for our approval	Article 9 (¶¶9.2-9.7)	Includes payment of money owed, of transfer non-default, execution of release, transferee qualifications, execution of new agreement, and payment
However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied		
n. Our right of first refusal to acquire your business	Article 9 (¶9.5)	We can match any offer to acquire your business
o. Our option to purchase your business	Article 9 (¶9.5)	Right of first refusal, as per letter "n" above
p. Your death or disability	Article 9 (¶9.5)	Franchise must be assigned to approved buyer within 1 year
q. Non-Competition covenants	Article 8	Precludes competitive acts, either actively or passively (through ownership), during the term of the Franchise Agreement and within Nassau and Western Suffolk County, New York

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
r. Non-Competition covenants	Article 8	Includes 1-year prohibition after the franchise is terminated or expires similar to letter "q" above
s. Modification of the Franchise Agreement	Article 23	Must be in writing by both parties to the agreement
t. Integration Clause	Article 23	Only the forms of the Franchise Agreement are binding (subject to state law). Any other provisions may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 21	Arbitration – New York
v. Choice of forum	Article 24	New York

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

w. Choice of law	Article 24	New York

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

Item 18

PUBLIC FIGURES

We do not use any public figures to promote the franchised business.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

REPRESENTATIONS CONCERNING EARNINGS CAPABILITY

WE DO NOT MAKE ANY REPRESENTATIONS ABOUT A FRANCHISEE'S FUTURE FINANCIAL PERFORMANCE OR THE PAST FINANCIAL PERFORMANCE OF COMPANY-OWNED OR FRANCHISED OUTLETS. WE ALSO DO NOT AUTHORIZE OUR EMPLOYEES OR REPRESENTATIVES TO MAKE ANY SUCH REPRESENTATIONS EITHER ORALLY OR IN WRITING. ACTUAL RESULTS VARY FROM UNIT TO UNIT AND WE CANNOT ESTIMATE THE RESULTS OF ANY PARTICULAR FRANCHISE. IF YOU ARE PURCHASING AN EXISTING DELUX FRANCHISE, 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 ANDREA MAJER, VICE PRESIDENT, C/O DELUX FRANCHISE, INC., 62-B MAIN STREET, PORT WASHINGTON, NY 11050, (516) 883-3962, THE FEDERAL TRADE COMMISSION, THE NEW YORK DEPARTMENT OF LAW AND APPROPRIATE STATE REGULATORY AGENCIES.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1 - Systemwide Outlet Summary for Years 2019-2021

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION				
Systemwide Outlet Summary [1] ***For years 2019 to 2021***				
(Column 1) **Outlet Type**	(Column 2) **Year**	(Column 3) **Outlets at the Start of the Year**	(Column 4) **Outlets at the End of the Year**	(Column 5) **Net Change**
Franchised	2019	125	134	9
	2020	134	145	11
	2021	145	106	39
Company Owned	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Total Outlets	2019	125	134	9
	2020	134	145	11
	2021	145	106	39

1. As of December 31, 2021 there were 122 franchised vehicles operated by 106 franchisees. Neither the Franchisor Company nor any of its affiliates operates a franchised outlet. Some of the Franchisor's affiliates offer taxi services and other affiliates offer transportation services using five (5) luxury sedans.

Table 2 - Transfers of Outlets from Franchisees to New Owners

Transfers of Outlets from Franchisees to New Owners		
(Other than the Franchisor) for years 2019 to 2021		
(Column 1)	(Column 2)	(Column 3)
State	**Year**	**Number of Transfers**
NY	2019	0
	2020	0
	2021	0
Total	2019	0
	2020	0
	2021	0

Table 3 - Status of Franchise Outlets

Status of Franchise Outlets [1] *For years 2019 to 2021*								
(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)	(Col. 9)
State	**Year**	**Outlets at the Start of the Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at the End of the Year**
NY	2019	125	30	4	0	0	17	134
	2020	134	16	2	0	0	3	145
	2021	145	20	1	0	0	58	106
Totals	2019	125	30	4	0	0	17	134
	2020	134	16	2	0	0	3	145
	2021	145	20	1	0	0	58	106

1. Note: All numbers are as of December 31 for each year.

Table 4 - Summary of Status of Company-Owned Outlets

The Company has no Company-Owned Outlets that are similar to the franchised businesses being sold by this offering.

Table 5 - Project New Outlets - Both Franchised and Company-Owned

Projected Openings As of December 31, 2021			
(Column 1)	(Column 2)	(Column 3)	(Column 4)
State	**Franchise Agreements Signed But Outlet Not Opened**	**Projected New Franchised Outlet in the Next Fiscal Year**	**Projected New Company-Owned Outlets in the Next Fiscal Year**
NY	0	15	0
Total	0	15	0

The names, addresses, and telephone numbers of all Franchisees under Franchise Agreements as of December 31, 2021 are annexed to this Offering Circular as Exhibit "C."

During the last fiscal year there was one (1) franchise terminations for failure to comply with the franchise agreement and fifty-eight (58) franchises that voluntarily ceased operations for personal reasons. Exhibit "D" sets forth the reasons for the cessation of each franchisee's business, together with the contact information for those franchisees.

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

Item 21

FINANCIAL STATEMENTS

Attached as Exhibit "F" are the financial statements listed respectively: the audited balance sheets of Delux Franchise, Inc. as of December 31, 2019, December 31, 2020, and December 31, 2021, and related statements of operations, shareholders' equity and cash flows for each year then ended.

Item 22

CONTRACTS

The following agreements and other required exhibits are attached to this disclosure document in the pages immediately following:

EXHIBIT A - Franchise Agreement
EXHIBIT B - Motor Vehicle Lease Agreement
EXHIBIT C - List of Franchisees
EXHIBIT D - Franchise Terminations, Closings & Consolidations in Last Fiscal Year
EXHIBIT E - List of State Administrators
EXHIBIT F - Audited Financial Statements
EXHIBIT G - New York Addendum

EXHIBIT A

DELUX FRANCHISE, INC.

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

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AGREEMENT made this day of , 202__ between DELUX FRANCHISE, INC., a New York Corporation, having their offices and principal place of business at 62-B Main Street, Port Washington, NY 11050 (hereinafter called "FRANCHISOR") and

residing at

telephone number (hereinafter called the "FRANCHISEE").

W I T N E S S E T H:

WHEREAS, Franchisor is engaged in the business of referral of ground transportation services through electronic communications systems; and

WHEREAS, the Franchisor, as the result of the expenditure of time, skill, effort, and money, has developed and owns a system (hereinafter "System") for the referral of limousines and other hired cars using various communications systems; and

WHEREAS, the Franchisor identifies the System and the business conducted in accordance with the System under certain trademarks, service marks, logos, emblems, and indicia of origin (hereinafter "Proprietary Marks"), including but not limited to the mark DELUX® and words "DELUX TRANSPORTATION SERVICES" and other such trade names, service marks, and trademarks as may be designated now or hereafter by the Franchisor (in the Operations Rulebook and otherwise in writing) for use in connection with the System;

WHEREAS, the Franchisee understands and acknowledges the importance of the Franchisor's high standards of quality and service and the necessity of operating the franchised business hereunder in conformity with the Franchisor's standards and specifications; and

WHEREAS, the Franchisee recognizes the benefits to be derived from being identified with and being a franchisee of the Franchisor and being able to utilize the System and the Proprietary Marks which Franchisor makes available to its franchisees; and

WHEREAS, the Franchisee acknowledges that Franchisee has read this Agreement and Franchisor's Franchise Offering Circular and that Franchisee understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain uniform high standards of quality of all Franchisees and to protect the goodwill of the Proprietary Marks; and

WHEREAS, the Franchisor expressly disclaims the making of any warranty or guarantee, expressed or implied, oral or written, regarding the potential revenues, profits or success of the business venture contemplated by this Agreement and the Franchisee acknowledges that Franchisee has not received or relied upon any such warranty or guarantee; and

WHEREAS, the Franchisee acknowledges that Franchisee has no knowledge of any representations by Franchisor, its officers, directors, shareholders or representatives about the franchise offered hereunder, about Franchisor or its franchising programs and standard operating

procedures that are contrary to the statements in Franchisor's Franchise Offering Circular to the terms of this Agreement; and

WHEREAS, Franchisee wishes to become associated with Franchisor and use the facilities of the Franchisor's System and Proprietary Marks; and

WHEREAS, the Franchisee, being fully familiar with the nature and scope of such Independent Livery Franchise and with the provisions of the Franchise Agreement, and having received a Franchise Offering Circular with respect thereto, at least ten (10) business days prior to the date of this Agreement, desires to purchase, as an independent businessman, from the Franchisor an Independent Livery Franchise in accordance with the terms and conditions hereof.

BEFORE SIGNING THIS AGREEMENT, FRANCHISEE SHOULD READ IT CAREFULLY WITH ASSISTANCE OF LEGAL COUNSEL.

NOW, THEREFORE, the parties, in consideration of the covenants and conditions provided for herein, do hereby agree as follows:

1. Grant of Franchise

1.1 Subject to the terms and conditions contained in this Agreement, and the standard operating procedures ("SOP's") which may be hereafter promulgated by the Franchisor and modified from time to time, the Franchisor hereby grants to the Franchisee, an Independent Livery Franchise for the operation of a livery vehicle within the Franchisor's operating Territory (the term "Territory" is defined as Long Island (Nassau and Suffolk Counties), the five boroughs of New York City, Westchester County, Southern Connecticut and Eastern New Jersey).

1.2 Franchisee acknowledges and agrees that the Franchisor is not restricted by the terms of this or any other agreement from establishing or otherwise placing in service any number of franchised or company-owned and operated vehicles which use Franchisor's trade name, logo or other commercial symbol.

2. Initial Term and Renewal

2.1 This Agreement shall be for a term of five (5) years from the date of execution hereof.

2.2 This Agreement shall be automatically renewed for successive periods of five (5) years each, provided that at the end of the initial five (5) year term, the following conditions as specified below are first met:

A. Franchisee is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and Franchisor, and has substantially complied with all the terms and conditions of all such agreements during the terms thereof;

B. Franchisee has satisfied all monetary obligations owed by Franchisee to the Franchisor, any subsidiary or affiliate of Franchisor, all of Franchisee's trade and other creditors and has met these obligations when due, throughout the initial term and each successive term thereafter;

C. Franchisee has executed, for the renewal term, the Franchisor's then-current form of franchise agreement, which agreement shall supersede this Agreement in all respects.

3. Responsibilities of Franchisor

3.1 During the term of this Agreement and any renewal term, the Franchisor hereby:

A. Grants to the Franchisee, during the term of this Agreement, the right to use the Franchisor's service marks, logos and commercial symbols, in accordance with and subject to the terms of this Agreement and Franchisor's SOP's.

B. Agrees to maintain a base station and referral of ground transportation services and to use its best efforts to provide to Franchisee, through the communication system, livery vehicle business at Franchisor's suggested rates. Franchisor's rates shall be determined by deducting from the gross bookings (defined herein as income from credit card, voucher, charge account or cash transactions, but not to include sums received for governmental or regulatory taxes or surcharges, gratuities, tolls and parking) all discounts, rebates and commissions offered by or paid by Franchisor in obtaining said bookings. Franchisor's rates shall be subject to change at the sole discretion of Franchisor.

C. Agrees to provide, prior to the commencement of franchise operations, proprietary software for the Franchisee's Communications Equipment (defined, in part, as smartphone devices capable of transmitting and receiving digital data and voice cellular communications), and, subject to a security deposit of $50, a Smartphone Linking Tool that will facilitate credit card charges. Franchisor further agrees to assist the Franchise, if requested, to obtain a livery vehicle, by lease or purchase; and other equipment, goods, materials and services required in order to conduct franchise operations. The availability and cost of such equipment, goods, materials and services shall be at the sole expense of Franchisee and subject to Franchisee's financial qualifications therefor. Franchisee may, however, obtain any and all of such equipment, goods, materials, and services from any other source of his or her choice, as long as they conform to Franchisor's specifications for same.

E. Agrees to provide an initial training program and any remedial or supplemental training as may be deemed necessary to commence franchise operations, in consideration of Franchisee's agreement to pay the administrative fees then charged by the Franchisor therefor. Franchisor further agrees to provide initial training to any drivers employed by the Franchisee, provided that Franchisee pays the full cost of such training. Franchisor may, in its sole discretion, make additional training programs, workshops, and/or seminars available to Franchisee and to Franchisee's personnel as the Franchisor deems appropriate. All training provided by the Franchisor shall be subject to the terms set forth in this Agreement, and shall be at such times and places as may be designated by the Franchisor.

3.2 From time to time, as it shall deem necessary, Franchisor will provide Franchisee with specifications and/or guidelines governing operation of the franchise. The specifications may be modified from time to time by Franchisor, in its sole and exclusive discretion, in the same manner as all other modifications, deletions or amendments are made for the collective benefit of the operations and all Franchisees. However, any new or different requirements which may be imposed will not unreasonably increase the Franchisee's obligations nor place an excessive economic burden on the Franchisee's operations.

4. Franchise Fee

There shall be no Franchise Fee or any renewal fee.

4A. Financing Arrangements – Vehicle Lease

4A.1 The Franchisor shall not be required to assist Franchisee in obtaining a franchised vehicle. Subject to the sole and absolute discretion of the Franchisor, however, the Franchisor may assist the Franchisee in obtaining a vehicle lease through its affiliate, Mo-Town, Inc. In such event, Mo-Town, Inc. will purchase the vehicle and then will lease the car to Franchisee. Mo-Town, Inc. will charge a financing rate equal to ten and one-half (10.5%) percent per annum, computed on the agreed-upon value of the vehicle, plus $75 per month as a monthly management fee, for the full term of the lease. Motown, Inc. may also charge an acquisition profit of no greater than five (5%) percent of the amount paid to acquire ownership of the leased vehicle. The Franchisee will be required to enter into a motor vehicle lease agreement and tender such other legal instruments as may be necessary to secure Franchisee’s payment of all underlying obligations. [Lease financing is procured over a period of three to four years with an option to purchase the vehicle at the end of the lease for $1.] Late fees of one and one-quarter (1¼%) percent per month may be charged on any overdue amounts. An early termination fee of $500 may also be charged in any case where the lease term is not completed by the Franchisee.

4A.2 In determining whether to grant a vehicle lease, Mo-Town, Inc. will consider your past employment and work history, customer service record, scheduling requirements, personal references, bankruptcy history, criminal history, litigation history, credit history, credit- worthiness and the availability of alternative financing arrangements., as well as any other information that we deem necessary or important.

4A.3 All outstanding sums due on any outstanding vehicle lease will be due and payable upon your sale or transfer of the Franchise.

5. Charge Account and Credit Card Remittances

5.1 Franchisee agrees to accept payment from any customer using a charge account or credit card which has been approved in advance by the Franchisor. Franchisee further agrees to submit all charge account, voucher and credit card transactions slips to Willets Management Systems, Inc. ("Willets"), on a daily basis after the service is rendered to the customer.

5.2 Subject to the provisions of Paragraph 5A.1, Willets shall remit payment to or credit Franchisee, less all deductions, fees, commissions and/or charges against the account of the Franchisee. No payment will be made or credited to the Franchisee if the customer refuses to pay because the driver failed, neglected or refused to render service suitable to the customer, or if the driver failed to secure or record proper billing information, or if a customer did not keep his appointment ("no show"), or if we made a scheduling error. In the event that Franchisor, Willets or some other affiliated person or entity has advanced sums to the Franchisee on bookings for which no payment or credit is due, Franchisee shall repay all such sums so advanced.

5.3 Willets shall also render to Franchisee a Bookings Statement reflecting the amount of the gross bookings and also reflecting all deductions, commissions and/or charges against the account of the Franchisee.

5A. Continuing Operations Fee

Franchisee agrees to pay to Willets Management Systems, Inc. ("Willets"), a nonrefundable Continuing Operations Fee of thirty (30%) percent on all gross fares (exclusive of gratuities, tolls parking expenses, statutory charges, taxes and the like) paid to or for the account of the Franchisee, whether paid by credit cards, vouchers, charge account or cash. The Continuing Operations Fee shall be due immediately and remitted to Willets every two (2) weeks by way of deduction from net balance of fares due to Franchisee. Franchisee expressly agrees to permit Willets to deduct the Continuing Operations Fee from the net balance of credit card and charge account transactions due to the Franchisee.

6. Franchisee's Other Obligations

6.1 The Franchisee hereby covenants and agrees as follows:

A. Franchisee shall purchase or lease his own livery vehicle with specified equipment, subject to the approval of the Franchisor as to year, make, model, color and appointments, which approval Franchisor agrees not to unreasonably withhold.

B. Franchisee shall, at all times and at his own expense, maintain the franchised livery vehicle in excellent operating condition and appearance, both interior and exterior, and be available for inspection by Franchisor, Willets, or a designated agent. Maintenance will be the responsibility of Franchisee. The Franchisee shall maintain and repair the vehicle, including, but not limited to, washing, waxing, oil, gas, repairs, general upkeep and maintenance, all befitting a livery vehicle for hire. Franchisee's livery vehicle shall not be more than five (5) model years old; such livery vehicle must also be in good working order and otherwise comply with

Franchisor's SOP's regarding maintenance, condition and operability. Each franchised vehicle must be equipped with global positioning system (GPS) functionality in order to facilitate the administration of franchised vehicles operating within the territory.

C. As part of the Communications Equipment, Franchisee shall use a smartphone for purposes of transmitting and receiving voice data and digital data, including data to and from the Delux Transportation Services hub. Franchisee shall use a smartphone that meets Franchisor's technical requirements, including but not limited to one having an iPhone (iOS version 9.0 or higher) or Android operating system (Version 4.4 or higher); comparable to or better than a Samsung Galaxy 3; and capable of accepting the proprietary software that enables data communication with the Delux Transportation Services hub. The Communications Equipment or smartphone shall have GPS functionality. Franchisee shall maintain in good service the Communications Equipment and to pay all third party service fees, security deposits and associated fees related thereto, and purchase upgraded or associated equipment as required from time to time by the Franchisor's SOP's.

D. Franchisee shall register for and attend the Franchisor's training program within sixty (60) days after the execution of the Franchise Agreement. Franchisee shall also timely comply with all of Franchisee's obligations under any lease or conditional sales agreement for the vehicle.

E. Franchisee shall fully adhere to all rules, regulations and laws regulating private cars for hire.

F. Franchisee shall make available for inspection by Franchisor, Willets, or a designated agent, governmental authority or agency, insurance company, or loss control consultant insuring or consulting with the Franchisor, the livery vehicle(s), Communications Equipment, and other goods and materials used in connection with the operation of the franchise. Such inspections shall include periodic safety inspections of the livery vehicle, proof of adequate insurance coverage, display of a current vehicle identification, and possession and display of proper licensing certificates.

G. Franchisee shall (i) notify the Franchisor immediately after any accident or collision involving a franchised vehicle, (whether or not there shall be injury to any person or property); (ii) notify the Franchisor and any insurer of the Franchisee or Franchisor of any event which may be covered by insurance; (iii) otherwise comply with the obligations of the insured under any insurance policy covering Franchisee and/or Franchisor, and any directive of any carrier or representative thereof constituting condition to any such policy; (iv) cause to be repaired any damage to the franchised vehicle in accordance with Franchisor's SOP's; (v) notify Franchisor of any summons, arrest, or any conviction of any crime or traffic infraction, and/or suspension of the license of, Franchisee; (vi) notify Franchisor of any litigation or proceeding instituted or initiated by or against Franchisee or against or which names Franchisor as a party, when known to Franchisee; (vii) notify Franchisor of any Customer complaint regarding service rendered by or through the Franchisee; and (viii) notify Franchisor of Franchisee's failure to do any of the foregoing.

H. Franchisee shall conduct his business and operations in a manner befitting a professional luxury livery business so as to reflect upon the name and goodwill of the Franchisor and all of the Franchisees, in accordance with the SOP's. This covenant is of the essence of this Franchise Agreement. Franchisee agrees to maintain a neat and clean appearance and dress in the manner customary and appropriate in the business conducted by Franchisee hereunder.

I. Franchisees that are inactive for a continuous six (6) months may be terminated by the Franchisor.

J. Franchisee agrees to obtain and pay for, at his own expense, all taxes, license and stamps required by all government agencies including, but not limited to, the State of New York and the United States Government. The Franchisee will register with New York State to obtain a Sales Tax Certificate of Authority. Franchisee shall apply for and secure a New York State chauffeur's license, a livery license from the Nassau County Taxi and Limousine Commission ("NCTLC") and a taxi driver's license ("hack license") and vehicle license from the New York City Taxi and Limousine Commission ("NYCTLC"), and Franchisee will abide by all rules and regulations of NCTLC and NYCTLC and, in particular, the rules governing Limousine Chauffeurs and Limousine Owners. Franchisor may, from time to time, require Franchisee to apply for licenses or permits of other governmental entities, and Franchisee agrees to apply for and secure same. As required by applicable NYC TLC regulation, Franchisees that are inactive will be disaffiliated from Reagan Conveyance's base license with the NYC TLC, effectively suspending the Franchisee's rights to operate under the Reagan Conveyance NYC TLC base. Such suspension shall also disqualify the Franchisee from (a) receiving workers' compensation insurance coverage and benefits under the Black Car Fund and (b) securing privileges for pick-up and drop-off at PANYNJ airports under Reagan Conveyance's Privilege Permit. Such suspension shall persist unless and until the Franchisee re-applies to become affiliated with Reagan Conveyance.

K. Franchisee agrees to accept payment on behalf of each passenger chauffeured under the suggested rate schedule provided by Franchisor to Franchisee from time to time. Said rate schedule may vary at the sole option of Franchisor due to discounts, rebates, credit cards charges, commissions, and other costs incidental to the carrying on and/or promotion of the business Franchisor. Franchisee shall submit to Franchisor complete billing information on a daily basis after the service is rendered to the customer. Franchisee acknowledges that many of those to be transported are employees of Customers which are billed for services to such employees on a periodic basis and that delays in submitting billing information adversely affect the image of and goodwill of Franchisor and Franchisee, and causes Franchisor and Franchisee economic harm in amounts that are not readily determinable.

L. Franchisee authorizes Franchisor to deduct from sums payable to the Franchisee on gross bookings the following: (a) the Continuing Operations Fee, (b) Franchise Dispatch Fee, and (c) other amounts due from Franchisee to Franchisor as of the date of the Bookings Statement.

M. In light of the COVID-19 pandemic and related pathogens, Franchisee shall observe all federal, state and local laws, rules, and regulations regarding health and safety then and there in effect, and its failure to comply with same will be grounds for immediate termination.

7. Insurance

7.1 Franchisee shall, during the term of this Agreement, or any extension thereof, at its sole cost and expense, carry the following types of insurance in the amounts specified and in the form hereinafter provided for:

A. Auto Liability insurance against claims for personal injury and property damage arising out of the operation of the livery vehicles, Communication Equipment, and all equipment, goods and materials used in the Franchise, and such insurance to afford coverage at not less than One Million Dollars ($1,000,000) single limit, $200,000.00 personal injury protection, and list Delux Franchise, Inc., Delux Transportation Services, Inc., and Reagan Conveyance Corp. as an additional insured on the policy. The insurance coverage required under this paragraph shall, in addition, extend to any liability of the Franchisee arising out of the indemnities provided hereinbelow. The Franchisee must also obtain such comprehensive and collision insurance coverages upon the livery vehicle as may be required by applicable leasing contract or lienholder.

B. Workers' Compensation Insurance coverage for all employees of the corporate Franchisee, including the principal officer-shareholder thereof, is provided under the Article 6-F of the New York State Executive Law, via the New York Black Car Operators' Injury Compensation Fund, Inc. ("Black Car Fund"), which was created to afford workers' compensation insurance for black car operators and drivers associated with a central dispatching facility. Franchisees are required to participate in the Black Car Fund program, the expenses for which are funded by a state-mandated surcharge (currently 3.0%) on all gross invoices, billings, and credit for transportation and related services, including, but not limited to, fares, tolls, parking, waiting time, tips, telephone use, service charges and other miscellaneous charges. Black Car Fund fees constitute an additional billing payable by the franchisee's customers. Workers' compensation insurance provided through the Black Car Fund only covers franchisees and their drivers while they are performing livery operations pursuant to the franchise agreement.

C. All other forms and amounts of insurance that may be required by law or any governmental authority.

7.2 All such insurance shall name the Franchisor as an insured thereunder and shall be issued in form acceptable to Franchisor by insurance companies with general policyholder's rating of not less than A and a financial rating of AAA as rate in the most current available "Best's Insurance Reports", and qualified to do business in the state where Franchisee is located. Executed copies of policies of insurance and certificates thereof shall be delivered to Franchisor within thirty (30) days after the execution of this Agreement and thereafter within thirty (30) days prior to the expiration of each said policy. All such policies of insurance shall contain the provision that the company writing said policy shall give Franchisor at least thirty (30) days' notice in writing in advance of any cancellations, or lapse, or the effective date of any reduction in the amounts, or insurance. In the event the Franchisee fails to comply with all insurance requirements herein, Franchisor may, but shall not be required, obtain such insurance and keep in force, and Franchisee shall pay Franchisor, upon demand, the premium costs thereof. The failure to comply with these insurance requirements shall also constitute a default by the Franchisee under this Agreement.

7.3 If for any reason whatsoever any insurance required hereby for or by Franchisee is not obtainable, or if the insurer currently providing the insurance to Franchisor, or Franchisor's loss control consultants, shall notify Franchisor that Franchisee is considered an unacceptable risk, then Franchisor may terminate this Agreement. If the Franchisee or Franchisor is hereafter notified of any of the foregoing while the insurance required by this Agreement is in effect, then such Franchisee shall have until five (5) days prior to the expiration or the cancellation of such insurance to effect a "Transfer" of the Franchise as provided and permitted herein, but if such Transfer is not accomplished prior to such expiration or cancellation, then the Franchisee and this Agreement shall terminate.

8. Restrictive Covenant

8.1 Franchisee hereby covenants and agrees that so long as he is the owner of the Franchise (or owns of record or beneficially any Stock and/or Stock Rights in a corporate Franchisee), and for a period of one (1) year following termination of the Franchise, he will not, directly or indirectly, either as principal, agent, employer, employee, director, officer, stockholder, partner, or in any other individual or representative capacity whatsoever for himself or any other person, partnership, association or entity (i) enter into or engage in the business of leasing, renting or operating a private, chauffeur-driven limousine service in Nassau or Western Suffolk Counties, New York, other than as a Delux Franchisee; (ii) participate in any business which competes with the business of Franchisor in Nassau or Western Suffolk Counties, New York; (iii) solicit livery business of any Person who, at the time of such solicitation or within the previous six (6) months is or was a Customer of Franchisor; (iv) encourage or induce any Person who, at the time of such solicitation or within the previous six (6) months was a Customer of the Franchisee to cease or reduce its business with Franchisor; (v) to solicit any person, who at the time of such solicitation, or within the previous six (6) months was an employee or to become an employee of Franchisor, or a Franchisee of Franchisor (vi) to hire in any capacity whatsoever any person who at the time of such hiring, or within the previous six (6) months was an employee of Franchisor or Franchisee of Franchisor. The Franchisee further agrees that he will neither, directly or indirectly, assist, finance, or become interested in or connected with any person, firm, or corporation that shall be engaged in said business anywhere within the territory above-mentioned during the said period. It is not intended that the Franchisee be restricted from employment by any taxi cab company or corporation engaged in transport or the public taxi cab business. It is intended that the Franchisee shall not engage in any way as above noted in a competitive private, chauffeur-driven limousine service and/or business operating within the franchised territory only. Franchisee shall not use any livery vehicle that is currently financed by Franchisor’s affiliate or which bears any franchise indicia, particularly Delux trademarks, trade names, advertising, logo or signs, for the purpose of providing services for a competing taxi or livery service, whether in or outside the territory.

8.2 Franchisee expressly agrees that at no time hereafter will he divulge, furnish, disclose, or make it available to any person, firm or organization, or corporation, or use for himself for his own benefit or for the benefit of others, any knowledge or information with respect to trade secrets, trade lists, customer lists, plans, business methods, practices, processes, potential clients of Franchisor or any other confidential information of or pertaining to the business of Franchisor.

8.3 It is agreed and acknowledged that any violation of the covenants contained in paragraphs 8.1 and 8.2 will cause irreparable damage to Franchisor, its successors and assigns, the exact amount of which cannot be reasonably ascertained and, accordingly, Franchisor, its successors and assigns, shall be entitled to seek injunctive relief restraining Franchisee from violating this covenant, the remedy to be cumulative and in addition to any other remedies at law or in equity to which Franchisor may be entitled. Franchisee further agrees that in the event of his violation necessitating legal action by Franchisor, Franchisee agrees to pay counsel and attorney's fees incurred by Franchisor as result of the enforcement of this covenant. The covenants contained in Section 8 shall be construed as being independent of any other provision of this Agreement and the existence of any claim or cause of action of Franchisee against Franchisor, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by Franchisor of such covenants.

8.4 Franchisee shall observe the rules and regulations of the NYC TLC to the extent that the NYC TLC prohibits the Franchisee from owning, leasing or operating vehicles that are affiliated with other companies registered with the NYC TLC. Notwithstanding the foregoing, nothing herein should be construed to indicate that Franchisee is prohibited from engaging in work as a for-hire or black car driver for another company engaged in the same or similar business outside the franchised territory if otherwise permitted by the NYC TLC. Nothing herein should be construed to indicate that Franchisee is prohibited from engaging in any other employment, self-employment or engaging in other businesses while Franchisee owns a Franchise.

9. Transfer and Assignment

9.1 The Franchisor shall have the right to transfer or assign all or any part of its right or obligations herein to any person or legal entity, provided such person or legal entity agrees to be bound by all of the terms and conditions set forth herein and agrees to assume same. However, no assignment shall be made except to an Assignee who, in the good faith judgment of Franchisor, is able to assume the Franchisor's obligations under this Agreement.

9.2 Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that the Franchisor has granted this franchise in reliance on Franchisee's personal character, employment background and financial responsibility. Accordingly, neither Franchisee or any immediate or remote successor to any part of Franchisee's interest in this franchise nor corporation or other legal entity which directly or indirectly controls Franchisee shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this franchise or in any legal entity which directly or indirectly owns this franchise, without the prior written consent of the Franchisor, which consent shall be subject to the conditions precedent set forth below, but which will not be unreasonably withheld. Any purported assignment or transfer, by operation of law or otherwise, not having the written consent of the Franchisor required by this Agreement shall be null and void and shall constitute a material breach of this Agreement, for which the Franchisor may then terminate without opportunity to cure pursuant to Section 10 of this Agreement.

9.3 The Franchisor shall not unreasonably withhold its consent to a transfer of any interest in Franchisee, this Agreement, or in the Franchised Business, subject to Franchisor's prior right of first refusal and except that the Franchisor may, in its sole discretion, require any or all of the following as conditions precedent be met prior to its approval:

A. All of Franchisee's monetary obligations to the Franchisor, its subsidiaries or affiliated companies, and creditors from whom Franchisee obtained financing through the assistance of the Franchisor, shall have been satisfied;

B. Franchisee is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and the Franchisor;

C. The Franchisee shall have executed a general release under seal, in a form satisfactory to the Franchisor, of any and all claims against the Franchisor and its officers, directors, shareholders and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, provided however, that all rights enjoyed by the Franchisee and any causes of action arising in his favor from the provisions of Article 33 of the GBL and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of the GBL Sections 687.4 and 687.5 be satisfied;

D. Franchisee shall provide the Franchisor with all "pertinent information"[1] with regard to the intended purchaser and assignee and the transferee shall demonstrate to the Franchisor's reasonable satisfaction that it meets the Franchisor's then current managerial and business standards for all new franchisees; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Franchised Business herein (as may be evidenced by prior related business experience or otherwise); and has sufficient equity capital in the business to be acquired to result in a debt-to-equity ratio of one-to-one, or such other debt- equity ratio as may be approved by the Franchisor;

E. At the Franchisor's option, the transferee shall either execute (and/or, upon the Franchisor's request, shall cause all interested parties to execute) for the unexpired term of this Agreement, the then-current standard form of Franchise Agreement and other ancillary agreements as the Franchisor may require for the operation of the Franchised Business, which agreements shall supersede this Agreement in all respects, except that the terms of such agreement shall be substantially the same as the terms of this Agreement. However, the Franchisor shall have the right to increase the Continuing Operations Fee and Advertising Fees to the amount then being paid by all new franchisees entering the System or, in the alternative,

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[1] The term "pertinent information" is defined herein as: (i) Name, addresses for past five (5) years, telephone number, birth date, social security number; (ii) Three-year employment and earnings history, specifically identifying experience, if any, relevant to driving a limousine; (iii) Income tax returns for the preceding three years; (iv) Automobile liability insurance claim history for last thirty-nine (39) months; (v) Copy of chauffeur's license and conviction record; (vi) Arrest and other conviction record, if any; (vii) Governmental Authority complaint record, if any; (viii) Three written references, at least two of which are from former employers, if there have been that many in the last ten years; (ix) One bank reference and one other credit reference; (x) Such other information as Franchisor deems necessary in evaluating the proposed Transferee and the transaction, including, without limitation, an interview with the proposed Transferee. Transferee shall also permit Franchisor to run a credit and criminal check as additional verification of proposed Transferee's background.

the transferee shall assume, in writing and agree to discharge all of Franchisee's obligations under this Agreement for the balance of the term, including but not limited to, the assumption of all personal guarantees made hereunder;

F. The transferee shall complete any training programs then in effect for all new franchisees entering the System;

G. At the transferee's expense, the transferee shall purchase or lease a vehicle conforming to the standards then prescribed by the Franchisor for all franchised vehicle;

H. Franchisee shall remain liable for all of the obligations owed to the Franchisor in connection with the Franchised Business prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by the Franchisor to evidence such liability;

I. Except in the case of a transfer to a corporation formed solely for the convenience of ownership of the Franchised Business, a transfer fee of Five Hundred ($500.00) Dollars, if the Franchisor elects not to exercise its right of first refusal, shall be paid to the Franchisor to cover the Franchisor's administrative, training and other expenses incurred in connection with the transfer.

Franchisee acknowledges and agrees that each of the foregoing conditions are reasonable in nature and necessary to assure such transferee's full performance of the obligations hereunder and to assure conformity within the System.

9.4 As a condition precedent to the commencement of franchise operations, Franchisee agrees to form a corporation and to thereafter conduct the franchised business through such corporation. Franchisor permits Franchisee to assign this Agreement to such a corporation for this purpose, but such assignment shall not relieve the individual Franchisee from the guarantees and obligations arising from this Agreement. The Franchisee's must comply with the following:

A. Franchisee's corporation shall be organized and duly formed for the purpose of - operating the Franchised Business herein.

B. Copies of Franchisee's Articles of Incorporation, bylaws, and other governing documents, and any amendments thereto, including the resolutions of the Board of Directors authorizing entry into this Agreement, shall be promptly delivered to the Franchisor upon its request for same.

C. Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity securities; and each stock certificate of Franchisee shall have conspicuously endorsed upon its face a statement, in a form satisfactory to the Franchisor, that it is held subject to, and that further transfer or assignment thereof is subject to, all restrictions on assignments imposed by this Agreement.

D. Franchisee shall maintain a current list of all owners of record and all beneficial owners of any class of voting stock of Franchisee and shall furnish the list to the franchisor upon request. In the event that the franchisee is an individual who is transferring this franchise to a corporation solely for the convenience of ownership, said Franchisee shall at all times own one hundred (100%) percent of the equity and voting stock in such corporation, unless this Franchise Agreement is signed jointly by more than one Franchisee, in which event the shareholders-Franchisees shall together own one hundred (100%) percent of the franchise corporation.

E. The names and addresses of the shareholders of the corporation together with the amount of shares owned by each shall be submitted to the Franchisor. Any proposed change in ownership of the shares shall be reported immediately to the Franchisor, who shall have the right to approve of such change before it becomes effective. All shareholders of Franchisee shall jointly and severally personally guarantee Franchisee's obligations and performance hereunder and shall bind themselves to the terms of this Agreement.

F. In no event shall the transfer of the franchise to a corporation by the individual Franchisee relieve him from his personal liability under any or all of the terms and conditions of this Agreement.

9.5 A. The Franchisor shall have the right of first refusal on any sale, transfer or assignment of the Franchisee's interest in the ownership of the Franchise or the assets of the Franchised Business. In the event a sale, transfer or assignment is desired by the Franchisee, the Franchisee shall present to the Franchisor, prior to any such sale, transfer or assignment, a written bona fide contract, signed and dated by the Franchisee and the prospective purchaser or assignee. The exercise of such right of first refusal by the Franchisor shall be on the same terms, price and conditions as offered by any bona fide third party to the Franchisee, as stated in said contract. The Franchisor shall have thirty (30) days from the receipt of said contract to exercise its right of first refusal by serving written notice of such intent to the Franchisee. In the event of such exercise, the sale, transfer or assignment by the Franchisee to the Franchisor shall take place pursuant to terms and conditions as stated in the contract which the Franchisee had presented to the Franchisor, except that the closing thereon shall take place at such location as Franchisor may select. In the event Franchisor elects not to exercise its right of refusal, the Franchisee may proceed with its contractual agreement with the interested third party. The Franchisor shall have the right to review and audit the performance of said contract in order to guaranty the parties' compliance with the requirements of this section.

B. Any proposed contract of sale presented by the Franchisee to the Franchisor for its review must contain provisions requiring the prospective franchisee to assume and abide by all the terms, provisions and obligations of the Franchisor's most current Franchise Agreement. The contract of sale shall specifically incorporate the provisions of this Section 9 concerning Franchisor's preemptive right of first refusal and right to consent to the sale, transfer or assignment of the Franchised Business.

C. In the event that a proposed transfer is between any two individuals or entities holding any interest in Franchisee as of the date of this Agreement, or in the event that the proposed transferee is the spouse, son, daughter, or heir of any individual who seeks to transfer

any interest in Franchisee, the Franchisor shall not have any right of first refusal as provided in this Subsection 9.5.

9.6 Upon the death or mental incapacity of any person with an interest in this franchise or in Franchisee, the executor, administrator, or personal representative of such person shall transfer his interest to a third party to be approved by the Franchisor within one (1) year after such death or mental incapacity. The sole exception hereunder shall be the transfer, pursuant to a bona fide buy-sell agreement, to the surviving shareholder of the Franchisee, if same is a corporation, or the surviving spouse or surviving children of the Franchisee. Such transfers, except as aforementioned shall be subject to the same conditions as any inter vivos transfer, i.e. as set forth in Subsection 9.3 hereof. If the interest is not disposed of within said one (1) year, the Franchisee's rights shall lapse and the franchise shall revert to the Franchisor.

9.7 The Franchisor's consent to a transfer of any interest in the franchise granted herein shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of the Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

10. Termination

10.1 By Franchisee

Any time prior to the expiration of thirty (30) days from the date that Franchisee is first scheduled by Franchisor to transport customers and commence operations ("the initial 30-day period"), which event shall not be more than sixty (60) days after the completion of training, Franchisee may notify Franchisor in writing, certified mail, return receipt requested, of his or her election to terminate the Franchise Agreement. Upon such termination, the Franchisee shall be responsible to pay all due and unpaid application fees, car purchase or lease costs, expenses attendant to the purchase of equipment, goods, materials, services, training or other setup activities, cellular telephone, beeper service, and any other franchise-related costs incurred to date. The Franchise Agreement shall immediately become cancelled and without further effect, except that the terms, conditions and covenants of this Agreement, contained in Sections 8 and 11 hereof, shall continue in full force and effect according to the terms thereof. With the exception of the foregoing, and Franchisee's right to transfer or assign under Section 9 hereinabove, Franchisee has no other right to terminate this agreement without the consent of the Franchisor.

10.2 By Franchisor - Without Notice

The Franchisor may terminate the Franchise Agreement without written notice to the Franchisee in the following circumstances:

A. The Franchisor determines that Franchisee has used alcohol, illegal drugs, or any other controlled substance while operating a franchised vehicle; or

B. If the Franchisee, or any person controlling, controlled by, or under common control with Franchisee, is convicted of a felony, or a crime or offense that is reasonably likely, in the opinion of the Franchisor, to adversely affect the Franchise, the proprietary marks or Franchisor's other rights; or

C. Franchisee is found to have mistreated a customer, engaged in rude and unprofessional conduct, or is responsible for the loss of a customer account.

D. If Franchisee is accused of any act of dishonesty or abuse of trust, including, but not limited to, theft, embezzlement, breach of trust, misuse of Franchisor or client property, submission of any false reports or charges, and Franchisee does not refute such accusation to Franchisor's satisfaction.

E. Suspension or revocation of driver's license or TLC licenses and/or unsatisfactory driving record (ex., multiple accidents, multiple moving violations).

F. If a Franchisee commits a material breach of this Agreement, violating any of the following paragraphs: 5.1, subparagraphs E, G, H, I, K and L of 6.1, 7.1, 7.2, 8.1, 8.2, and 9.2. If Franchisee fails to perform his obligations pursuant to paragraphs 7.1 and 7.2, Franchisee shall have an opportunity to cure a non-material breach within five (5) days following such notice by Franchisor. If the Franchisee fails to cure within time required, the Franchisor may terminate the Franchise Agreement and/or exercise any other option it may have under the Agreement.

G. If a Franchisee commits a serious violation or repeated violations of any of the rules and regulations published by the Franchisor.

H. The public health or customer safety is endangered by the Franchisee, or the Franchisee exhibits a pattern of conduct in the operation of the franchised vehicle by which the Franchisor determines that the Franchisee is not qualified to continue as a Franchisee.

10.3 By Franchisor - Upon Thirty Days' Notice to Franchisee

This Agreement and the Franchise shall terminate upon thirty (30) days written notice to the Franchisee in any of the following circumstances:

A. A breach of the Franchisee's obligations under any provision of the Franchise Agreement, other than those specified in paragraph 10.2 hereinabove.

B. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein may be terminated if the Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed by Franchisee or such a petition is filed against Franchisee and not opposed by Franchisee, or if Franchisee is adjudicated a bankrupt or insolvent, or if a bill in equity or other proceeding for the appointment of a receiver of consent to by Franchisee, or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction.

C. If Franchisee fails to attend training within sixty (60) days after execution of the Franchise Agreement or fails to commence business operations within a reasonable time after training is completed, said period not to exceed thirty (30) days; or if Franchisee fails to complete the initial training program to the Franchisor's satisfaction;

D. If, upon the death or permanent incapacity of an individual Franchisee, the Franchisee's estate or legal representative fails to effect a transfer of his interest in the Franchise (with Franchisor's consent) within a reasonable period of time after said death or incapacity, not to exceed one (1) year from date of death or permanent incapacity; or

E. If Franchisee is in default under the Franchise Agreement for failure to substantially comply with any of the requirements imposed by the Franchise Agreement whether or not cured after receiving notice during any three (3) consecutive months or four (4) times within any twelve (12) month period;

F. If Franchisee abandons the Franchise for any period of time, after which it is reasonable for the Franchisor to conclude that the Franchisee does not intend to continue to operate the Franchise, unless due to act of God beyond the Franchisee's control;

G. If Franchisee fails to maintain and operate the Franchised Business in accordance with the specifications, standards and policies prescribed by the Franchisor in this Agreement or in the Rules and Regulations;

H. If Franchisee misuses or makes any unauthorized use of the Proprietary Marks or any other identifying characteristic of the System, or otherwise materially impairs the goodwill associated therewith or the Franchisor's rights therein;

I. If Franchisee commits an act of default three (3) times in any twelve (12) month period;

J. If Franchisee fails, refuses, or neglects to promptly pay any amount owed to the Franchisor, or to any vendor, trade creditor or affiliate of Franchisor on the date it is due;

L. If Franchisee fails to cooperate with inspections by Franchisor as authorized by this Agreement;

L. If Franchisee commits any act or omission which constitutes a default pursuant to the terms and conditions of Franchisee's lease of a franchised vehicle and Franchisee fails to cure such default in accordance with the terms of said lease;

M. If Franchisee fails, refuses, or neglects to submit to the Franchisor any financial or other information required under this Agreement on the date it is due;

N. If Franchisee fails, refuses or neglects to obtain the Franchisor's prior written approval or consent as required by this Agreement.

O. Franchisee shall be in default hereunder for any failure to substantially comply with the terms of this Agreement in good faith.

Franchisee shall have thirty (30) days after the mailing by the Franchisor of a written Notice of Termination within which to remedy any default hereunder and to provide evidence thereof to the Franchisor. If any such default is not cured within that time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee, effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require.

10.4 Remedies In Lieu of Termination

In lieu of terminating the Franchise and this Agreement, Franchisor shall have and may exercise any or all of the following options without first giving to Franchisee notice described above or the opportunity to cure the breaches:

A. To withhold payment from Franchisee of any amounts due Franchisee until Franchisee cures such non-material breaches specified in paragraph 10.3 of this Agreement.

B. Suspension of any and all franchise rights and privileges.

11. Consequences of Termination

11.1 IN THE EVENT OF A TERMINATION OF THE FRANCHISE AGREEMENT OR FRANCHISEE'S FAILURE TO QUALIFY FOR A RENEWAL THEREOF, THE FRANCHISEE SHALL HAVE NO INTEREST IN THE FRANCHISE. NO PORTION OF ANY PAYMENT SHALL BE REFUNDED, UNLESS OTHERWISE SPECIFIED HEREIN. ANY PROPERTY OR EQUIPMENT OF FRANCHISOR OR ITS AFFILIATE, WHICH IS IN THE POSSESSION OF FRANCHISEE, SHALL BE RETURNED TO THE FRANCHISOR OR AFFILIATE, RESPECTIVELY, AND THE UNPAID BALANCE OF ALL FEES, COSTS OR EXPENSES CHARGED BY FRANCHISOR OR ANY THIRD PARTY VENDOR SHALL CONTINUE TO BE PAID IN ACCORDANCE WITH THE TERMS OF ANY EXISTING AND ENFORCEABLE AGREEMENT, INCLUDING EACH OUTSTANDING NOTE, OR AT THE OPTION OF FRANCHISOR, UPON NOTICE TO SUCH EFFECT, EACH SUCH NOTE SHALL BE ACCELERATED AND SHALL BECOME DUE AND PAYABLE FORTHWITH. IF THE FRANCHISEE IS INDEBTED TO THE FRANCHISOR FOR ANY ADVANCE, DRAWS ON COMMISSION, OR OPERATING EXPENSES, THE FRANCHISEE MUST DISCHARGE SAME.

11.2 Immediately upon the cancellation or termination of this franchise, however caused, the Franchisee shall cease using in any manner whatsoever Franchisor's service mark, trade names, symbols, slogans, emblems, insignia, or other designs, and return to Franchisor all material containing such service mark, and any other property of Franchisor, including, but not limited to, the Communications Equipment and/or other equipment connecting the Franchisee with the Franchisor's base station and exclusive frequencies. Upon the failure of the Franchise to

so remove the name of Franchisor or return to Franchisor Communications Equipment, material containing such service mark, Franchisor shall have the right to proceed by any legal means to cause the cessation of use and removal thereof, and all damages, and legal fees shall be paid by the Franchisee.

11.3 Franchisee shall take immediate action to disassociate himself from Franchisor and shall cease holding himself out as being in any way associated with Franchisor.

11.4 Franchisee must abide by the provision of this Agreement which prohibits certain competition in the business of rent chauffeur-driven vehicles and disclosure of trade secrets, etc. of Franchisor, as provided in Paragraph 8 and otherwise in this Agreement.

12. Proprietary Marks

12.1 When used in this Agreement, "Proprietary Marks" mean trademark, service mark or other word, symbol, device or any combination thereof, used by the Franchisor to identify its System and services to distinguish it from that of other businesses and services.

12.2 In connection with the operation of the franchised business, Franchisor grants to Franchisee a non-exclusive license to use the trade names and certain Proprietary Marks, including DELUX® and DELUX TRANSPORTATION SERVICES, only in the manner that Franchisor directs. Nothing in this Agreement shall be construed as authorizing or permitting the Proprietary Marks to be used for any other purpose, except as may be authorized in writing by Franchisor.

12.3 Franchisee acknowledges that the license of the trade names, the Proprietary Marks, goodwill and trade secrets remains solely with the Franchisor, and that Franchisee shall not register or attempt to register the trade names and Proprietary Marks or to assign any rights in them other than as specifically granted in this Agreement, or claim any right, title or interest therein, nor shall Franchisee contest the validity or ownership of the trade names and Proprietary Marks.

12.4 At Franchisor's request, Franchisee shall assign, transfer, or convey to Franchisor in writing, all additional rights, if any, that may be acquired by Franchisee as a result of his/her use of trade names and Proprietary Marks.

12.5 Franchisor reserves the right to approve all signs, advertising material, stationery, business cards, forms and all other objects and supplies using trade names and Proprietary Marks. Advertising material, stationery, business cards and other promotional materials shall prominently display the Franchisor’s trade name, “Delux Transportation Services,” and the address and phone number of the Central Dispatch Office. All advertising, publicity, signs, decorations, furnishings, equipment or other materials employing the words “Delux” and "Delux Transportation Services" shall be submitted to the Franchisor for approval in accordance with this Agreement and Franchisee shall obtain Franchisor's approval prior to such use.

12.6 Franchisor reserves the right at any time, and upon thirty (30) days written notice to Franchisee to adopt new or modified Proprietary Marks during the term of this Agreement for use by Franchisee and or the entire System. In such event and at Franchisor's direction, Franchisee shall adopt, use and display only such new or modified Proprietary Marks and he/she shall promptly discontinue the use and display of outmoded or superseded Proprietary Marks. All expenses incurred by the Franchisee in the preparation of revised sales literature, promotional materials and the like shall be borne exclusively by the Franchisee.

12.7 Franchisee shall promptly notify Franchisor of any claim, demand or suit based upon or arising from the unauthorized use of, or an attempt by any other person, firm or corporation to use, without Franchisor's authorization, or any infringement of or challenge to, any "Delux Transportation Services" Proprietary Marks. Promptly shall mean within five (5) days after Franchisee is made aware of same. At its sole option and at its own expense, Franchisor shall undertake the defense or prosecution of any litigation, which, in Franchisor's judgment, may affect the goodwill of the System, and Franchisor may in such circumstance, undertake any other action which it deems appropriate. Franchisor shall have sole and complete discretion in the conduct of any defense, prosecution or other action it chooses to undertake. In that event, Franchisee agrees to execute those documents and perform those acts which, in the opinion of Franchisor, are necessary for the defense or prosecution of the litigation or for such other action as may be undertaken by Franchisor.

12.8 In order to develop and maintain high uniform standards of quality and service and to protect the reputation and goodwill of Franchisor, Franchisee agrees to do business and advertising using only the name "Delux Transportation Services" and such other Proprietary Marks as Franchisor directs. Franchisee shall not do business or advertise using any other words, nor shall Franchisee be permitted to use the name "Delux Transportation Services" as part of his or her corporate, partnership or business name.

12.9 If required, Franchisee shall be required to and shall affix the ℠ or ® symbol upon all advertising, publicity, signs, decorations, furnishings, equipment or other printed or graphic material employing the word DELUX® in connection with the operation of the franchise and a logotype or any other of Franchisor's Proprietary Marks.

12.10 Franchisee acknowledges that he or she does not have any right to deny the use of Franchisor's Proprietary Marks to any other franchisee, or to any other person or entity. In consideration therefore, Franchisee shall execute all documents and take such action as may be requested to allow Franchisor or other "Delux Transportation Services" franchisees to have full use of the Proprietary Marks, outside of Franchisee's Primary Area of Responsibility.

12.11 If, during the term of this Agreement, there is a claim of prior use of any of the Proprietary Marks, or any other of Franchisor's Proprietary Marks in the area in which Franchisee is doing business or in another area or areas, Franchisee shall use the "Delux Transportation Services" trade name and other of Franchisor's Proprietary Marks in such a way and at Franchisor's discretion so as to avoid continuation of such conflict.

12.12 The Franchisee shall exclusively use the trade name "Delux Transportation Services," the Proprietary Marks, any logos, trade styles, color combinations, designs, symbols and slogans designated by Franchisor for his franchised business and no other. The Franchisee shall use only the Proprietary Marks of the Franchisor in connection with the operation of the franchised business. Franchisee recognizes that the "Delux Transportation Services" trade name and Proprietary Marks are parts of the properties and goodwill of the Franchisor, and that the use thereof by the Franchisee is a privilege granted by the Franchisor to the Franchisee for his use in connection with the operation of his Franchised Business so long as this Agreement shall be in effect and the Franchisee complies with the terms and conditions hereof. In furtherance thereof, Franchisee shall not use any confusingly similar Proprietary Marks in connection with his Franchised business or any other business that he may have an interest in. The Franchisee shall use the words "Delux Transportation Services" solely as a trade name, service mark and Proprietary Marks, and he shall not use the words "Delux Transportation Services" as part of the legal name of any corporation, partnership, proprietorship or other business entity to which the Franchisee is associated, or with a bank account, trade account or in any legal or financial connection, without the prior written approval of the Franchisor.

12.13 Franchisee agrees to maintain a high moral and ethical standard in the operation and conduct of his Franchised Business so as to create and maintain goodwill among the public for "Delux Transportation Services" name and supervise and evaluate the performance of his staff to ensure that each renders competent, efficient and quality service to the general public.

13. Additional Rights of Franchisor

13.1 Franchisor may offset against any amounts due from time to time to Franchisee from Franchisor, whether hereunder or otherwise.

13.2 Franchisor is authorized to pay on behalf of Franchisee any amounts required to be paid by Franchisee in respect of any obligation relating to insurance, Vehicle, Communications Equipment, or the repair of the foregoing, used by Franchisee in the operation of the Franchise, and any amounts which Franchisee is obligated to pay, which, if not paid, would adversely affect the Franchise, or Franchisor, provided that such amount is past due at the time of such notice, and, to deduct same from Any amount then due or which may become due to Franchisee from Franchisor, with Franchisee remaining liable for any balance.

14. Rules & Regulations; Standard Operating Procedures

14.1 All SOP’s of the Franchisor shall be deemed a part of this Agreement.

14.2 All SOP's shall be deemed to represent the policy of the Franchisor and shall be binding upon the Franchisee. Unless otherwise specifically provided, any Standard Operating Procedure may be modified or amended to by Franchisor, Willets, or a designated agent on not less than ten (10) days’ notice to the Franchisee without the consent of the Franchisee, provided such modification or amendment is made in good faith and is reasonable taking into account all circumstances, including without limitation, increases in costs, and efforts of Franchisor to compete more effectively. Such notice may be given orally or in writing.

15. Covenant of Further Assurances

The parties shall, at their expense, execute and deliver any and all documents and take any and all steps requested by each other from time to time to perform the covenants and obligations herein and effectuate the intent, spirit and purpose hereof.

16. Independent Contractor and Indemnification

16.1 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that Franchisee shall at all times be an independent contractor, and that nothing in this Agreement is intended to constitute either party as an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

16.2 It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on the Franchisor's behalf, or to incur any debt or other obligation in the Franchisor's name and that the Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, or by reason of any act or omission of Franchisee in the operation of the Franchised Business, or any claim or judgment arising therefrom against the Franchisor; and Franchisee shall indemnify and hold the Franchisor and its officers, directors, shareholders, and employees harmless against any and all claims arising directly or indirectly from, as a result of, or in connection with Franchisee's operation of the Franchised Business provided they arise out of the Franchisee's negligence, breach of contract or other civil wrong, as well as the costs, including attorney's fees, of defending against them, provided said acts do not arise from the Franchisor's negligence or the commission of a civil wrong by the Franchisor, or which result from the actions brought by third parties for infringement with respect to use of the Proprietary Marks, provided such infringement actions are caused solely by the Franchisor.

17. Permits and Approvals

17.1 Whenever this Agreement requires the prior approval or consent of the Franchisor, Franchisee shall make a timely written request to the Franchisor therefor, and such approval or consent shall be obtained in writing.

17.2 The Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

17.3 No failure of the Franchisor to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of the Franchisor's right to demand exact compliance with any of the terms and covenants contained herein. Waiver by the Franchisor of any particular default by Franchisee shall not affect or impair the Franchisor's rights with respect to any subsequent

default of the same, similar, or different nature; nor shall any delay, forbearance, or omission of the Franchisor to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions or covenants hereof, affect or impair the Franchisor's right to exercise the same; nor shall such constitute a waiver by the Franchisor of any right hereunder, or the right to declare any subsequent breach or default and to terminate this franchise prior to the expiration of its term. Subsequent acceptance by the Franchisor for any payments due it hereunder shall not be deemed to be a waiver by the Franchisor of any preceding breach by Franchisee of any terms, covenants, or conditions of this Agreement.

17.4 The Franchisor shall not, by virtue of any approvals, advice, or services provided to Franchisee, assume responsibility or liability to Franchisee or to any third parties to which the Franchisor would not otherwise be subject.

18. Risk of Operations

Franchisee recognizes that there are many uncertainties with respect to the establishment and operation of the Franchised Business, therefore, Franchisee agrees and acknowledges that, except as specifically set forth in this Agreement, no representations, warranties, guaranties or agreements have been made to Franchisee, either by Franchisor or by any one acting on its behalf or purporting to represent it, including, but not limited to, the prospects for successful operations, the level of business or profits that Franchisee might reasonably expect, the desirability, profitability or expected volume of the livery business which any Franchisee may receive. Franchisee hereby acknowledges that all such factors are necessarily dependent upon variables which are beyond Franchisor's control, including, without limitation, the ability, motivation, amount and quality of effort expended by Franchisee, and therefore, Franchisee releases Franchisor, officers, directors, affiliates and shareholders from any and all claims suits and liability relating to the operation of Franchisee's business including, but not limited to, the results of its operation, except to the extent that the same is predicated upon the breach of a specific written obligation of Franchisor contained in this Agreement and provided, however, that all rights enjoyed by the Franchisee and any cause of action arising in its favor from the provisions of Article 33 of the GBL and the regulations issued thereunder shall remain in force; it being the intent of this provision that the non-waiver provisions of GBL 687.4 and 687.5 be satisfied.

19. Force Majeure

Neither party shall be responsible to the other for non-performance or delay in performance occasioned by and causes beyond their respective controls, including without limiting the generality of the foregoing, acts or omissions of the other party, acts of civil or military authority, strikes, lock-outs, embargoes, insurrections or acts of God, inability of Franchisor to obtain any equipment, material or goods from its suppliers, provided that the inability of a party to obtain funds shall be deemed to be a cause within the control of such party. If any such delay occurs, any applicable time period shall be automatically extended for a period equal to the time lost, provided that the party affected makes reasonable efforts to correct the reason for such delay and gives to the other party prompt notice of any such delay.

Franchisor operates under various governmental regulatory authority permits and does not hereby grant Franchisee any interest therein, except upon written consent

20. Notices

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

NOTICES TO FRANCHISOR:	DELUX FRANCHISE, INC. 62-B Main Street Port Washington, NY 11050 Attention: Mr. Peter Blasucci
COPY TO:	Steven M. Critelli, Esq. 24 Robinson Road Clinton, NY 13323
NOTICES TO FRANCHISEE:	_____ _____ _____
COPY TO:	

Any notice by certified or registered mail shall be deemed to have been given at the date and time of mailing.

21. Arbitration

Any controversy or claim arising out of or relating to this Agreement other than a claim for injunctive relief, shall be settled by binding arbitration in accordance with the rules for commercial arbitration of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction thereof. The arbitration shall be conducted through the American Arbitration office closest to Franchisor's corporate offices and shall be conducted by a single arbitrator selected in accordance with the rules and regulations applicable to commercial matters. All provisions of the Civil Procedure Laws and Rules relating to discov- ery in civil lawsuits shall be applicable in the arbitration proceedings. If there are any disputes in matters of public policy, restraint of trade, securities laws violation or any other matter which cannot be the subject of arbitration, those matters shall be separate from all other disputes which other disputes shall first be settled by arbitration. After arbitration, any disputes which cannot be

tried by arbitration shall be brought before a court of competent jurisdiction. Should the parties be unable to separate matters which shall be tried by arbitration from those which cannot be tried by arbitration, the allegations and positions of the parties shall be brought before the arbitrator and his decision regarding the appropriateness for arbitration of the matters in controversy shall be determinative and binding upon the parties. Unless otherwise determined by the arbitrator, the fees and expenses of arbitration, not including attorneys fees, shall be shared equally by the parties. The prevailing party shall be entitled to receive reimbursement of its attorneys fees from the losing party.

22. Severability and Construction

22.1 Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement. The provisions of this Agreement shall be deemed severable.

22.2 If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which the Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision as if that lesser covenant or provision were separately stated in and made a part of this Agreement.

22.3 Nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than the Franchisor or Franchisee, and such of their respective successors and assigns as may be contemplated by Paragraph 9 hereof, any rights or remedies under or by reason of this Agreement.

22.4 All captions in the Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

22.5 All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable, and all acknowledgements, promises, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all those executing this Agreement in behalf of Franchisee.

22.6 This Agreement may be executed in triplicate, and each copy so executed shall be deemed an original.

23. Entire Agreement

This Agreement and the Exhibits attached hereto constitute the entire, full, and complete Agreement between the Franchisor and Franchisee concerning the subject matter hereof, and supersedes all prior and contemporaneous oral or written agreements. No other representations, inducements, promises, or agreements, oral or otherwise, not embodied herein or attached hereto (unless of a subsequent date) were made by either party and none shall be of any force or effect

with reference to this Agreement or otherwise. No amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

24. Applicable Law

24.1 This Agreement takes effect upon its acceptance and execution by the Franchisor in New York, and shall be interpreted and construed under the laws thereof, which laws shall prevail in the event of any conflict of law.

24.2 No right or remedy conferred upon or reserved to the Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

24.3 Nothing herein contained shall bar the Franchisor's right to seek injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

24.4 The parties herein irrevocably agree and consent that in any action or proceeding hereafter brought by either party to this Agreement, each must unconditionally submit to the jurisdiction and venue of any local, state or federal court located in the State of New York, County of Nassau and Town of North Hempstead.

25. Acknowledgments

25.1 Franchisee acknowledges that he has conducted an independent investigation of the Franchised Business, and recognizes that the business venture contemplated by this Agreement involves business risks and that the success of the Franchised Business will be totally dependent upon the ability of the Franchisee as an independent business person. The Franchisor expressly disclaims the making of, and Franchisee acknowledges that he has not received, any warranty or guarantee, expressed or implied as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

25.2 By signing this Agreement the parties acknowledge that each has read and understands this Agreement, including the Exhibits hereto; and they further acknowledge that each party has had ample time and opportunity to consult with independent legal counsel, financial and other advisors about the potential benefits and risks of entering into this Agree- ment.

25.3 Franchisee acknowledges that he has received a complete copy of this Agreement, the Exhibits referred to herein, and agreements relating hereto, if any, at least ten (10) business days prior to the date of which this Agreement was executed. Franchisee further acknowledges that he has received the Franchise Offering Circular required by the Trade regulation Rule of the Federal Trade Commission, entitled "Disclosure Requirement and Prohibitions Concerning

Franchising and Business Opportunity Ventures," and Article 33 of the General Business Law, at least ten (10) business days prior to the date on which this Agreement was executed.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement in triplicate on the day and year first above written.

DELUX FRANCHISE, INC.

_____ By_____

Individual Franchisee Peter Blasucci, President

(Franchisee Corporation)

By_____

President

EXHIBIT B

MOTOR VEHICLE LEASE AGREEMENT

RETAIL LEASE AGREEMENT

Lease Date: _____ [ ] Business, Commercial, or Agricultural Purpose Lease.

Lessor Name and Business Address	Lessee(s) Name(s) and Residence Address(es)
.	.
.	.
.	.
.	.
	County: _____

1. Parties and Agreement to Lease. In this Lease, "you" and "your" mean the lessee. "We," "us" and "our" mean the original lessor and the party to whom the original lessor intends to assign the Lease. These terms, conditions and disclosures govern your lease with us and after assignment, with the party to whom we have assigned the Lease (the "Assignee"). Disclosures in this Lease are made on behalf of the lessor, and after assignment, on behalf of the Assignee shown below. Each of you who signs the Lease is individually liable to us for all Lease obligations. You are leasing the Vehicle described below (the "Vehicle") from us. You agree to pay all amounts due under the Lease and fulfill all your obligations under the Lease. You intend to use the Vehicle primarily for personal, family or household purposes unless the "Business, Commercial or Agricultural Purpose Lease" box above is checked. In this Lease, "e" means an estimate. The Consumer Leasing Act Disclosures shown below are also terms of this Lease.

2. Description of the Leased Property (The "Vehicle")

New/Used	Year	Make	Model	Body Style	Vehicle ID #	Odometer

3. CONSUMER LEASING ACT DISCLOSURES

Amount Due at Lease Signing or Delivery	**Monthly Payments**	**Other Charges** (not part of your monthly payment)	**Total of Payments** (The amount you will have paid by the end of the Lease)
(Itemized below)*	Your first monthly payment of $ _____ is due on _____, _____ followed by _____ payments of $ _____ due on the _____ of each month. The total of your monthly payments is $ _____.	Disposition fee (if you do not purchase the Vehicle) $ _____ Security Deposit Administrative Fee $ _____ _____ $ _____ Total $ _____	$ _____
$ _____			

***Itemization of Amount Due at Lease Signing or Delivery**

Amount Due at Lease Signing or Delivery:		**How the Amount Due at Lease Signing or Delivery will be paid:**	
Capitalized cost reduction	$ _____		
First monthly payment	$ _____	Net trade-in** allowance	$ _____
Refundable security deposit	$ _____		
Refundable reconditioning reserve	$ _____	Rebates and noncash credits	$ _____
Title fees	$ _____		
Registration fees	$ _____	Amount to be paid in cash	$ _____
_____	$ _____		
_____	$ _____		
Total	$ _____	Total	$ _____

Your monthly payment is determined as shown below:

Gross capitalized cost. The agreed upon value of the Vehicle ($ _____) and any items you pay over the Lease term (such as service contracts, insurance, and any outstanding prior credit or lease balance).		$ _____
Capitalized cost reduction. The amount of any net trade-in allowance, rebate, noncash credit, or cash you pay that reduces the gross capitalized cost.	–	$ _____
Adjusted capitalized cost. The amount used in calculating your base monthly payment.	=	$ _____
Residual value. The value of the Vehicle at the end of the Lease used in calculating your base monthly payment.	–	$ _____
Depreciation and any amortized amounts. The amount charged for the Vehicle's decline in value through normal use and for other items paid over the Lease term.	=	$ _____
Rent charge. The amount charged in addition to the depreciation and any amortized amounts.	+	$ _____
Total of base monthly payments. The depreciation and any amortized amounts plus the rent charge.	=	$ _____
Lease payments. The number of payments in your Lease (This is also the number of months in your Lease).	÷	_____
Base monthly payment.	=	$ _____
Monthly sales/use tax.	+	$ _____
_____	+	$ _____
_____	+	$ _____
Total monthly payment.	=	$ _____

Early Termination. You may have to pay a substantial charge if you end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the Lease is terminated. The earlier you end the Lease, the greater this charge is likely to be.

Excessive Wear and Use. You may be charged for excessive wear based on our standards for normal use and for mileage in excess of _____ miles per year at the rate of _____ ¢ per mile.

Purchase Option at End of Lease Term. You have an option to purchase the Vehicle at the end of the Lease term for $ _____ and a purchase option fee of $ _____. The purchase option price does not include official fees such as those for taxes, tags, licenses and registration.

Other Important Terms. See your lease documents for additional information on early termination, purchase options, maintenance responsibilities, warranties, late and default charges, insurance, and any security interest, if applicable.

4. **Description of the Trade-In Vehicle

Year _____

Make _____ Model _____

Gross Amount of Trade-In Allowance		$ _____
Prior Credit or Lease Balance	–	$ _____
Net Trade-In Allowance (If less than 0 then enter 0)	=	$ _____

5. Itemization of Gross Capitalized Cost

Agreed upon value of the Vehicle:		Optional Products and Services:	
Other amounts included in the gross capitalized cost:			
Taxes	$ _____	Mechanical Breakdown Protection	$ _____
Title and Registration fees	$ _____	Service Contract	$ _____
Lease acquisition fee	$ _____	_____	$ _____
Documentation fee	$ _____	_____	$ _____
Prior credit or lease balance on trade-in vehicle	$ _____ ‡	_____	$ _____
_____	$ _____	_____	$ _____
		Total Gross Capitalized Cost:	$ _____

‡ No add permitted unless lessor has paid prior credit or lease balance.

6. Official Fees and Taxes. The total amount you will pay for official and license fees, registration, title and taxes over the term of your Lease, whether included with your monthly payments or assessed otherwise:

$ _____ (e)

The actual total of fees and taxes may be higher or lower depending on the tax rates in effect or the value of the Vehicle at the time a fee or tax is assessed.

7. Warranties. The Vehicle is subject to the following express warranties: If the Vehicle is new, the Vehicle is subject to the manufacturer's standard new car warranty. ☐ If this box is checked, the Vehicle is subject to the following express warranty or guarantee:

_____

_____

If the Vehicle is not new, and no warranty is identified in the previous sentence, there is no express warranty on the Vehicle. TO THE EXTENT PERMITTED BY LAW, WE DISCLAIM ANY WARRANTIES IMPLIED BY LAW, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. If we make a written warranty covering the Vehicle or, within 90 days of the Lease Date we extend a service contract covering the Vehicle, this disclaimer will not affect any implied warranties during the term of the warranty or service contract.

8. Late Payments. The charge for late payments is: _____ for any payment not received within 10 days of the date it is due.

9. Disposition Fee (See "Return of the Vehicle" on the other side of this Lease):

$ _____.

10. Early Termination Fee (See "Your Early Termination Liability" on the other side of this Lease):

$ _____. (Enter "0" except for business, commercial or agricultural lease)

11. Optional Products and Services

You are not required to buy any of the following optional products and services to enter into the Lease. The term of any product or service will be the Lease term, unless a different term is shown below. If you decide you want to buy an optional product or service, review the terms of the contract which describes the product or service before you initial below. A completed copy of the contract will be given to you as soon as practicable. **By initialing below, you indicate that you want to purchase the optional products and services indicated. If the cost shown below is not shown as part of the Itemization of Amount Due at Lease Signing or Delivery above, it has been added to the Gross Capitalized Cost (see above).**

Optional Product or Service	Amount or Period	Price	Term	Name of Provider	Approval
Optional Mechanical Breakdown Protection or Service Contract					Lessee Initials _____
					Lessee Initials _____

12. NOTICES

New York Disclosures

Capitalized Cost. [The sum of the adjusted capitalized cost and any capitalized cost reduction. The capitalized cost and the amount of the rental payment may be negotiable.]

$ _____

Adjusted Capitalized Cost [The amount which is capitalized in connection with this Lease and is used in determining the amount of your periodic payment. This amount will be used in determining your early termination liability.]
[The Adjusted Capitalized cost may be used to compare the early termination provisions of competing lessors.]

$ _____

Warning: Important consumer protections may not apply if this agreement indicates that you are leasing the Vehicle primarily for agricultural, business or commercial use.

NOTICE TO THE LESSEE: 1. Do not sign this agreement before you read it or if it contains any blank space. 2. You are entitled to a completely filled in copy of this agreement when you sign it.

By signing below, you acknowledge delivery of a copy of the Lease.

RETAIL LEASE AGREEMENT

LESSEE SIGNATURES (check if other than individual(s) ☐ **Corporation** ☐ **Partnership** ☐ **LLC or LLP** ☐ **Sole Proprietorship**

Lessee Signature	Lessee Signature
Type/Print Lessee Name	Type/Print Lessee Name

LESSOR'S ACCEPTANCE AND ASSIGNMENT

The Lessor's authorized signature indicates the Lessor has accepted the terms, conditions and obligations of the Lease and that the Lessor agrees to the "Lessor's Assignment" provision on the other side of this Lease.

Lessor Name:	By: _____
	Type/Print Name: _____
Assignee Name:	Type/Print Title: _____

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THE PRINTER MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO CONTENT OR FITNESS FOR PURPOSE OF THIS FORM. CONSULT YOUR OWN LEGAL COUNSEL.

LESSOR COPY

13. Default, Repossession and Other Remedies

You will be in default if: You fail to make a monthly payment when it is due; • You fail to pay any amount you owe under the Lease when it is due or when demand is made; • You provide any false or misleading information in any lease application; • You fail to maintain the required insurance; • You lose possession of the Vehicle by confiscation, forfeiture or other involuntary transfer regardless of whether the Vehicle is the subject of judicial or administrative proceedings; • You die and there is no surviving lessee; • The Vehicle is lost, stolen or damaged beyond repair; • You assign the Lease or transfer the Vehicle; • You fail to keep any other promise or obligation under the Lease or violate any other term of the Lease.

If you are in default solely because you failed to make timely rental payments, you may cure your default and reinstate this Lease, without losing any rights or options you have previously acquired under this Lease by paying all past due rental and delinquency charges, a reinstatement fee of $10, and the actual and reasonable costs of repossession, storage, pickup and redelivery. You may cure your default by paying these amounts within 25 days after we send you notice of your reinstatement rights. You may not cure your default and reinstate this Lease if you have previously done so. If the Lease is in default, we may at our election, take any one or more of the following actions: We may take any action, such as buying insurance on your behalf, we believe to be required to protect our interest in the Vehicle. Our action will not cure your default. Amounts we spend taking such action will be added to your Lease obligations and will incur rent charges. If we terminate this Lease upon a default, you authorize us to cancel any optional products and services you bought in connection with this Lease. You direct any provider of such products and services to pay us any refund or credit due on early cancellation. We will apply any refund to your Lease obligations. We may peacefully repossess the Vehicle wherever we may find it. We will give all notices of repossession required by law. You authorize us to enter any property where the Vehicle may be to take possession of it and remove it. We may use the license plates on the Vehicle in moving it to a storage place. After repossession, we will hold the Vehicle free of any rights you may have under this Lease, subject to any right you may have under applicable law to cure the default or recover the Vehicle. Unless you tell us within two business days of any personal property you claim was in the Vehicle when it was repossessed, we will not be responsible for that property.

14. Your Early Termination Liability

(a) **You may terminate (end) the Lease voluntarily at any time before the end of the Lease term under the following conditions: If you are not in default under the Lease, you may end the Lease by returning the Vehicle to us and paying us within five business days of the date we make demand your early termination liability (see below).**

(b) We may end the Lease before the end of the Lease term under the following conditions: If you are in default, we may end the Lease. You must return the Vehicle to the place we designate. You must pay us within five business days of the date we make demand your early termination liability (see below).

Upon early termination you agree to pay the following charges: • Any unpaid monthly payments then due. • The Early Termination Fee, if any, shown in Item 10. • Any official fees and taxes imposed in connection with termination. • The amount by which the adjusted lease balance exceeds the Vehicle's realized value at termination. If early termination is a result of the theft or physical damage of the Vehicle, your early termination liability is described below in the paragraph titled "Your Gap Liability". • If we have to take possession of the Vehicle from you, you will pay us the amount we have to pay for expenses in doing so. • If we have to store the Vehicle and pay storage charges, you will pay us the amount of the storage charges. We will apply to what you owe some or all of your security deposit and any interest earned on your security deposit (less our administrative fee), if we are required to deposit your security deposit in an interest-bearing account by the terms of the paragraph titled "Security Deposit."

We figure your adjusted lease balance, which is the balance subject to rent charge, using the 'constant yield' method. 'Constant yield method' means the method of determining the rent charge portion of each base monthly payment under which the rent charge for each month is earned in advance by multiplying the constant rate implicit in the Lease times the balance subject to rent charge as it declines during the Lease term. At any given time during the Lease term, the balance subject to rent charge is the difference between the adjusted capitalized cost and the sum of: (i) all depreciation amounts accrued during the previous monthly periods, and (ii) the first base monthly payment. The periodic rent charge calculations are based on the assumption that we will receive your rental payments on their exact due dates and that the Lease goes to its full term.

The realized value of the Vehicle is: the price we receive for the Vehicle at disposition; the highest offer we receive for disposition of the Vehicle; or the fair market value of the Vehicle at the end of the Lease term. We will add to the amount you owe us what it costs us to pay someone to dispose of the Vehicle, for example, an auction fee.

(c) To the extent these charges take into account the value of the Vehicle at termination, if you disagree with the value we assign to the Vehicle, you may obtain, at your own expense, from an independent third party agreeable to you and to us, a professional appraisal of the wholesale value of the Vehicle which could be realized at sale. We will then use the appraised value as the realized value.

If we have to pay someone to help us collect the amount you owe us, we will add the amount we have to pay to the amount you owe us. This may include reasonable fees (not exceeding 15% of the amount you owe) of attorneys who are not our salaried employees and court costs, if permitted by law.

15. Other Terms and Conditions

Insurance. You agree to maintain in your name the following types and amounts of primary insurance for the Lease term and until you return the Vehicle: Bodily injury insurance with $300,000/$500,000 limits; property damage insurance with $50,000 limits; collision, fire, theft and comprehensive coverage with a maximum deductible of $500. You may obtain insurance from anyone reasonably acceptable to us. We must be shown as additional insured and loss payee. We may endorse your name on any check we receive in payment of a claim. Your policy must state that we will be given at least 10 days' notice of any cancellation, reduction or other material coverage change. If your insurer does not pay a claim for any reason, it will mean that you have not maintained the required insurance. You will pay for any loss that may result because you do not maintain required insurance or because the insurer does not pay a claim. If you fail to maintain insurance as required by this Lease, we may buy equivalent insurance for our own interest or for your interest and our interest, and the cost of such insurance shall become subject to lease charges as though such cost was part of the initial lease value, and shall be subject to the default provisions of this Lease.

NOTICE: PHYSICAL DAMAGE OR LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE TO OTHERS IS NOT INCLUDED IN THIS LEASE.

Your Gap Liability. You are not liable for the "gap amount." The "gap amount" is the difference, if any, between: (i) the amount you owe at early termination of the Lease as of the date of a total loss of the Vehicle caused by its theft or physical damage, or the amount which would have been owed had we not waived such obligation; and (ii) the sum of (a) any unpaid rent payments and other unpaid charges arising from your failure to fulfill your obligations under the Lease that had accrued before the date of the loss; and (b) the actual cash value of the Vehicle as of the date of the loss. If you have maintained insurance as required under this Lease, "actual cash value" shall have the same meaning as under your physical damage insurance policy.

Standards for Wear and Use. You may be charged for excess wear and use at the end of the scheduled Lease term. Any charges for excess wear and damage (not including excess mileage charges) may not exceed our actual cost of repairs, reduced by all discounts, or a true itemized estimate of repairs by an unaffiliated licensed appraiser we select. The following standards apply for determining unreasonable or excess wear and use: • You will not paint or letter the Vehicle or modify the VIN number of the Vehicle; • You will not add, remove or modify any accessories, equipment or parts without our prior written permission; • The Vehicle will not have road damage, chips, scratches, cracks, or damage to the glass, body, bumpers, frame or interior, mechanical or electrical malfunction, torn, burned, stained or shredded upholstery and interior, dented trim or molding, damage from water, sand, or freezing; • You must return the Vehicle with operating interior and exterior lights; • You must return the Vehicle with 4 matching tires of equal quality to the originals and a spare of equal quality and type as the original; • When you return the Vehicle, each Vehicle tire must have not less than 1/8 inch of tread remaining at its shallowest point; and • While you have possession of the Vehicle it must be capable of passing any inspection.

Security Deposit. If a charge for a refundable security deposit appears in Item 3, this paragraph applies. We may apply some or all of the security deposit to what you owe. Any unused security deposit will be returned to you at the end of the Lease. We have no fiduciary duty to you with respect to the security deposit unless such duty is imposed by law. No interest, increase or profit on the security deposit will accrue or be paid to you, unless the remainder of this paragraph applies. The rest of this paragraph applies if the Lease is entered into after December 31, 1997. If your security deposit is $750 or more, we will deposit it, with other security deposits, in an interest bearing account in a bank in New York. The account will bear interest at the prevailing rate for other such deposits made with banks in the same area. We may keep an administrative fee equal to 1% per annum on such deposit. We will hold in trust the rest of the interest paid by the bank until, at our option, it is returned to you or used to repay any amount you owe. Any unused part of your security deposit and the remaining interest will be paid to you.

Optional Products and Services. If Item 5 reflects that you have agreed to purchase Optional Products and Services, you understand and agree that the original Lessor may retain all or a part of the purchase price shown for such Optional Products and Services, depending upon whether the Optional Products and Services are purchased by the original Lessor from a third party or are provided directly by the original Lessor.

Reconditioning Reserve. If a charge for a refundable reconditioning reserve appears in Item 3, this paragraph applies. If you fail to pay any charges for excess mileage or excess wear and tear, we may use the reconditioning reserve to recondition the Vehicle for resale. The reconditioning reserve will be refunded to you if: (i) you buy the Vehicle at or before the end of the Lease term; or (ii) you pay any excess mileage and/or excess wear and tear charges due under this Lease. No interest, increase or profit will accrue or be paid to you on the reconditioning reserve.

Option to Purchase Vehicle Upon Early Termination. You have an option to buy the Vehicle prior to the end of the term. The price will be the adjusted lease balance (see "Terms Concerning Your Early Termination Liability", above) plus any other charges due and unpaid under this Lease. You must also pay any taxes or official fees (for taxes, tags, licenses and registration) imposed on our sale of the Vehicle to you.

Return of the Vehicle. You will return the Vehicle in clean condition. If you do not buy the Vehicle from us under your purchase option, you agree to return the Vehicle to us at a place we designate. When you return the Vehicle, you must give us a completed, signed odometer disclosure statement. You agree to pay us any amounts you owe under the Lease and have not paid. We may apply to what you owe all or part of your security deposit and any interest earned on your security deposit (less our administrative fee) if we are required to deposit your security deposit in an interest-bearing account by the terms of the paragraph titled "Security Deposit." If you keep the Vehicle after the date you are supposed to return it, you will pay us a monthly amount equal to the monthly Lease payment and other amounts that may come due. Your payment does not permit you to keep the Vehicle unless you get our permission in advance. You will pay us upon return of the Vehicle a disposition fee as shown in "Disposition Fee" on the other side of this Lease.

Maintenance. You will maintain the Vehicle in good working order and repair. You will pay all operating costs, such as gasoline, oil, and replacement tires. You will, at your expense, service the Vehicle according to the owner's manual maintenance schedule. If the Vehicle is recalled, you will have the recall repairs or service performed. We have no obligation to provide you with a replacement Vehicle for any reason.

Registration, Parking Tickets and Taxes. You must keep the Vehicle currently registered. You must pay all parking tickets and traffic fines relating to the Vehicle. If you do not pay such tickets and fines, we have the right to do so for you, and you will pay us upon demand. We may add the amount to what you owe us if you do not pay us when we make demand. You must pay when due or reimburse us if we pay for you all government charges, fees and taxes whether assessed on you, us, or the Vehicle. You will not have to pay our income taxes. If you do not pay the charges, fees and taxes and interest or penalties are assessed (unless the interest or penalties are a result of our negligence), you must pay the interest or penalties when due or reimburse us if we pay them. You must pay personal property taxes assessed on the Vehicle, whether you are billed for them by the government or whether we pay them and bill you for them or include the amount of such taxes as part of your monthly payment.

Use of the Vehicle. You will keep the Vehicle free from any liens or claims. You have the risk of loss, and are responsible for the Vehicle's damage or destruction. You will not allow unlicensed drivers to drive the Vehicle. You will not use the Vehicle for more than 30 days outside the state where the Vehicle was first titled without our prior written permission.

Acknowledgment. You acknowledge you have examined the Vehicle. You acknowledge that the Vehicle is equipped as you want, and that it is in good condition. You accept the Vehicle for all purposes of the Lease.

Indemnification. You agree to indemnify us and hold us and our assignees, agents, and insurers harmless from all damages, injuries, claims, demands, and expenses, including reasonable attorney's fees to the extent permitted by law, arising out of the condition, maintenance, use or operation of the Vehicle, including a claim under the strict liability doctrine.

Your Odometer Obligations. You will maintain the odometer of the Vehicle so that it always reflects the Vehicle's actual mileage. If the odometer is at any time inoperative, you will provide us with reasonable evidence of the Vehicle's actual mileage. If you are unable to do so, you will pay us our reasonable estimate of any reduction of the Vehicle's fair market value caused by the inability to determine the Vehicle's actual mileage. You will provide us with an odometer certification at any time we request one. We may request more than one certification during the term of this Lease.

Assignment and Transfer of the Vehicle. You may not assign the Lease or transfer the Vehicle without our prior written permission. We may assign all of our rights under this Lease. Any person to whom this Lease is assigned may reassign it.

Waiver. We do not waive our rights or remedies under this Lease by failing to exercise them at any time.

Giving Notice. Notices may be given personally or sent by first class mail. Notice mailed to us must be sent to the address shown in this Lease or as we otherwise direct from time to time. Notices shall be deemed given to us when they are personally given or actually received at our address. Notices shall be deemed given to you when they are personally given or when placed in the mail, addressed to you at your address then shown on our records, even though you might not actually receive our mailed notice. You agree that 10 days' notice is a reasonable notice period, unless state law requires a longer period, in which case you agree that the state required period is reasonable.

General. If any part of the Lease is invalid, unenforceable or illegal in any jurisdiction, the part that is invalid, unenforceable or illegal will not be effective as to that jurisdiction. The rest of the Lease will be enforceable. This Lease is our entire agreement. We have made no promises to you not contained in this Lease. Any change to this Lease must be written and signed by you and us. If any part of this Lease is found by a court or other dispute resolution body to be void or unenforceable, this Lease is to be read as if that part were never contained in this Lease.

Lessor's Assignment. Pursuant to the terms of that certain agreement between Lessor and the assignee named on the other side of this Lease ("Assignee") for the assignment of leases by Lessor to Assignee from time to time, Lessor hereby assigns all right, title and interest in the Lease and the Vehicle and rights the Lessor may have under any guaranty executed in connection with the Lease, with full powers to Assignee to collect and discharge all obligations, any guaranty and this assignment.

EXHIBIT C

LIST OF FRANCHISEES
(as of 12/31/21)

LIST OF ACTIVE FRANCHISEES AS OF 12/31/21

****

Farrukh Hanif
Xaviera International Inc.
45 Valley Rd.
Port Washington, NY 11050
Telephone: (516) 903-6916
Started: June 25, 1999

Abbas Kamil-Shaibani
V & M Cavalier Services Inc.
1138 Stewart Ave.
Bethpage, NY 11714
Telephone: (832) 876-1169
Started: November 13, 2009

Atif Butt
Legend Ride Inc.
130 Shore Rd. #137
Port Washington, NY 11050
Telephone: (516) 404-1041
Started: July 15, 2003

Mohamed S Abdelsamih
Allstate Limousine Corp.
205 Halsey Manor Road
Manorville, NY 11949
Telephone: (631) 871-5731
Started: June 7, 2007

Turgay Oztas
All American Safety Limo, Inc.
135 N. Wellwood Ave.
Lindenhurst, NY 11757
Telephone: (631) 901-3909
Started: July 18, 2007

Joseph Hilaire
The Quadruple Company
16-65 Rockaway Pkwy
Brooklyn, NY 11236
Telephone: (347) 642-2220
Started: March 31, 2007

Sajid Hussain
Samreen Sajid Corp.
135 Bergan Ct.
Copiague, NY 11726
Telephone: (631) 264-4637
Started: October 19, 2007

Srikant Sharma
Sri Sharma Inc.
301 Richard Ave, #1A
Hicksville, NY 11801
Telephone: (631) 948-1369
Started: October 30, 2007

Mohammed Mohiuddin
Omaier Limo Service, Inc.
16 Taca Blvd
Deer Park, NY 11729
Telephone: (631) 879-5142
Started: December 20, 2007

Munish Kapoor
Shiv Service Inc.
91 Horn Ln.
Levittown, NY 11756
Telephone: (516) 205-4100
Started: July 2, 2008

Shakti Bhasin
Honeycomb International, Inc.
78-12 268th St.
Floral Park, NY 11004
Telephone: (917) 981-7052
Started: January 22, 2010

Mustafa Amin
Mike & Daughter, Inc.
98 Graywood Rd.
Port Washington, NY 11050
Telephone: (516) 884-5498
Started: March 1, 2010

Gagandeep Singh
Sukh NY Inc.
80-18 89th Avenue
Woodhaven, NY 11421
Telephone: (347) 445-3064
Started: April 13, 2010

Jignesh Patel
Shri Ganesh Service Inc.
211 9 St.
Hicksville, NY 11801
Telephone: (516) 916-0276
Started: December 23, 2010

LIST OF ACTIVE FRANCHISEES AS OF 12/31/21

****

Raja Ali
Sea Cliff Limousine Inc.
18 Downing Avenue
Sea Cliff, NY 11579
Telephone: (516) 448-3904
Started: October 19, 2011

Keith Johnson
Pick and Drop Inc.
209-30 86th Dr.
Queens Village, NY 11424
Telephone:(718) 909-4250
Started: May 16, 2013

Ranjit Singh
Harman Metro Inc.
47 Dean St.
Islandia, NY 11749
Telephone: (631) 836-2682
Started: November 1, 2013

Syed Abbas
AKA Transport Inc
85-86 263rd St
Floral Park NY 11001
Telephone: (516) 234-3014
Started: December 5, 2013

Usama Gouda
Gouda Limousine Inc.
234 Hicksville Rd.
Seaford, NY 11783
Telephone: (917) 836-4756
Started: January 24, 2014

Dhsan Fazl
TD Limo Inc
2782 Maple Ave
North Bellmore, NY 11710
Telephone:(516) 503-9870
Started: September 2, 2014

Raj Sehgal
Shree Sai Inc
81-59 243rd Street
Bellerose, NY 11426
Telephone:(516) 708-6690
Started: December 5, 2014

Babar Sharif
JB Limousine Inc.
4 Juniper St
Hicksville, NY 11801
Telephone:(516) 800-4555
Started: November 19, 2014

Ahmed Abdelsalam
Ammsko1, Inc
21 East 23rd Street
Huntington Station, NY 11746
Telephone: (516) 965-3874
Started: Jan 13th 2015

Rab Nawaz
Rayaan International Inc
70 Field Ave.
Hicksville, NY 11801
Telephone: (516) 884-3564
Start : March 18, 2015

Wasim Khalid
Travel Terminal, Inc
207 Burr Road
East Northport, NY 11731
Telephone: (631) 612-4990
Start : May 7, 2015

Ali Jaffar
Hadee & Haider Limousine, Inc
5 Johnell Pl, Fl 2
Glen Cove, NY 11542
Telephone: (516) 643-9770
Start :August 5, 2015

Haji Nawab
Green Apple Wholesale Car, LLC
760 Spur Dr North
Bayshore, NY 11706
Telephone: (631) 897-3660
Start : October 12, 2015

Asim Mahmood
Zahid Transportation LLC
274 Flower Rd.
Valley Stream, NY 11580
Telephone: (516) 366-9924
Start : November 02, 2015

LIST OF ACTIVE FRANCHISEES AS OF 12/31/21

****

Mohammad Iqbal
Fusion Transportation, Inc
593 Meryl Drive
Westbury, NY 11590
Telephone: (917) 691-7343
Start : October 19, 2015

MD Islam
Jahir, Inc
1020 Old Town Rd.
Coram, NY 11727
Telephone: (631) 710-0308
Start : November 2, 2015

Mohammad Choudhury
M & T Rides, Inc
24 King Ave
Selden, NY 11784
Telephone: (631) 873-8104
Start : November 17, 2015

Kevin Liu
JLT Group, Inc
61-16 230 St.
Bayside, NY 11364
Telephone: (917) 689-1227
Start : December 29, 2015

Vinod Samala
Shirdi Sai, Inc
4 Dawn Lane
Searingtown, NY 11507
Telephone: (516) 304-2812
Started: February 01, 2016

Sarfraz Ahmed
3ZA,Inc
86 Sherwood Ave
Franklin Square, NY 11010
Telephone: (347) 323-8846
Started: April 12, 2016

Georgi Khocholava
Teo Transportation, Inc
24-53 64th Street, #A12
Brooklyn, NY 11204
Telephone: (646) 353-2481
Started: May 31, 2016

Naveed Malik
Pelican International, Inc
83-51 263rd St.
Floral Park, NY 11004
Telephone: (347) 475-7036
Started: April 16, 2016

Kamal Waris
INNYCA, Inc
12 Roosevelt Ave.
Roslyn, NY 11576
Telephone: (516) 523-3351
Started: December 30, 2016

Mohammad Aslam
Merab Inc.
5 Lou Ave
Kings Park, NY 11754
Telephone: (631) 693-9041
Started: March 20, 2017

Reggie M David
Luxuria LLC
122-41 133rd Ave
South Ozone Park, New York 11420
Telephone: (516) 707-1674
Started: April 5, 2017

Mohammad Nawaz
G & R Limo Service Inc.
2140 East 70th St.
Brooklyn, NY 11234
Telephone: (917) 930-4421
Started: May 25, 2017

Mubeen Khan
DG Limo Inc.
14 Continental Dr.
Centereach, NY 11720
Telephone: (718) 559-9094
Started: July11, 2017

Shahid Islam
Blue Sky 2017 Inc.
9 Primrose Ave.
Hicksville, NY 11801
Telephone: (516) 669-6046
Started: July12, 2017

Robert Ford
Go Time Limosine Inc.
173 Brendan Avenue
Massapequa Park, NY 11762
Telephone: (516) 244-2935
Started: September 13, 2017

Jennifer Thomas-Patterson
Lady J's Red Carpet Limousine LLC
11-27 East 81st Street
Brooklyn, NY 11236
Telephone: (347) 254-6263
Started: November 17, 2017

Rehman Aziz
Daniyaal Services Inc.
13 Leonard Place
Sea Cliff, New York
Telephone: (516) 545-9528
Started: April 3, 2017

Naeem Ilyas
Sirhali Transportation Inc.
15 Sobro Avenue
Valley Stream, NY 11580
Telephone: (516) 612-4323
Started: August 3, 2017

Artie Bagatta
Positive & Creative Inc.
425 Windham Loop
Staten Island, NY 10314
Telephone: (917) 940-5181
Started: December 15, 2017

Djakouba Sylla
Manda Inc.
300 E 158th St. / Apt 7C
Bronx, NY 10451
Telephone: (212) 444-8274
Started: January 11, 2018

Abbas Raza
VIP Service Enterprise Inc.
14 Maryland Ave.
Glen Cove, NY 11542
Telephone: (516) 728-7976
Started: January 22, 2018

Avamina V Michel
Raian Express Inc.
136 Fairfield Ave
Mineola, NY 11501
Started: December 26, 2017
Telephone: (516) 603-7986

Mohammad Arshad
Arshad Limo LLC
1870 Charles St.
Merrick. NY 11566
Telephone: (516) 279-0221
Started: May 18, 2018

Jaspreet Singh
J & N Chahal Inc.
85-02 Little Neck Pkwy
Floral Park, NY 11001
Telephone: (408) 375-4992
Started: May 23, 2018

Satinderjit S. Randhawa
SNR NY Inc.
1801 Saint Paul St.
Westbury, NY 11590
Started: May 25, 2018
Telephone: (646) 340-6549

Michael J. Gamble
MJG Black Car Service LLC
26 Lindsay Ave.
Wyandanch, NY 11798
Started: June 5, 2018
Telephone: (804) 712-4284

Muhammad Fahad
E Resource International Inc.
3794 Windsor Dr.
Bethpage NY 11554
Telephone: (917) 518-9246
Started: June 8, 2018

Elsayed Abouhashem
Sama & Rahaf Inc.
98 Graywood Rd.
Port Washington NY 11050
Telephone: (646) 750-1554
Started: July 23, 2018

Anthony W. Robinson
C Lux Luxury Transportation LLC
639 South 6th Ave
Mount Vernon, NY 10550
Telephone: (914) 803-6601
Started: July 26, 2018

Sukhjinder Singh
Kunwar Service Inc.
85 Woodbine Drive N
Hicksville, NY 11801
Telephone: (347) 935-5866
Started: October 29, 2018

Ramesh Kumar
AAR Kumar Limo Corp.
221-33 Davenport Ave.
Queens Village, NY 11428
Telephone: (347) 967-2278
Started: November 28, 2018

Amit Madaan
M.A.R.S. Limo Inc.
34 Dennis St
New Hyde Park, NY 11040
Telephone: (516) 851-7108
Started: January 07, 2019

Mohamed Haji
KMF Global Products Inc.
1024 North 4th St.
New Hyde Park, NY 11040
Telephone: (917) 509-7390
Started: February 08, 2019

Hemant Bholasing
Bhola Transportation Corp.
41 Cloverfield Rd. S
Valley Stream, NY 11581
Telephone: (516) 709-5557
Started: March 18, 2019

Santiago Maldonado
S G Maldonado Corp.
570 Keller Ave.
Elmont, NY 11003
Telephone: (516) 644-6879
Started: April 08, 2019

Balwinder Singh
Godson Limo Services Inc.
902 Glen Cove Ave
Glen Head, NY 11545
Telephone: (516) 263-3141
Started: May 15, 2019

Mohammad Javaid
JB Enterprise U.S.A. LLC
86-31 120th St.
Richmond Hill, NY 11418
Telephone: (347) 951-8580
Started: July 22, 2019

Noreen Qamar
N & S Solutions Inc.
232-19 Hillside Ave #1
Queens Village, NY 11427
Telephone : (347) 238-4239
Started : August 27, 2019

Mustaan Ahmed Hanif
Alpha Star Limo Corp.
273 Curtis Ave
Carle Place, NY 11514
Telephone (516) 988-2198
Started : September 11, 2019

Harjeet Singh
Addie Singh Taxi Service Inc.
135-46 246th St., #1
Rosedale, NY 11422
Telephone (347) 571-1870
Started : September 14, 2019

Zahid Rasool Chowdry
Affordable Limousine LLC
91-02 217th St.
Queens Vilage, NY 11428
Telephone (917) 364-6228
Started : October 4, 2019

Devindra Rattansingh
Sybarite LLC
92-52 216th St.
Queens Village, NY 11428
Telephone (917) 318-7391
Started : November 26, 2019

Hamna Nassar
FZA Transportation Inc.
87-45 254th St.
Bellerose, NY 11426
Telephone (516) 765-1225
Started : December 31, 2019

Simranjit Singh
Garcha Limo Service Corp.
77-15 252nd St. 2nd Fl
Bellerose, NY 11426
Telephone: (516) 849-4747
Start : August 10, 2016
Reactivated : October 30, 2019

Usman Saghir
Mikaeel Inc.
6 Crown St.
Hicksville, NY 11801
Telephone : (516) 710-9005
Started : January 30, 2020

Harbans Singh Bharaj
HHKRM Inc.
1316 Luddington Rd.
East Meadow, NY 11554
Telephone : (516) 426-2501
Started : February 10, 2020

Amit Kumar
Global Limousine Inc
501 51 St
Lindenhurst, NY 11757
Telephone : (631) 552-1011
Started : February 27, 2020

Govinder Bajaj
Cherry Enterprises Inc.
84-43 260 St., 1st Fl.
Floral Park, NY 11001
Telephone : (718) 223-3174
Started : March 12, 2020

Raj Chainani
JBB1506 Inc.
55 Hickory Rd
Port Washington, NY 11050
Telephone : (516) 303-4304
Started : June 24, 2020

Randhir Singh
Brar Builders Inc.
261-16 86th Ave
Floral Park, NY 11001
Telephone : (516) 462-5070
Started : December 29, 2020

Zahid Ishaq
Zahid-1 Transportation LLC
28 Gates Ave.
Valley Stream, NY 11580
Telephone : (917) 770-5212
Started : November 10, 2020

Gulraiz Badar
Farooqi's Inc
130 Shore Rd., #155
Port Washington, NY 11050
Telephone : (516) 304-0233
Reactivated : March 10, 2020

Mohammad Ghassemboland
Bolandian Transportation Inc.
199 Royal Ave.
Mineola, NY 11501
Telephone : 917.539.4199
Started : October 16, 2019

Abid Mehmood
K H NY Limo Inc.
146 Terrace Ave,
Elmont, NY 11003
Telephone : (917) 717-0362
Started : May 19, 2021

Abdul Jubbar
Al Zaman Inc.
557 Chesman Street
West Hempstead, NY 11552
Telephone : (917) 847-4768
Started : May 24, 2021

Pointi Prashant
Canam Corporate Services Inc.
61 Wilson Ave.
Deer Park, NY 11729
Telephone : (516) 724-7085
Started : June 10, 2021

Mohammad Naveed
NY Icon Limo Inc.
4332-12L Kissena Blvd.
Flushing, NY 11355
Telephone : (917) 403-0214
Started : June 11, 2021

Ahmed Raees
Maryam01 Corp.
1667 Rosalind Ave. #2
Elmont, NY 11003
Telephone : (516) 462-5847
Started : July 07, 2021

Verma Kapil
Aadrika Inc.
2621 Kesington Rd.
East Meadow, NY 11554
Telephone : (929) 732-0700
Started : July 12, 2021

Ashraf Soliman
City Luxury Ride Corp.
43-05 44th Street, #6A
Sunnyside, NY 11104
Telephone : (917) 428-5697
Started : July 14, 2021

Mohammed Chatha
Sundas Construction Inc.
628 Buxton Ave.
West Hempstead, NY 11552
Telephone : (347) 254-9046
Started : July 27, 2021

Huseyin Oztas
Sayha Inc.
221 E Nassau St.
Islip Terrace, NY 11752
Telephone : (631) 521-4948
Started : June 26, 2021

Muhammad A Asif
Asif & Sons Entreprises Inc.
127 Smith Street
Deer Park, NY 11729
Telephone : (631) 620-0805
Started : August 09, 2021

Paulina Jones White
Exceptional Executive Service Inc.
225-08 Linden Boulevard, #2E
Cambria Heights, NY 11411
Telephone : (917) 680-5724
Started : August 13, 2021

Yasin Tufan
Tufan Transportation Ltd.
130 Forsythe Avenue
Lindenhurst, NY 11757
Telephone : (631) 767-5752
Started : August 19, 2021

Gurtejjit Johal
GJ Enterprise Group
80-59 258th Street
Glen Oaks, NY 11004
Telephone : (914) 613-6060
Started : August 22, 2021

Yamnun Pasha
SP Business Inc.
25-14 97th Street, Apt #2
East Elmhurst, NY 11369
Telephone : (347) 536-6481
Started : September 14, 2021

El Sayed Hussein
Saba Basha Inc.
136 Fairfield Avenue
Mineola, NY 11501
Telephone : (516) 972-0145
Started : November 02, 2021

Mariusz Brociek
MB Lux Transportation Inc.
334 49th Street
Lindenhurst, NY 11757
Telephone : (631) 636-7969
Started : November 03, 2021

Suhail Rehman
Assan Corporation
138-27 64th Avenue, 2F
Flushing, NY 11367
Telephone : (917) 650-0106
Started : November 09, 2021

LIST OF ACTIVE FRANCHISEES AS OF 12/31/21

****

Tanveer Aasi
Arham Luxury LLC
11 Rover Lane
Hicksville, NY 11801
Telephone : (516) 428-0415
Started : November 30, 2021

Kuldeep Singh
Rashmeet Construction Corporation
95-24 114th Street
South Richmond Hill, NY 11419
Telephone : (718) 541-7258
Started : December 21, 2021

Baljinder Singh
Shaib Limo Inc.
86-67 Musket Street, 2nd Fl
Queens Village, NY 11427
Telephone : (646) 784-9869
Started : December 27, 2021

Junaid Cheema
Cheema Inc.
135 Arkansas Dr.
Valley Stream, NY 11580
Telephone: (516) 395-4233
Started: February 28, 2019

Alphonso Valencia
Prisma Enterprises, Inc
6259 108th Street, 2E
Forest Hills, NY 11375
Telephone: (917) 860-0056
Start : September 15, 2015

Anurag Gupta
Balaji Limo LLC
72 Barrister Rd.
Levittown, NY 11756
Telephone : (917) 559-6994
Started : January 16, 2020

Rodin Lamour
Keyshia & Keys LLC
168-20 127 Ave., Apt. 3F
Jamaica, NY 11434
Telephone:(917) 892-6926
Started: May 30, 2014

Arslan Farooq Mughal
Micro Transportation Inc.
141-52 85th Rd., 4H
Jamaica, NY 11435
Telephone: (347) 484-0768
Started: December 03, 2018

EXHIBIT D

LIST OF FRANCHISEES WHO HAVE TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE VOLUNTARILY OR INVOLUNTARILY CEASED TO DO BUSINESS UNDER THE FRANCHISE AGREEMENT FOR FISCAL YEAR ENDING DECEMBER 31, 2021

2021 CLOSED FRANCHISES

****

Abdul Aalikamaludeen
Hafsa Luxury Service LLC
16605 Highland Ave., Apt: 3B
Jamaica, NY 11432
Telephone : (646) 651-3229
Started : August 30, 2019
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Muhammad S. Iqbal
Suleman Bagga Inc.
30 S Tyson Ave.
S Floral Park, NY 11001
Telephone: (929) 800-0786
Started: April 11, 2019
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Afshin Sabzehroo
Ozomobil LLC
1 Wycham Pl.
Great Neck, NY 11021
Telephone: (347) 403-1529
Started: March 9, 2018
Closed: November 17, 2021
Reason: Personal Reasons

Zohaib Sayed/Adeel Syed
Techlogix Associates Inc.
88-23 179th Street Apt. 3D
Jamaica New York 11432
Telephone: (917) 743-8518
Started: May 11, 2017
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Mustafa Kemal Vardar
MKV Transportation, Inc
110 Waterford Road
Island Park, NY 11558
Telephone: (516) 353-3839
Started: November 23, 2016
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Mehmet Fred Ataman
Universe Limo Inc.
8 Dolphin Dr.
Centereach, NY 11720
Telephone: (631) 220-9208
Started: December 14, 2010
Closed: November 17, 2021
Reason: Personal Reasons

Hassan T. Butt
NRJ Limo Inc.
1984 Bly Rd.
East Meadow, NY 11554
Telephone: (516) 808-1716
Started: May 14, 2019
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Henry Veta
Veequest Inc.
11634 226th Street
Cambria Heights, NY 11411
Telephone: (516) 369-3107
Started: September 12, 2017
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Dexter Charles
Ethan LLC
13141 223rd Street
Laurelton, NY 11413
Telephone: (917) 586-7520
Started: July 20, 2015
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Nasser M. Raian
Anan Express Inc.
75 Willets Rd.
Glen Cove, NY 11542
Telephone: (516) 537-2947
Started: February 14, 2011
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

2021 CLOSED FRANCHISES

****

Kubra Abutalib
Kubra Enterprises, Inc.
81 Pointe Circle S.
Coram, NY 11727
Telephone:(631) 384-0962
Started: April 30, 2013
Closed: November 17, 2021
Reason: Personal Reasons

Shakeel Ahmed
Meezan Traders, Inc
34-58 90th Street. Apt 4J
Jackson Heights, NY 11372
Telephone: (718) 640-0473
Started: December 1, 2016
Closed: December 15, 2021
Reason: Personal Reasons

Andrei Tutovan
Andrei's Luxury Transportation LLC
3608 Bell Blvd, Apt. 3A
Bayside, NY 11361
Telephone: (718) 807-7114
Started: January 15, 2019
Closed: November 17, 2021
Reason: Personal Reasons

Rashid M. Rathore
Mo Transport of P.W. Inc.
45 Dunes Lane, Apt E
Port Washington, NY 11050
Telephone: (516) 382-5520
Started: April 14, 2003 (Transfer 10/10/07)
Closed: May 10, 2021
Reason: Personal Reasons

Zahid Ishaq
ZNYC Transportation LLC
28 Gates Ave.
Valley Stream, NY 11580
Telephone : (917) 770-5212
Started : January 10, 2020
Closed: February 9, 2021
Reason: Personal (Did not return post-Covid)

Appar Singh
Appar Limo Inc.
24 Dewitt St.
Valley Stream, NY 11580
Telephone: (929) 336-9608
Started: April 09, 2019
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Mauel Robles
Spirit Limo Transport Corp.
6 South St.
Port Washington, NY 11050
Telephone: (917) 514-5995
Started: August 17, 2017
Closed: March 17, 2021
Reason: Personal (Did not return post-Covid)

Mehmet Atay
Atay Transportation Inc.
836 Charles Pond Drive
Coram, NY 11727
Telephone: (631) 601-6709
Started: January 4, 2017
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Steven Mevorach
Paralux Corp.
1 Beach 105th Street, #2B
Rockaway Park, NY 11694
Telephone: (917) 846-7228
Started: April 25, 1995
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Mustafa Ozturk
Easy Travel Inc.
191 Pacific St.
Port Jefferson, NY 11776
Telephone (631) 398-8989
Started: July 13, 2000
Closed: January 1, 2021
Reason: Personal (Did not return post-Covid)

Kemal Yurteri
Bambusa Inc.
125 West 2nd Street
West Islip, NY 11795
Telephone: (631) 374-6206
Started: May 18, 2006 (Transferred 5/27/08)
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Mustafa Ozturk
M & A Limo, Inc.
191 Pacific Street
Port Jefferson, NY 11776
Telephone: (631) 398-8989
Started: January 11, 2007
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Kamal Waris
TW Enterprises of L.I., Inc.
157 Floyd St.
Brentwood, NY 11717
Telephone: (516) 523-3351
Started: June 22, 2007 (Transferred 32/11)
Closed: November 17, 2021
Reason: Moved away

Harjinder Singh
Laddi Productions Inc.
5 Miller Circle
Hicksville, NY 11801
Telephone : (516) 732-9497
Started : August 04, 2020
Closed: May 6, 2021
Reason: Personal Reasons

Andriy Mervyak
Safe Trans Express Corp
533 Bedford Ave
West Babylon, NY 11704
Telephone : (631) 943-4446
Started : June 19, 2020
Closed: May 6, 2021
Reason: Termination Breach of Franchise Agreement

Naveed Iqbal
Select Black Limousine Inc.
333 Whittier Ave., 2nd Fl.
Floral Park, NY 11001
Telephone : (917) 293-9861
Started : January 14, 2020
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Ahmad Nadeem Kasher
Leoplus USA Inc.
34 Tulipwood Dr.
Commack, NY 11725
Telephone : (631) 339-2379
Started : January 14, 2020
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Hamad Ali Khan
MHZA Inc.
78 Fieldstone Ln.
Valley Stream, NY 11581
Telephone : (908) 922-8152
Started : January 31, 2020
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Junaid Ikram
Bejewel US Inc.
68 South Service Road, Ste 100
Melville, NY 11747
Telephone (347) 256-0707
Started : September 12, 2019
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

NFN Jatindersingh
JK Transport Express Inc.
1037 Elmont Rd
Valley Stream, NY 11580
Telephone (347) 809-0547
Started : October 24, 2019
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

2021 CLOSED FRANCHISES

****

Sohrab Ali
NY Platinum Transportation Service Inc.
16 Crown Ave.
Elmont, NY 11003
Telephone (516) 943-1416
Started : November 18, 2019
Closed: November 17, 2021
Reason: Personal Reasons

Jacob Alteon
Tenniah Love Transportation Service Inc.
220-06 Hempstead Ave.
Queens Village, NY 11429
Telephone: (646) 915-6768
Started: March 21, 2019
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Sukhpal Singh
Ghotra Express Inc.
7714 Little Neck Parkway
Glen Oaks, NY 11004
Telephone: (516) 737-5377
Started: March 26, 2019
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Muhammad Ahmad
A & Yan Inc.
8112 Commonwealth Blvd.
Bellerose, NY 11426
Telephone: (347) 566-8982
Started: March 06, 2019
Closed: January 1, 2021
Reason: Personal (Did not return post-Covid)

Marcos Planas
On Point Limo Inc.
163 Lorenzo Circle
Lake Ronkonkoma, NY 11779
Telephone: (718) 909-5849
Started: December 03, 2018
Closed: November 17, 2021
Reason: Personal (Did not return post-Covid)

Zeeshan Ulhaq
East Coast Rides Inc.
8422 263rd St
Floral Park, NY 11001
Telephone: (516) 778-0222
Started: December 28, 2018
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Farukh Abid
Hibah Limo Inc.
78 Mayfield Ln.
Valley Stream, NY 11581
Telephone: (516) 661-7921
Started: January 04, 2019
Closed: November 17, 2021
Reason: Personal Reasons

Randhir Singh
DK NYC Entertainment Inc.
261-16 86th Avenue
Floral Park, NY 11001
Telephone: (516) 462-5070
Started: August 21, 2017
Closed: January 1, 2021
Reason: Personal Reasons

Jawad Choudhary
Etechs Group LLC
1 Crippen Drive
New Castle, NY 19720
Telephone: (646) 506-5432
Started: August 3, 2017
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Hassanali Hassanali
786 Hul LLC
112 Capital Avenue
Williston Park, NY 11596
Telephone: (516) 603-1915
Started: June 15, 2017
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

2021 CLOSED FRANCHISES

****

Michael Mason
No Way Mason LLC
15 Plymouth Road
Manhasset, NY 11030
Telephone: (516) 423-9816
Started: July 10, 2017
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Junaid Choudhary
Inter-County Transportation, Inc
61 Harris Ave
Hewlet, NY 11577
Telephone: (646) 468-6905
Started: April 8, 2015
Closed: May 11, 2021
Reason: Personal Reasons

Tanvir Ahmad
T A USA Corp
192-10B 69th Avenue
Fresh Meadows, NY 11365
Telephone: (718) 517-1210
Start : November 19, 2015
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

John David
JMJ 2431 Corp
1 Nesaquake Ave
Port Washington, NY 11050
Telephone: (516) 234-9138
Start : January 01, 2015
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Jatender Babber
KKB Transportation LLC
67 Oxford St.
New Hyde Park, NY 11040
Telephone: (917) 698.2865
Started: March 29, 2016
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Tulamattie Phagu
Valley Stream Transportation, Inc
21 Jasper Street
Valley Stream, NY 11580
Telephone: (917) 417-1757
Started: August 29, 2016
Closed: January 1, 2021
Reason: Personal (Did not return post-Covid)

Sufian Rafiq
Lock Five, Inc
5 Blacksmith Road
Levittown, NY 11756
Telephone: (516) 444-2888
Started: September 1, 2016
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Mustafa Ozturk
Easy Limo & Car Service, Inc
191 Pacific Street
Port Jefferson, NY 11776
Telephone: (631) 398-8989
Started: November 23, 2016
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Asad Sohail
Ayaan Worldwide Transportation, Inc
27 Hinsdale Ave
Floral Park, NY 11001
Telephone: (718) 200-9090
Started: December 14, 2016
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Jan Milenski
Polonez Marianna, Inc
210 E Santa Barbara Road
Lindenhurst, NY 11757
Telephone: (631) 413-4546
Started: April 22, 2013
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

2021 CLOSED FRANCHISES

****

Kamal Waris
Ike Cavalier Inc.
12 Roosevelt Ave
Roslyn, New York 11576
Telephone: (516) 523-3351
Started: March 30, 2017
Closed: November 17, 2021
Reason: Personal Reasons

Fazil Reis
Reis Transportation Inc.
4363 Express Dr. N
Ronkonkoma, NY 11779
Telephone: (631) 455-6699
Started: December 14, 2010
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Jorge A. Almarza
George's Transportation Inc.
44 Sintsink Dr. East, Apt. A
Port Washington, NY 11050
Telephone: (516) 404-0657
Started: August 10, 2011
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Mallick Asghar
Mallick Transportation Inc.
2435 Post St.
East Meadow, NY 11554
Telephone:(516) 286-3724
Started: April 26, 2013
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Muhammad Yousaf
Ortem Inc.
41 Madison Ave #2
Westbury, NY 11590
Telephone:(516) 784-6760
Started: September 17, 2013
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

Bobby Simsek
Black Eagle of New York, Inc.
361 Evans Avenue
Elmont, NY 11003
Telephone: (516) 424-9066
Started: November 15, 2007
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Amir Mohammad
Amir Mohammad Inc.
5 Brighton 4th Ter.
Brooklyn, NY 11235
Telephone: (646) 546-7587
Started: January 1, 2018
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Wahid Saddiq
Nawid Enterprise Limo Inc
46 Derby Ave.
Greenlawn, NY 11740
Telephone:(631) 241-4247
Started: August 8, 2014
Closed: May 6, 2021
Reason: Personal (Did not return post-Covid)

Varinderjeet Singh
Fateh Limousine Inc.
13048 129th St. 2nd Fl
South Ozone Park, NY 11420
Started: February 2, 2018
Telephone: (646) 708-0201
Closed: May 11, 2021
Reason: Personal (Did not return post-Covid)

EXHIBIT E

LIST OF ADMINSTRATORS

AGENT FOR SERVICE OF PROCESS FOR NEW YORK

New York Secretary of State
99 Washington Avenue
Albany, NY 12231

STATE FRANCHISE ADMINISTRATOR

NYS Department of Law
Investor Protection Bureau
28 Liberty St.
New York, NY 10005
(212) 416-8222
www.ag.ny.gov

EXHIBIT F

DELUX FRANCHISE, INC..

FINANCIAL STATEMENTS

2019, 2020 & 2021

DELUX FRANCHISE, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2021

DELUX FRANCHISE, INC.

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Statement of Operations and Retained Earnings for the Year Ended December 31, 2021	4
Statement of Cash Flows for the Year Ended December 31, 2021	5-6
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GRASSI
ADVISORS & ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Stockholders
Delux Franchise, Inc.
Port Washington, New York

Opinion

We have audited the accompanying financial statements of Delux Franchise, Inc., which comprise the balance sheet at December 31, 2021, and the related statements of operations and retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Delux Franchise, Inc. at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Delux Franchise, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Delux Franchise, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

50 JERICHO QUADRANGLE, STE. 200, JERICHO, NY 11753
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AN INDEPENDENT FIRM
ASSOCIATED WITH MOORE
GLOBAL NETWORK LIMITED

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Delux Franchise, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Delux Franchise, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Grassi & Co, CPAs, P.C.

GRASSI & CO., CPAs, P.C.

Jericho, New York
April 22, 2022

DELUX FRANCHISE, INC.
BALANCE SHEET
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS:		
Cash	$	3,403
Prepaid and refundable income taxes		1,449
Total Current Assets		4,852
OTHER ASSETS:		
Due from affiliates		135,187
Deferred tax asset		2,016
TOTAL ASSETS	$	142,055

STOCKHOLDERS' EQUITY

CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, no par value; 200 shares authorized; 100 shares issued and outstanding	$	5,000
Retained earnings		137,055
TOTAL STOCKHOLDERS' EQUITY	$	142,055

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF OPERATIONS AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

COMMISSION FEE REVENUES	$	12,720
EXPENSES		15,622
LOSS BEFORE BENEFIT FROM INCOME TAXES		(2,902)
BENEFIT FROM INCOME TAXES		(355)
NET LOSS		(2,547)
RETAINED EARNINGS, BEGINNING OF YEAR		139,602
RETAINED EARNINGS, END OF YEAR	$	137,055

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash paid for income taxes	$ (48)
NET CASH USED IN OPERATING ACTIVITIES	(48)
NET DECREASE IN CASH	(48)
CASH, BEGINNING OF YEAR	3,451
CASH, END OF YEAR	$ 3,403

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

RECONCILIATION OF NET LOSS TO NET CASH USED IN OPERATING ACTIVITIES:	
NET LOSS	$ (2,547)
ADJUSTMENTS TO RECONCILE NET LOSS TO NET CASH USED IN OPERATING ACTIVITIES:	
Deferred taxes	(355)
(Increase) Decrease in Assets:	
Due from affiliates	2,902
Prepaid and refundable income taxes	(48)
Total Adjustments	2,499
NET CASH USED IN OPERATING ACTIVITIES	$ (48)

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 1 - Nature of Operations

Delux Franchise, Inc. (the "Company") (part of the combined group, Lincoln Holding Corp. and Affiliates) offers franchises which allow vehicle operators (franchisees) to conduct business under the name "Delux Transportation Services" for the operation of luxury limousine and sedan cars providing transportation services to the New York metropolitan area public. These franchisees rely on a communications and dispatch system and payment processing services provided by affiliated entities.

Note 2 - Summary of Significant Accounting Policies

Revenue and Cost Recognition

The Company is engaged in one major line of business, the offering of franchises which allow vehicle operators to conduct business under the name "Delux Transportation Services" for the operation of luxury limousine and sedan cars providing transportation services.

Revenue is recognized upon the allocation of revenue earned by an affiliate of the Company for services provided to the franchisees in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company recognizes revenue at the point in time that the affiliate collects the franchisees' continuing operations fees upon weekly settlements of the franchisees' accounts. This is a faithful depiction of the satisfaction of the performance obligations because at that point, performance obligations have been satisfied and the affiliate has present obligations to pay.

The following economic factors affect the nature, amount, timing, and uncertainty of the Company's revenue and cash flows as indicated.

- Type of customers - Vehicle operators for the operation of luxury limousine and sedan cars providing transportation services.

- Geographical location of customers - The Company's customers are generally located in the New York metropolitan area.

- Type of contracts - The Company operates under a contract from its affiliate, in which it earns 0.5% on franchise fees collected by the affiliate upon settlement of the franchisees' accounts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Income Taxes

The Company is recognized as a C corporation for federal and state jurisdictions for income tax purposes. Income taxes are accounted for using the asset and liability method. Deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Note 3 - Related Party Transactions

At December 31, 2021, amounts due from affiliates related by virtue of common ownership totaled $135,187. All such amounts are unsecured, noninterest-bearing, and repayment is not anticipated within one year.

The commission fees earned by the Company, in the amount of $12,720 for the year ended December 31, 2021, are collected by an affiliate and are recorded on the balance sheet of the Company in due from affiliates. In addition, a portion of overhead expenses incurred by the affiliate is allocated to the Company. The allocation of overhead expenses amounted to $15,622 for the year ended December 31, 2021.

Note 4 - Benefit From Income Taxes

The significant components of the income tax expense for the year ended December 31, 2021 are summarized as follows:

Deferred:	
Federal	$ (242)
State	(113)
	$ (355)

The significant component of the deferred tax asset in the amount of $2,016 at December 31, 2021 is related to a net operating loss carryforward of approximately $8,700 which may be carried forward indefinitely until the loss is fully utilized. Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 740-10 requires a "more likely than not" criterion be applied when evaluating the recoverability of a deferred tax asset. Management expects to generate sufficient taxable income in the future to utilize the deferred tax asset and thus has not recorded a valuation allowance.

Note 4 - Benefit From Income Taxes (cont'd.)

The Company files income tax returns in the U.S. in both federal and State of New York jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state or local tax examinations by taxing authorities for the years before 2018. The years 2018 to 2020 remain subject to examination by taxing authorities.

Note 5 - Contingencies

The coronavirus disease ("COVID-19") outbreak in the United States has caused business disruption through mandated and voluntary closing of multiple industries. While the disruption was temporary, there is considerable uncertainty regarding the duration of the effects. The extent to which COVID-19 impacts future results will depend on any further developments, which are highly uncertain and cannot be predicted, including information which may emerge concerning the severity of COVID-19 and the action to contain it or treat its impact, among others. At this time, the Company cannot estimate with meaningful precision the potential impact to its financial and operational results.

Note 6 - Subsequent Events

The Company has evaluated all events or transactions that occurred after December 31, 2021 through April 22, 2022, which is the date that these financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.

DELUX FRANCHISE, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2020

DELUX FRANCHISE, INC.

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GRASSI
ADVISORS & ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Stockholders
Delux Franchise, Inc.
Port Washington, New York

We have audited the accompanying financial statements of Delux Franchise, Inc., which comprise the balance sheet at December 31, 2020, and the related statements of operations and retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Delux Franchise, Inc. at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Grassi & Co, CPAs, P.C.

GRASSI & CO., CPAs, P.C.

Jericho, New York
March 29, 2021

DELUX FRANCHISE, INC.
BALANCE SHEET
DECEMBER 31, 2020

ASSETS

CURRENT ASSETS:	
Cash	$ 3,451
Prepaid and refundable income taxes	1,401
Total Current Assets	4,852
OTHER ASSETS:	
Due from affiliates	138,089
Deferred tax asset	1,661
Total Other Assets	139,750
	$ 144,602

STOCKHOLDERS' EQUITY

CONTINGENCIES

STOCKHOLDERS' EQUITY:	
Common stock, no par value; 200 shares authorized; 100 shares issued and outstanding	$ 5,000
Retained earnings	139,602
Total Stockholders' Equity	144,602
	$ 144,602

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF OPERATIONS AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

COMMISSION FEE REVENUES	$ 6,136
EXPENSES	13,653
LOSS BEFORE BENEFIT FROM INCOME TAXES	(7,517)
BENEFIT FROM INCOME TAXES	(1,661)
NET LOSS	(5,856)
RETAINED EARNINGS, BEGINNING OF YEAR	145,458
RETAINED EARNINGS, END OF YEAR	$ 139,602

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash paid to affiliate for taxes	$ 2,556
Cash paid for income taxes	(1,636)
Cash paid for franchise fee	(150)
Cash Disbursed For Operating Activities	(1,786)
NET CASH PROVIDED BY OPERATING ACTIVITIES	770
NET INCREASE IN CASH	770
CASH, BEGINNING OF YEAR	2,681
CASH, END OF YEAR	$ 3,451

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

RECONCILIATION OF NET LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
NET LOSS	$ (5,856)
ADJUSTMENTS TO RECONCILE NET LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Deferred tax benefit	(1,661)
Changes in Assets (Increase) Decrease:	
Due from affiliates	9,923
Prepaid and refundable income taxes	(1,636)
Total Adjustments	6,626
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 770

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 1 - Nature of Operations

Delux Franchise, Inc. (the "Company") (part of the combined group, Lincoln Holding Corp. and Affiliates) offers franchises which allow vehicle operators (franchisees) to conduct business under the name "Delux Transportation Services" for the operation of luxury limousine and sedan cars providing transportation services to the New York metropolitan area public. These franchisees rely on a communications and dispatch system and payment processing services provided by affiliated entities.

Note 2 - Summary of Significant Accounting Policies

Revenue and Cost Recognition

The Company is engaged in one major line of business, the offering of franchises which allow vehicle operators to conduct business under the name "Delux Transportation Services" for the operation of luxury limousine and sedan cars providing transportation services.

Revenue is recognized upon the allocation of revenue earned by an affiliate of the Company for services provided to the franchisees in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company recognizes revenue at the point in time that the affiliate collects the franchisees' continuing operations fees upon weekly settlements of the franchisees' accounts. This is a faithful depiction of the satisfaction of the performance obligations because at that point, performance obligations have been satisfied and the affiliate has present obligations to pay.

The following economic factors affected the nature, amount, timing, and uncertainty of the Company's revenue and cash flows as indicated.

- Type of customers - Vehicle operators for the operation of luxury limousine and sedan cars providing transportation services.

- Geographical location of customers - The Company's customers are generally located in the New York metropolitan area.

- Type of contracts - The Company operates under a contract from its affiliate, in which it earns 0.5% on franchise fees collected by the affiliate upon settlement of the franchisees' accounts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Income Taxes

The Company is recognized as a C corporation for federal and state jurisdictions for income tax purposes. Income taxes are accounted for using the asset and liability method. Deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Note 3 - Related Party Transactions

At December 31, 2020, amounts due from affiliates related by virtue of common ownership total $138,089. All such amounts are unsecured, noninterest-bearing, and repayment is not anticipated within one year.

The commission fees earned by the Company, in the amount of $6,136 for the year ended December 31, 2020, are collected by an affiliate and are recorded on the balance sheet of the Company in due from affiliates. In addition, a portion of overhead expenses incurred by the affiliate is allocated to the Company. The allocation of overhead expenses amounted to $13,503 for the year ended December 31, 2020.

Note 4 - Benefit From Income Taxes

The significant components of the income tax benefit the year ended December 31, 2020 are summarized as follows:

Deferred:	
Federal	$ (1,127)
State	(534)
	$ (1,661)

The significant component of the deferred tax asset in the amount of $1,661 at December 31, 2020 is related to a net operating loss carryforward of approximately $7,500. The net operating loss carryforward may be carried forward indefinitely until the loss is fully utilized. FASB ASC Subtopic 740-10 requires a "more likely than not" criterion be applied when evaluating the recoverability of a deferred tax asset. Management expects to generate sufficient taxable income in the future to utilize the deferred tax asset and thus has not recorded a valuation allowance.

Note 4 - Benefit From Income Taxes (cont'd.)

The Company files income tax returns in the U.S. in both federal and State of New York jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state or local tax examinations by taxing authorities for years before 2017. The years 2017 to 2019 remain subject to examination by taxing authorities.

Note 5 - Contingencies

The coronavirus disease ("COVID-19") outbreak in the United States has caused business disruption through mandated and voluntary closing of multiple industries. While the disruption is currently expected to be temporary, there is considerable uncertainty regarding the duration of the closing. The extent to which COVID-19 impacts future results will depend on any further developments, which are highly uncertain and cannot be predicted, including information which may emerge concerning the severity of COVID-19 and the action to contain it or treat its impact, among others. At this time, the Company cannot estimate with meaningful precision the potential impact to its financial and operational results.

Note 6 - Subsequent Events

The Company has evaluated all events or transactions that occurred after December 31, 2020 through March 29, 2021, which is the date that these financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.

DELUX FRANCHISE, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2019

DELUX FRANCHISE, INC.

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GRASSI
ADVISORS & ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Stockholders
Delux Franchise, Inc.
Port Washington, New York

Report on the Financial Statements

We have audited the accompanying financial statements of Delux Franchise, Inc., which comprise the balance sheet at December 31, 2019, and the related statements of income and retained earnings, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Delux Franchise, Inc. at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, Delux Franchise, Inc. changed its accounting policy related to its revenue recognition from contracts with customers, whereby it is using the five-step model to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The policy was adopted retrospectively effective January 1, 2019. There was no effect on the financial statements as of the date of application or during 2019. Our opinion is not modified with respect to this matter.

Grassi & Co, CPAs, P.C.

GRASSI & CO., CPAs, P.C

Jericho, New York
April 17, 2020

DELUX FRANCHISE, INC.
BALANCE SHEET
DECEMBER 31, 2019

ASSETS

CURRENT ASSETS:		
Cash	$	2,681
OTHER ASSETS:		
Due from affiliates		148,012
	$	150,693

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Income taxes payable	$	235
STOCKHOLDERS' EQUITY:		
Common stock, no par value; 200 shares authorized; 100 shares issued and outstanding		5,000
Retained earnings		145,458
Total Stockholders' Equity		150,458
	$	150,693

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

COMMISSION FEE REVENUES	$	19,081
EXPENSES		14,413
INCOME BEFORE PROVISION FOR INCOME TAXES		4,668
PROVISION FOR INCOME TAXES		988
NET INCOME		3,680
RETAINED EARNINGS, BEGINNING OF YEAR		141,778
RETAINED EARNINGS, END OF YEAR	$	145,458

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash paid to affiliate for taxes	$ (140)
Cash paid for franchise fee	(150)
NET CASH USED IN OPERATING ACTIVITIES	(290)
NET DECREASE IN CASH	(290)
CASH, BEGINNING OF YEAR	2,971
CASH, END OF YEAR	$ 2,681

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

RECONCILIATION OF NET INCOME TO NET CASH USED IN OPERATING ACTIVITIES:	
NET INCOME	$ 3,680
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH USED IN OPERATING ACTIVITIES:	
Changes in Assets (Increase):	
Due from affiliates	(4,958)
Changes in Liabilities Increase:	
Income taxes payable	988
Total Adjustments	(3,970)
NET CASH USED IN OPERATING ACTIVITIES	$ (290)

The accompanying notes are an integral part of these financial statements.

DELUX FRANCHISE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 - Nature of Operations

Delux Franchise, Inc. (the "Company") (part of the combined group, Lincoln Holding Corp. and Affiliates) offers franchises which allow vehicle operators (franchisees) to conduct business under the name "Delux Transportation Services" for the operation of luxury limousine and sedan cars providing transportation services to the New York metropolitan area public. These franchisees rely on a communications and dispatch system and payment processing services provided by affiliated entities.

Note 2 - Summary of Significant Accounting Policies

Revenue and Cost Recognition

On January 1, 2019, the Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* using the modified retrospective method. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board ("IASB") to clarify the principles for recognizing revenue and to develop a common revenue standard for accounting principles generally accepted in the United States of America ("U.S. GAAP") and International Financial Reporting Standards ("IFRS"). The guidance in this ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards.

The ASU provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity should apply the following five-step process to recognize revenue:

Step 1: Identify the contract with a customer.
Step 2: Identify the performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The impact of applying this ASU for the year ended December 31, 2019 did not have a material effect on the financial statements.

The Company is engaged in one major line of business, the offering of franchises which allow vehicle operators to conduct business under the name "Delux Transportation Services" for the operation of luxury limousine and sedan cars providing transportation services.

Revenue is recognized upon the allocation of revenue earned by the Company's affiliate for services provided to the franchisees, in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company recognizes revenue at the point in time that the affiliate collects the franchisees' continuing operations fees upon weekly settlements of the franchisees' accounts. This is a faithful depiction of the satisfaction of the performance obligations because at that point, performance obligations have been satisfied and the affiliate has present obligations to pay.

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Revenue and Cost Recognition (cont'd.)

The following economic factors affected the nature, amount, timing, and uncertainty of the Company's revenue and cash flows as indicated.

- Type of customers - Vehicle operators for the operation of luxury limousine and sedan cars providing transportation services.

- Geographical location of customers - The Company's customers are generally located in the New York metropolitan area.

- Type of contracts - The Company operates under a contract from its affiliate, in which it earns 0.5% on franchise fees collected by the affiliate upon settlement of the franchisees' accounts.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Company's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At December 31, 2019, the Company does not have assets or liabilities required to be measured at fair value in accordance with FASB Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement.*

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Income Taxes

Income tax expense includes federal and state taxes currently payable.

Note 3 - Related Party Transactions

At December 31, 2019, amounts due from affiliates related by virtue of common ownership total $148,012. All such amounts are unsecured, noninterest-bearing, and repayment is not anticipated within one year.

During 2019, the commission fees earned by the Company, in the amount of $19,081, are collected by an affiliate, and are recorded on the balance sheet of the Company in due from affiliates. In addition, a portion of overhead expenses incurred by the affiliate is allocated to the Company. The allocation of overhead expenses amounted to $14,123 for the year ended December 31, 2019.

Note 4 - Provision for Income Taxes

The provision for income taxes for the year ended December 31, 2019 is summarized as follows:

Current:		
Federal	$	610
State		378
	$	988

The Company files income tax returns in the U.S. in both federal and State of New York jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state or local tax examinations by taxing authorities for years before 2016. The years 2016 to 2018 remain subject to examination by taxing authorities.

Note 5 - Subsequent Events

The Company has evaluated all events or transactions that occurred after December 31, 2019 through April 17, 2020, which is the date that these financial statements were available to be issued.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the Company. However, the related financial impact and duration cannot be reasonably estimated at this time.

EXHIBIT "G"

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective

injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled **"Requirements for franchisee to renew or extend,"** and Item 17(m), entitled **"Conditions for franchisor approval of transfer"**:

> However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee"**: You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled **"Choice of forum"**, and Item 17(w), titled **"Choice of law"**:

> The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
New York	[Pending]

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Item 23 - RECEIPT

(OFFEREE'S COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Delux Franchise, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Delux Franchise, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to the New York State Department of Law, 28 Liberty Street, New York, NY 10005.

The franchisor is Delux Franchise, Inc., located at 62-B Main Street, Port Washington, NY 11050. Its telephone number is (516) 883-3962.

Issuance date: October 5, 1994 as amended [Pending].

The franchise seller for this offering is Peter Blasucci, President, Delux Franchise, Inc., 62-B Main Street, Port Washington, NY 11050. Telephone: (516) 883-3962.

Delux Franchise, Inc. authorizes the respective state agencies identified on Exhibit F to receive service of process for it in the particular state.

I received a disclosure document, dated [Pending], that included the following Exhibits:

This Offering Circular included the following Exhibits:

A.	Franchise Agreement	E.	Agent for Service of Process & State Administrator
B.	Motor Vehicle Lease Agreement	F.	Audited Financial Statements
C.	List of Franchisees	G.	New York Addendum
D.	Franchise Terminations		

Date: _____ _____

(Do not leave blank) Signature of Prospective Franchisee

_____

Print Name

You may return the signed receipt either by signing, dating, and mailing it to Delux Franchise, Inc. at 62-B Main Street, Port Washington, NY 11050, or by faxing a copy of the signed receipt to Delux Franchise, Inc. at (516) 883-2495.

Item 23 - RECEIPT

(FRANCHISOR'S COPY)

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