FRANCHISE DISCLOSURE DOCUMENT

ICS4Schools Franchises, LLC
A California limited liability company
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ICS4Schools Franchises, LLC franchises the ICS4Schools system of emergency response preparedness planning and tools, provided on a consultation basis to K-12 schools and school districts and, as approved, other businesses. The total investment necessary to begin operations of a ICS4Schools franchise is $41,757 - $180,764. This includes $30,300 - $76,500 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully. You must receive this disclosure documents at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or 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 forms, contact Joe Viramontez at 1171 Blewett Avenue, San Jose, CA 95125 and (408) 891-9782.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available for 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 also be laws on franchising in your state. Ask your state agencies about them.

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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?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also 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.
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 A 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 ICS4Schools 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 an ICS4Schools franchisee?	Item 20 or Exhibit C lists 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 if your state has a registration requirement, or to contact your state, use the agency information in Exhibit D.

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 risk(s) be highlighted:

Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. 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 California than in your own state.

Spousal Liability. Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both you and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.

Sales Performance Required. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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.

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ITEM 1
THE FRANCHISOR, PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language, this disclosure document uses "we" or "us" to mean ICS4Schools Franchises, LLC the franchisor. "You" means the individual, corporation, or other entity that buys a ICS4Schools franchise.

Franchisor and Affiliates

We conduct our business under the name ICS4Schools. Our principal business address is 1171 Blewett Avenue, San Jose, CA 95125. We are a California limited liability company formed on December 19, 2023. We began offering ICS4Schools franchises for the first time with this FDD. We do not conduct business under any other name, and we do not operate a business of the type described in this FDD, or offer franchises in any other line of business.

We have one affiliate. ICS4Schools LLC ("Affiliate") is our affiliate formed on January 11, 2016 as a California limited liability company. Affiliate is located at 1171 Blewett Avenue, San Jose, CA 95125. It operates our corporate business.

Our affiliate does not do business under any other name and has not offered franchises in any other line of business.

We have no predecessor.

Agent for Service of Process

Our agents for service of process are listed in Exhibit D.

Prior Experience

We were formed in 2023 and have begun selling franchises as of the date of this disclosure document. Our affiliate, together with its owner, Joe Viramontez, has operated the ICS4Schools business system continuously since 2007. Our ICS4Schools business focuses exclusively on schools,

The Business We Offer

Your ICS4Schools business will offer emergency response protocols, training, and mobile application tools in the form of initial site hazard assessments, training, a Rapid Response Playbook, and annual updates for the training, plans, and materials. You will offer these services to K-12 schools and school districts, and you will also be permitted to offer these services to non-school businesses, provided that you notify us in advance. Sales success with respect to school districts typically requires you to make connections with superintendents and other school officials. For other types of businesses, such as office buildings, churches, and shopping centers, the decision makers will be leaders of those organizations and individuals responsible for planning for security.

The market for emergency response planning for schools and other businesses is emerging. Your competitors will include consultants who specialize in the areas of emergency response planning and crisis response training. The sales cycle for the business is seasonal with respect to schools. Most schools and school districts sign up in the fall before the school year begins and often schedule updates in the spring semester.

Applicable Regulations

We are not aware of any regulations or licensing requirements that apply to emergency response preparedness businesses. We recommend that you investigate any local laws or requirements that may exist in your area regarding emergency response preparedness services before you buy this franchise. You must comply with all federal, state and local requirements, including but not limited to workplace safety laws, labor and employment laws, motor vehicle laws, truth in advertising laws, and tax laws.

ITEM 2
BUSINESS EXPERIENCE

Joe Viramontez, President and CEO

Mr. Viramontez is a retired fire captain who founded the ICS4Schools business concept in 2007 and began working on it full time starting in 2011 when he retired from the fire department. He has been the President and CEO of ICS4Schools Franchises, LLC since December 2023. He has served as the President and CEO of the Affiliate since 2016.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5
INITIAL FEES

You must pay an initial franchise fee in the lump sum of $30,000 when you sign a franchise agreement. We offer financing as described in Item 10 for up to $22,000 of the initial franchise fee.

If you would like to expand your territory, then if we agree to permit the territory expansion, you will pay us the following:

80% of the then-current franchise fee (currently, $24,000) for a 2nd territory

75% of the then-current franchise fee (currently, $22,500) for a 3rd territory

We do not discount or prorate these rates if the amount of additional territory that we can offer you is less than the size of a full territory as described in Item 12. You can either expand with the amount of territory we offer and pay the applicable rate or elect not to expand your territory.

You must also pay us a one-time custom application fee of $300 when you sign a franchise agreement. This custom application fee covers our provision of our mobile application to your business.

Your initial franchise fee and the custom application fee are fully earned when paid and are not refundable under any circumstances.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	8% of gross sales during the previous month	Payable monthly, no later than the 10th of the month	Gross sales includes all sales through your business, excluding discounts, and sales tax Payments begin after you make your first sale.
System Marketing Fund (Note 1)	2% of gross sales per month	Payable monthly, no later than the 10th of the month	Payments begin ~~the month in which~~after you ~~open for business~~make your first sale.
Technology Fee	Currently, $100 per month We have discretion to raise this up to $150 per month	Payable monthly, no later than the 10th of the month	Payments begin ~~in the month~~after you make your first sale.
Software Access Fee	$250 per site set up in the ICS4Schools mobile application, plus $350 annually for each site enrolled on the mobile app thereafter (prorated depending on when the business enrolled)	The setup fee is payable on request to add the site. The annual fee is billed October 10th of each year	You are responsible for paying these fees to us. You remain obligated to us for these fees even if a business does not pay you, until the time you remove the business from access to the app.

Type of Fee	Amount	Due Date	Remarks
Product Purchases	Actual cost of items as listed in our Operations Manual	Payable upon invoice	You will purchase items including Rapid Response Playbooks, lanyards, and other branded or proprietary items which are provided to customers.
Franchisee Huddles	Your pro rata share of the actual costs of the event This will not exceed $650 per person. You must pay 120% of the actual cost for any required person who fails to attend.	Prior to the Huddle	A Franchisee Huddle is our annual conference or get-together at which we will discuss our business. Participation is mandatory, and we have the right to require both you and your key employees to attend. You are responsible for all travel, lodging, employee wages and other costs of attendance in addition to the Franchisee Huddle fee.
Additional Training	Initial training is provided at no cost, for up to two people if at the same time. $500 per additional person attending training.	Prior to the start of training	Initial training is free for you and one manager. We charge you for training additional people, newly hired personnel, refresher training courses, advanced training courses, and additional or special assistance or training you need or request.

Type of Fee	Amount	Due Date	Remarks
Audit	Cost of audit and inspection, understated amounts, accounting and legal expenses, travel costs, plus maximum legal interest on late payments Estimated to be between $1,000 and $12,000	At conclusion of audit	This fee is only charged if our audit reveals that you have underreported and underpaid your monthly obligations to us by 2% or more.
Transfer	75% of the then-current Initial Franchise Fee if you transfer to a person who is new to the ICS4Schools brand 50% of the then-current Initial Franchise Fee if you transfer to an existing ICS4Schools franchisee or change the majority ownership of your business $1,500 to transfer between existing owners of your franchise, to a new entity with the same ownership, or to add a new minority owner, provided that the majority ownership does not change	Prior to transfer	This fee is charged only if you engage in a transfer of some or all of your interest

Type of Fee	Amount	Due Date	Remarks
Renewal	10% of the then-current Initial Franchise Fee. If we are not offering franchises for sale, then $6,000.	Prior to renewal	You must be in good standing in order to qualify for renewal.
Relocation	Our costs.	Upon invoice.	This fee is only charged if you request permission to relocate your business after we have approved your location. You are not permitted to relocate without our permission.
Late Fees (Note 2)	$100 per insufficient funds and 12% per year, or the highest rate permitted by applicable law.	As incurred	You must pay amounts to us as they are due. If we receive an insufficient funds notice, you must pay us a fee. If you fail to pay any amount when due, we will assess late fees until we are paid.
Non-Compliance Fee (Note 2)	$100 per occurrence and $100 per week	As incurred	Payable if you materially fail to comply with our requirements, including failure to submit any required reports or financial statements when due. You will continue to incur this fee until you return to compliance.
Insufficient Funds	$100 per occurrence	As incurred	Payable if any required payment is not successful due to insufficient funds.
Indemnification	Varies	As incurred	You must indemnify and reimburse us for any expenses or losses that we or our affiliates incur related in any way to the franchise.

Type of Fee	Amount	Due Date	Remarks
Management Fee	$250 per day plus costs and expense	As incurred	Payable if we manage your franchise for up to 120 days because you are in breach of the Franchise Agreement.
Professional Fees and Expenses	Varies	As incurred	You must reimburse us for any legal and accounting fees that we incur as a result of any breach or termination of your Franchise Agreement, including any costs or expenses incurred in enforcing the Franchise Agreement against you.

All of these fees, if applicable, are imposed and collected by us, and are paid to us directly. These fees are non-refundable once collected. As of the date of this FDD, these fees are uniformly imposed.

Note 1: The System Marketing Fund is used by us, in our discretion, for promotions and advertising including search engine optimization (SEO) and digital marketing, and to maintain our website which will list your business. If you want to conduct more marketing than we provide, we have the right to require you to work with us to determine the amount of marketing you want to do and to work through our approved vendors and reimburse us for the actual costs to do so. If you choose to do that, which is entirely optional, your costs will exceed 2% of gross sales.

Note 2: We have the right to assess late penalties and non-compliance fees as set forth here on any amounts you fail to pay us when due, or any material non-compliance with our requirements. Your failure to pay money due or to otherwise comply with our requirements is also a breach of the franchise agreement, and an ongoing failure to comply after we have provided you the required time to cure your default is grounds for termination. Even if you pay these fees, if you breach the franchise agreement multiple times we may still have the right to terminate your franchise agreement.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial franchise fee (Note 1)	$30,000 - $76,500	Lump sum	At signing of franchise agreement	Us
Home Office set up (Note 2)	$0 - $2,000	As incurred	Prior to opening	Third party vendors
Computers and software (Note 3)	$1,000 - $2,000	As incurred	Prior to opening	Third party vendors
Vehicles (Note 4)	$0 - $4,000	As incurred	Prior to opening	Third party vendors
Initial Inventory (Note 5)	$250 - $500	As incurred	Prior to opening	Approved suppliers
Business Licenses and inspections (Note 6)	$0 - $100	As incurred	Prior to opening	Third party vendors
Business and Vehicle Insurance (Note 7)	$500 - $3,500	Lump sum or as incurred	Prior to opening	Third party vendor
Training Expense (Note 8)	$375 - $600	As incurred	As arranged	Third parties
Grand Opening (Note 9)	$2,500 - $4,500	As incurred	Prior to opening	Third party vendors
Professional/ Legal Expenses (Note 10)	$2,000 to $4,000	As incurred	As incurred	Third party vendors
Additional funds (first 3 months) (Note 11)	$5,132 - $11,064	As incurred	As incurred	Third party vendors
TOTAL	$41,757 - $108,764			

Note 1: The low end of our estimate is based on our standard initial franchise fee. The high end is based on your buying a total of three territories. Your cost will depend on the number of additional territories, if any, you choose to purchase. We ~~do not finance your initial franchise fee or any other portion of your initial investment~~offer financing of up to $22,000 of your Initial Franchise Fee as described in Item 10.

Note 2: The low end of our estimate assumes you already have a workspace set up at home. The high end of our estimate assumes you will need to set up a space within your home and purchase basic furniture and office supplies.

Note 3: You will need a computer, printer, access to Microsoft Office 365, G-Suite, and Quickbooks and the necessary connections for presentation setups to permit the connection of your system to present at customer sites.

Note 4: You must have a vehicle with less than 100,000 miles and that is in good cosmetic shape, without significant body or paint damage. Our high end estimate is based on a lease of a 2023 Ford Explorer and assumes payment of a deposit, taxes, license, and three months' lease payments.

Note 5: Your initial inventory will include uniform shirts, business cards, and certain branded merchandise.

Note 6: You should discuss whether you need a business license with your accountant or tax preparer.

Note 7: Our estimate is based on three months of premiums for business insurance and vehicle insurance. Your cost may exceed this estimate, depending on your driving history.

Note 8: Our estimate anticipates that you will want to pay yourself or your manager a salary for the 10 hours of initial training via Zoom.

Note 9: We require you to plan and pay for your grand opening expenses.

Note 10: Our estimate is based on your consulting with a lawyer and a tax preparer or accountant about your business.

Note 11: Our estimate for additional funds is based on your first three months of operation, and it is further based on our experience operating this business and on certain projections and market research we have conducted. It includes estimates for your cost to pay an owner salary or pay a manager wages during your operation of the business and for certain additional expenses you may incur during that period, such as advertising or additional inventory.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

We require you to purchase use of our mobile application for emergency response preparedness, the Rapid Response Playbooks, and lanyards from us or our Affiliate. We are the only approved supplier for these goods and services.

Required and Approved Suppliers

We require you to purchase certain other inventory including software, uniform shirts and business cards, from an approved supplier. We will provide you with a list of our approved suppliers. For software this include Microsoft (Microsoft Office 365) and Google (G-Suite).

We have the right to change these suppliers and to make you license software from other suppliers in the future.

Approval of Alternate Suppliers

From time to time, we may approve other suppliers whose products meet our standards and requirements. If you would like to purchase from an alternate supplier, you must make a written request that we review that supplier's products and determine whether or not to approve them as a vendor. We may require you to purchase, at your own expense, an example of the proposed vendor's product for us to review. Our approval of other suppliers depends on many factors, including the proposed supplier's business reputation, delivery performance, product quality, production capability, financial status and credit rating, and warranty, if any. You may be required to pay the reasonable costs of evaluating the product. We will give you notice of approval or disapproval within sixty (60) days of receipt of your written request. Approval may be revoked in our sole discretion by providing written notice to our franchisees.

Revenue from Franchisee Purchases

We will receive revenue from your use of our software and purchases from us. As of the date of this FDD, we have received no payments from any franchisees.

We or our affiliates may receive revenue from franchisee purchases from approved suppliers. As of the date of this FDD, we have not negotiated any rebates from franchisee purchases, but we may in the future.

Cooperatives

We do not have any purchasing or distribution cooperatives.

Negotiated Prices

We do not yet have any negotiated or bulk purchase price arrangements with any suppliers. As our business grows, we may negotiate discounted pricing structures.

Franchisees do not receive any material benefit or inducement from the Franchisor or its Affiliate for using designated or approved suppliers.

Required Purchases in Relation to All Purchases

Our detailed specifications and standards for purchasing are in our Operation Manual, as modified periodically, and are available for your review.

Your purchases according to our specifications, recommendations, requirements, and limitations include your software, uniform shirts, initial inventory, and business cards. These purchases will comprise about 30% of your expenditures to establish the business other than what you spend on payroll, rent, utilities and miscellaneous professional services. On an ongoing basis, you should estimate that about eighty percent (80%) of your purchases will be subject to some requirement in our Operations Manual.

These estimates are based on our experience operating our own business and a study of the expenses you will incur.

Insurance Coverage

We require you to obtain and maintain insurance coverage for your business throughout your operation as an ICS4Schools business. You must obtain the following:

Commercial general liability insurance - $2,000,000 aggregate; $2,000,000 per occurrence

Business property damage insurance – Replacement cost

Vehicle insurance – Coverage for all drivers; damage and replacement cost

Workers compensation and other insurances required by law must be obtained in at least the minimum amount required by law

Your insurance carrier must have a minimum rating of A- according to AM Best and you must name us and our Affiliate as additional insureds and provide us with proof of insurance.

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 in this disclosure document.

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	Disclosure Document Item
a.	Site selection & acquisition/lease	6.1	Item 11
b.	Pre-opening purchases/leases	Not Applicable	Items 7 & 8
c.	Site development & other pre-opening requirements	6.1 - 6.2	Items 7 & 11
d.	Initial & ongoing training	6.1 - 6.2	Item 11

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	Disclosure Document Item
e.	Opening	3.10	Item 11
f.	Fees	3.1 - 3.2, 4.1 - 4.9	Items 5 & 6
g.	Compliance with standards & policies/operating manual	5.2 - 5.3	Items 8 & 11
h.	Trademark & proprietary information	5.3, 6.3	Items 13 & 14
i.	Restrictions on products/services offered	5.2(c)	Items 8 & 16
j.	Warranty & customer service requirements	9.4	Not Applicable
k.	Territorial development & sales quotas	5.2(h)	Items 11 & 12
l.	Ongoing product/service purchases	5.2(b)	Item 8
m.	Maintenance, appearance & remodeling requirements	5.4	Item 11
n.	Insurance	5.9	Items 7 & 8
o.	Advertising	4.3, 6.2(e)	Items 6 & 11
p.	Indemnification	5.8, 6.4	Not Applicable
q.	Owner's participation management/staffing	5.2(e)-(f)	Item 15
r.	Records/reports	5.12	Not Applicable
s.	Inspections/audits	5.12 - 5.13	Item 6
t.	Transfer	8.1 - 8.6	Item 17
u.	Renewal	2.3(b)	Item 17
v.	Post termination obligations	7.3	Item 17
w.	Noncompetition covenant	1.5, 7.3	Items 12 & 17
x.	Dispute resolution	9.12	Item 17

ITEM 10
FINANCING

~~We do not offer direct or indirect financing.~~

At our sole discretion we will loan you up to twenty-two thousand ($22,000.00) dollars to be used as a down payment on your Initial Franchise Fee.

We will charge interest in a flat fee of 10% of the amount loaned to you. The principal amount loaned plus the 10% additional fee must be repaid to us in twenty-four (24) equal monthly payments of principal and interest, until paid in full. Your repayment obligation will begin in the month immediately following your first sale to a customer.

As an illustration, if we loan you $22,000, we will charge $2,200 in interest, for a total repayment obligation of $24,200. You will repay this in 24 equal payments of $1,008.33, starting in the month after you close your first sale in your franchised

business.

You will make your monthly payment at the same time we collect royalty fees. The loan may be pre-paid without any penalty. If you fail to pay on time, we have the right to charge a Late Fee of 12% interest, or the highest amount permitted by law in your jurisdiction, and $100 per insufficient funds instance.

The obligation to repay the loan does not require you to waive any defenses or other legal rights or being barred from asserting any defenses. If you default on making any required payment and fail to cure your default within five days, we have the right to terminate your franchise and immediately seek repayment of the entire amount that is owed, together with attorneys' fees and costs.

We do not receive any consideration from third-party lenders for any placement of financing by our Franchisees. It is not our practice or intent to sell, assign or transfer all or any part of the loan to any third party for any reason.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, ICS4Schools Franchises, LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open the business, we will:

1. Identify your protected territory. (Franchise Agreement - Sections 2.1, 6.1(a)).

2. Provide training for you and one manager in how to operate a ICS4Schools business and how to follow the ICS4Schools operations. (Franchise Agreement - Section 6.1(b))

4. Loan you the Operations Manual. (Franchise Agreement – Section 6.1(d)).

5. Add you to the ICS4Schools website and provide product information and proprietary information. (Franchise Agreement – Section 6.1(f)).

Post-Opening Assistance

During the operation of the business within the term of the Agreement, we will:

1. Establish or suggest pricing for services. (Franchise Agreement – Section 6.2(b)).

2. Be available at reasonable times to discuss your operations and provide advice regarding any questions you may have via Zoom, phone, or email communications. (Franchise Agreement - Section 6.2(h)).

3. In response to your inquiries, consult with you regarding the applicability of our services to other businesses and provide any suggestions or guidance we have regarding sales and services to the business specify. We do not represent that we have specific experience or knowledge in offering these services to other businesses. (Franchise Agreement – Section 5.2(b), 6.2(f)).

4. Maintain the company website which will include information for your franchised business, the contact information we create on your behalf, and other information we approve. (Franchise Agreement - Section 6.2(e)).

5. Manage the advertising fund, engage in digital marketing, and review and approve your local advertising as needed. (Franchise Agreement – Sections 4.3 and 6.2(e)).

6. We may hold a Franchisee Huddle no more frequently than annually. We may charge a fee for attendance and you will be responsible for all of your travel and living expenses during the meeting. Attendance will be mandatory and mandatory attendance may extend to your key employees. (Franchise Agreement – Section 4.5).

7. We may provide periodic all franchisee calls or virtual meetings to provide you with updates and information and to field your questions. We reserve the right to make it mandatory for you or your manager to attend these calls or meetings, which will be held at no cost to you. (Franchise Agreement – Section 6.2(a)).

Advertising

We will run advertising for the brand through the System Marketing Fund. Specifically, we provide the following services and support:

1. We design and maintain the ICS4Schools website; and

2. We may use the System Marketing Fund for digital marketing, search engine optimization, maintenance and improvement of the website, development of marketing materials that can be used by all franchisees, branding consultants, advertising, promotion and marketing efforts and associated administrative expenses for the ICS4Schools system within the United States.

We need not spend all amounts we collect for this advertising in the same year collected. If the amount collected exceeds what is needed to pay for currently-planned advertising and marketing, we may accrue the excess amounts for use in future years. We will provide you with an unaudited accounting of how we used payments in the last fiscal year upon your request. We do not use your advertising payments in any advertising that is principally to solicit prospective franchisees. You will not receive a refund of any advertising fees paid on termination, nonrenewal or expiration of your franchise. We are not required to segregate these payments from other funds we hold or to audit what we

collect and spend. We are not required to spend the amounts we collect proportionately based on where franchisees are located.

We administer the System Marketing Fund and have exclusive discretion over its expenditures. The System Marketing Fund is not audited, but we make a statement of our use of the System Marketing Fund available annually to franchisees. We do not use the System Marketing Fund to sell additional franchises.

We encourage but do not require you to engage in additional local marketing of your business. You are required to comply with all of our advertising specifications and limitations, and we have the right to direct you to stop any advertising that we do not approve. You are not permitted to establish and maintain your own web site for the Franchised Business.

We do not have the contractual right to form or require you to join advertising cooperatives, or to change, dissolve or merge any advertising cooperatives.

We do not currently have an "Advertising Council."

We collect the System Marketing Fund contributions at the same rate from all ICS4Schools franchises. We have not yet collected any money for the System Marketing Fund as of the date of this FDD.

Computer Requirements

We require you to have a computer system capable of accessing the internet, running Microsoft Office 365 and Google's G-Suite of software products. We reserve the right to switch to a different software company if we deem it necessary and appropriate.

Your costs will be approximately $1,000 - $2,000 to acquire the required computer systems and software licenses, and we estimate that your ongoing costs will be approximately $500 per year. We do not estimate that you will have additional maintenance costs beyond this expenditure.

We reserve the right to develop proprietary computer software or systems or point of sale systems in the future and have the right to require you to use them and enter into appropriate licensing agreements to protect our rights in them. We do not have any contractual obligation during the term of the franchise to update or upgrade any Web site or computer program we might develop. We cannot at this time estimate the cost to comply with any future requirements it may impose, but we will not impose any requirements on you that are unreasonable for a business like the Franchised Business.

We will have independent, on-line access to data stored in your computer system, including sales, purchasing and customer data. We will have full access on-line to all data and records of the Franchised Business available through your use of our Web site, to any communications you make through or receive at the Web site and to information that you may post at the Web site, and we are not required to notify you about our reviewing this data and information.

Operations Manual and Program Guide

We will loan you a copy of the operations manual and program guide that contain mandatory and suggested specifications, our ICS4Schools system. The operations manual is 95 pages long. These documents are confidential and remain our property. You will be required to restrict access to them and ensure that your employees do not copy these or disclose their contents, except as authorized. We will modify them from time to time, but the modifications will not alter your status and rights under the Franchise Agreement. The Table of Contents for the operations manual is attached as Exhibit H. Our program guide includes outlines of class programs.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Training on: - Business Operation - Initial Site Hazard Assessments - Incident Command System - Rapid Response Playbook - Annual Updates	10	0	Virtual
Totals	10	0	

We offer initial training for each franchisee, and you may bring additional managers you have hired for a daily fee. We require that the main manager for your business attends the training. The trainings are conducted as needed via Zoom or a similar virtual platform. Our training program covers the subjects listed in the table above.

Currently, our training is conducted by Joe Viramontez who is our founder and has been operating this business since 2007. Mr. Viramontez is also a retired fire captain and spent 30 years dealing with emergency response situations in that capacity. Your training staff will be dictated by Franchise location and available trainers. Each of your instructors will have at least ten years of experience in the subject area they teach.

ITEM 12
TERRITORY

You will receive an exclusive territory consisting of a geographic area encompassing a specific territory. Depending on your geographic area's density, the total size of your territory will vary, but it will be approximately a 15 mile radius around a specific point that we and you determine. We have the right to modify the specific size so that it may be defined by metes and bounds, rather than a radius, where we deem it appropriate, such as

for geographic considerations and city, county or state boundaries. If you would like a larger area, you may purchase additional territory from us. Additional territory will be the same size as the initial territory, except where less territory is available in a contiguous area connecting to your current territory. In general, we will not sell you non-contiguous territories.

You may directly market to or solicit customers only within your territory. You may also accept work from other customers who are outside your territory, as long as they are not within the territory of another ICS4Schools business.

During the initial term, we will not modify the size of your territory without your permission, unless you miss your minimum sales quota. If you fail to meet the minimum sales quota we have established, which is onboarding at least 5 business sites by the end of your first year of operation, a cumulative total of at least 15 business sites by the end of your second year of operation, and maintaining a minimum of 25 business sites in each year thereafter, we have the right to modify the size of your territory rather than terminating your franchise agreement, if we choose to do so. We also have the right to modify your territory at renewal if the demographics of your area have changed.

You may relocate your home office without our permission as long as it is within the assigned territory, but you must notify us of the new address. If you move out of your territory and want to change your territory, you must make that request in writing and must specify the requested area for relocation with as much specificity as possible. We have discretion over whether or not to grant you permission to relocate, and we will respond within 14 days to any request to relocate, although our response may include a request for additional information.

You are permitted to use pre-approved social media channels to promote your store. We will not approve direct marketing, telemarketing, catalog sales or other mechanisms for targeting areas outside of your territory. There are no provisions in the Franchise Agreement for compensating you in case an affiliate or any other franchisee or licensee sell any goods or services to customers in your territory.

We retain the right to offer branded products via the internet, even within your territory. We have the right to sell ICS4Schools goods and services within your territory through alternate channels of trade, including the internet or through catalogs.

We also reserve to ourselves and any affiliates all marketing and development rights that are not expressly contrary to the Territory rights granted to you, including the rights, at any location: (i) to own and operate or franchise any business locations or other competitive businesses at any locations outside of the territory regardless of proximity to the territory; (ii) to own and operate businesses that are not competitive businesses; and (iii) to participate in trade shows, franchise trade shows, and other marketing events to promote or increase awareness of the ICS4Schools business model and system. A "competitive business" is one that offers or sells, either retail or wholesale, any products/services the same as or similar to the products and services we approve.

You do not receive the right to establish additional franchises within your protected territory unless you sign a new franchise agreement. You do not have a right of first refusal, right of first offer, or any similar right or interest in any other territories other than the single store which we grant you permission to develop.

Neither we nor our affiliates plan to operate a business under a different trademark that will sell similar goods or services to those offered under the ICS4Schools marks.

ITEM 13
TRADEMARKS

We grant you the right to operate a franchise under the name "ICS4Schools" using our trademark. You may also use our other current or future trademarks to operate your franchise, provided that we include them in our operations manual as marks approved for your use.

Our ICS4Schools trademarks ("Marks") are as shown below. Some are registered on the Principal Register of the United States Patent and Trademark Office ("PTO"), while some are not yet registered. As to our registered trademarks, all required affidavits and renewals have or will be filed for these Marks.

As to the pending trademark applications, we do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Trademark	Class	Registration/ Application Date	Registration Number / Serial Number
	16	Registered: August 15, 2017	5,264,317
ICS4S	9	Registered: October 29, 2019	5,898,497
ICS4SCHOOLS	45	Applied: December 15, 2023	98317192
ICS4SCHOOLS	41	Applied: December 15, 2023	98317185

These trademark registrations and applications are owned by our affiliate ICS4Schools, LLC, and licensed to us pursuant to an agreement that permits us to license you to use them. That agreement is perpetual and can only be terminated for our material misuse of the Marks.

At this time, there are no pending infringement, opposition or cancellation proceedings or material litigation involving any of the principal marks which are relevant to their use in any state.

There are no currently effective determinations of the United States Patent and Trademark Office, the trademark administrator or any court, pending interference, opposition or cancellation proceeding, or material litigation involving the above registered Marks.

You must notify us if you become aware of any unauthorized use of the Marks or an imitation of the Marks, or if litigation involving the Marks is instituted or threatened against you, and to cooperate fully with the Franchisor in this regard. We have the right to control any litigation concerning the Marks.

We intend to take all steps reasonably necessary to preserve and protect the ownership and validity of the trademarks. We will defend and indemnify you in the event of a claim against you for your use of our Marks, provided that you complied with our guidelines about trademark use. We have the right to control any litigation concerning the Marks.

We may at any time, in our sole discretion, modify, substitute or discontinue use of any Mark, and in that case you must comply with these changes at your expense within a reasonable period of time.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the principal Marks.

We permit you to use our Marks in social media for promoting your franchise and our brand. However, your use of our Marks must be positive and enhance the goodwill of our system and the Marks and must comply with all applicable laws and relevant terms of use. We may require you to delete disparaging, negative, or unlawful content connected to our Marks.

In the event of any trademark or unfair competition lawsuits brought against you arising from use of the licensed marks, provided that your use of the marks is consistent with our guidelines and restrictions, we may, but are not required to, defend and indemnify you. Alternatively, we may direct you to change your use of the mark in question to one or more marks of our choosing.

We may from time to time modify the Marks, develop new trademarks, or discontinue certain trademarks. You at your own expense must comply with any changes in the trademarks which we implement.

You must not directly or indirectly contest our right to our trademarks, trade secrets, or business techniques that are part of our business. You are not permitted to use our trademarks in social media or on the internet, including registering a domain name including our trademarks, without our prior permission.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You will receive the right to use our mobile application, which is protected to some extent by two patent registrations and a copyright registration. Our Affiliate owns the following patents:

U.S. Patent No. 10,181,257 (utility patent), issued on January 15, 2019 and entitled "Incident Command System/Student Release System." Provided all maintenance fees are paid when due, the patent term expires 20 years from the filing date of January 5, 2018.

U.S. Patent No. 10,403,125 (utility patent), issued on September 3, 2019 and entitled "Incident Command System for Safety/Emergency Reporting System." Provided all maintenance fees are paid when due, the patent term expires 20 years from January 5, 2018.

Our Affiliate also owns the following copyright registrations which cover certain versions of the software code: TXu-2-050-061; TXu 2-166-299; and TXu 2-166-413.

In addition, you can use the proprietary information in the Operations Manual, together with our training materials. These materials are not registered with the Copyright Office, although we claim copyright ownership in them.

The materials in our training information, Operations Manual, and other internal documentation we provide to you is proprietary to us and you and your employees will be required to keep certain information that we designate confidential and not to use it if you leave the ICS4Schools system for any reason.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must participate personally in the direct operation of the franchise by personally managing staff, hiring and operational decisions. You are responsible for ensuring that qualified and trained managers are present at all times and that all employees have been adequately trained. If the franchisee is a company or business entity, at least one of its shareholders or members must attend and pass training, and any manager left in charge of the business must also have attended and passed training.

Our franchise agreement contains a non-competition clause, which restricts your right to own or operate a competing business during the term of the franchise agreement. If the franchisee is anything other than a natural person, all individuals with an equity interest in the franchise must agree to this noncompetition term. They must also each execute a personal guaranty (Exhibit I), providing for joint and several liability for each and every obligation created under the Franchise Agreement.

In addition, if you are married, your spouse will be required to sign the Spousal Consent and Waiver (Exhibit J), providing that he or she understands and agrees to waive any community property rights in the franchise.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We have limitations on the products and services you may offer. We require that you sell inventory we designate, and we have the right to prohibit you from offering or selling other products or services.

We permit you to offer and sell emergency response preparedness services to all types of business, but we require you to notify us of the type of business to which you are making a sales pitch when it is not a school. We reserve the right to restrict you from selling to a type of business where we are reasonably certain that our service model will not provide sufficient value or quality of services to that business, although as of the date of this FDD we are not aware of any type of business where that would likely be the case. Over time, we will compile and share with franchisees a list of business types to which ICS4Schools franchisees have made approved pitches and there will be no need to notify us prior to making a sales pitch to businesses of the types on that list.

We have the right to modify the products and services that you must offer and that you may offer from time to time, in our discretion.

We require you to maintain the appearance of any vehicle you use for the business, including keeping it clean and free of significant body damage, scuffs or scrapes, in order to maintain an appealing brand image.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

	PROVISION	FA AGMT. SECTION	SUMMARY
a.	Term of Franchise	2.3(a)	The initial term of the franchise is 5 years, measured from the date of your grand opening.
b.	Renewal or extension of term	2.3(b)	If you are not in default under any term of the franchise agreement, you can renew for a period of 5 years.
c.	Requirements for you to renew or extend	2.3(b)	You must: (i) give written notice of election to renew 6 months before term expires; (ii) not be in default of any material provision of the Franchise Agreement or any

	PROVISION	FA AGMT. SECTION	SUMMARY
			amendments; (iii) pay the renewal fee; (iv) sign a general release which releases us from all claims that are known or reasonably have been known (the release will not include claims by third parties that are subject to indemnification); (v) execute our then-current form of franchise agreement which may contain materially different terms, including a modified territory designation; and (vii) certify to us that you continue to meet our franchisee qualification criteria.
d.	Termination by you	7.1	You may terminate in two circumstances: (i) if we breach the Franchise Agreement and fail to cure within the required time period; or (ii) you may terminate for convenience, provided that you have completed all of the currently contracted services owed to customers, or paid us or another franchisee a sufficient fee to complete your remaining contracted obligations on your behalf.
e.	Termination by Franchisor without cause	n/a	Not applicable
f.	Termination by Franchisor with cause	5.2	We can terminate if you default or if events described in sections (g) or (h) occur.
g.	"Cause" defined – curable defaults	7.2	Subject to state law which may provide longer cure periods, you will receive between 5 and 30 days' notice to cure any breach of the Franchise Agreement other than those described in section (h), below. Your agreement will also end if you do not cure non-compliance with applicable laws or regulations, or if you do not elect to renew it at least 180 days prior to the end of your term, or if you are not eligible for renewal.

	PROVISION	FA AGMT. SECTION	SUMMARY
h.	"Cause" defined – non-curable defaults	7.2	Non-curable defaults include false statements made in an application to acquire the franchise; abandonment for five (5) or more days; failure to complete initial training; bankruptcy or insolvency; seizure of your business by any third party; criminal connection; conduct creating an imminent threat to public health or safety; three (3) or more breaches of the Agreement within one year or repetition of a cured breach; unapproved transfer; in-term engagement in a competitive business; or conduct material harming the reputation of the ICS4Schools System.
i.	Your obligations on termination or nonrenewal	7.3	Obligations include complete de-identification, including ceasing to use telephone numbers used while operating as a ICS4Schools store, returning all proprietary components and operations manual, and payment of amounts due.
j.	Assignment of contract by Franchisor	8.6	We may transfer the Franchise Agreement to any other party.
k.	"Transfer" by you - definition	8.1	You may transfer by selling your franchise to an approved person or entity, and must pay required Transfer Fees and all amounts owed under your Franchise Agreement up to the date of transfer.
l.	Franchisor's approval of transfer by franchisee	8.1	We have the right to approve your transfer of the franchise, or to exercise our right of first refusal.
m.	Conditions for Franchisor approval of transfer	8.1	Our prior written approval is required for any transfer. If we decline our right of first refusal you must comply with conditions for transfer including paying a transfer fee. In addition, we must approve the person to whom you are transferring and they must

	PROVISION	FA AGMT. SECTION	SUMMARY
			successfully pass training. Any transferee must meet the same criteria required of any franchisee, including passing our required background check.
n.	Franchisor's right of first refusal to acquire your business	8.3	We have an option to purchase your business on the same terms and conditions of any offer accepted by you, except if the transfer is to a member of the immediate family, an estate trust, or to an existing equity holder of the franchisee if certain conditions are met.
o.	Franchisor's option to purchase your business	7.3	On expiration or termination of the franchise, we have a 60-day time period in which to purchase your equipment, furnishings, fixtures, inventory, leasehold and other real or personal property or any portion thereof for a sum equal to fair market value of such property. We will not pay for intangible assets including, but not limited to, goodwill.
p.	Your death or disability	8.2	For up to 120 days after your death, your surviving spouse, heirs, or representatives may participate in the ownership and operation of the franchise according to the terms of the franchise agreement. After 120 days, they must either pass our initial training program and satisfy all of our then-current qualifications and requirements of new franchisees, or sell the franchise to an entity or individual approved by us.
q.	Non-competition covenants during term of franchise	1.5	You may not own or operate a business offering emergency response or incident response planning during term of the Franchise Agreement without our prior written permission (subject to state law).
r.	Noncompetition covenants after franchise is	7.3	Subject to state law, for a period of two (2) years after the expiration or termination of you may not hold any direct or indirect interest in any competitive business within

	PROVISION	FA AGMT. SECTION	SUMMARY
	terminated or expires		ten (10) miles of your former territory, any other ICS4Schools franchise, or us. .
s.	Modification of Agreement	9.2	No modification is permitted except in writing.
t.	Integration, merger clauses	9.2	Subject to state law, only the terms of Franchise Agreement are binding. Nothing in the Franchise Agreement is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you.
u.	Dispute resolution by arbitration or mediation	9.12	Non-binding mediation initially required. If the dispute is not resolved with non-binding mediation, or if a party refuses to mediate, then the parties may proceed to arbitration. Immediate injunctive relief is available where either party may be irreparably harmed. State law may give you additional rights.
v.	Choice of forum	9.10, 9.12	JAMS arbitration (subject to applicable state law). The venue of any dispute is the county where our headquarters are then-located, currently Santa Clara County, California. Please see the state-specific addenda to the Disclosure Document and Franchise Agreements in Exhibit E
w.	Choice of law	9.10	California law applies (subject to state law). Please see the state-specific addenda to the Disclosure Document and Franchise Agreements in Exhibit E

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our franchises.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We provide information about our one corporate owned business's historical earnings for the past four years. Our corporate owned business differs from the business that we are offering to you in two material ways: (1) It operates over a larger geographic territory, although the total number of schools may be the same as are in your assigned territory depending on density of schools in the area in which you operate; there are a total of 209 schools in our business's area; and (2) it does not market to or offer any services to any businesses other than schools and has never pitched ICS4Schools services to other businesses. We track our revenue on a basis that matches school years.

Gross Revenue is defined as the total amount we collected for all services, excluding only amounts we collected for sales taxes paid to a municipal or governmental organization, if any. We disclose the number of school districts because a typical school district will hire us to provide services to all of the schools within the district. School Sites means the total number of individual schools to which we provided services.

School Year	Gross Revenue	School Districts	School Sites
2019-2020	$195,880	11	104
2020-2021[(1)]	$18,800	1	8
2021-2022	$223,975	12	113
2022-2023	$344,173	19	155
2023-2024	$449,900	21	209

[(1)] The 2020-2021 school year includes the fall semester of 2020 and the spring semester of 2021, which coincided with the school budget time period when the COVID-19 pandemic most impacted school operations, in our experience. In California where our corporate business operates, many schools operated on a more virtual basis and had substantially less in-person operation during this year.

Written substantiation for this representation will be made upon request.

These figures are only estimates of what we think you may earn. Your individual results may differ. There is no assurance that you'll earn as much.

Other than the foregoing, we do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Joe Viramontez at 1171 Blewett Avenue, San Jose, CA 95125 and (408) 891-9782, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Fiscal years ~~2021~~2022 - ~~2023~~2024

Outlet Type	Year	Outlets at the start of the year	Outlets at the end of the year	Net change
Franchised	~~2021~~2022	0	0	0
	~~2022~~2023	0	0	0
	~~2023~~2024	0	0	0
Company owned*	~~2021~~2022	1	0	1
	~~2022~~2023	1	0	1
	~~2023~~2024	1	0	1
Total Outlets	~~2021~~2022	1	0	1
	~~2022~~2023	1	0	1
	~~2023~~2024	1	0	1

* Our Affiliate owns the business that we list here as a company-owned outlet. This outlet operates a territory that is comprised of 209 schools, which is larger than the standard territory size we anticipate most franchisees will purchase, but it otherwise operates in the same manner that your ICS4Schools business will.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
For Fiscal years ~~2021~~2022 - ~~2023~~2024

State	Year	Number of Transfers
Totals	~~2021~~2022	0
	~~2022~~2023	0
	~~2023~~2024	0

Table No. 3
Status of Franchised Outlets
For Fiscal years ~~2021~~2022 - ~~2023~~2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations–Other Reasons	Outlets at End of Year
Totals	~~2021~~2022	0	0	0	0	0	0	0
	~~2022~~2023	0	0	0	0	0	0	0
	~~2023~~2024	0	0	0	0	0	0	0

Table No. 4
Status of Company Owned* Outlets
For Fiscal years ~~2021~~2022 - ~~2023~~2024

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
CA	~~2021~~2022	1	0	0	0	0	1
	~~2022~~2023	1	0	0	0	0	1
	~~2023~~2024	1	0	0	0	0	1
Totals	~~2021~~2022	1	0	0	0	0	1
	~~2022~~2023	1	0	0	0	0	1
	~~2023~~2024	1	0	0	0	0	1

Our Affiliate owns the business that we list here as a company-owned outlet. This outlet operates a territory that is comprised of 209 schools, which is larger than the standard territory size we anticipate most franchisees will purchase, but it otherwise operates in the same manner that your ICS4Schools business will.

Table No. 5
Projected Openings
As of December 31, ~~2023~~2024

State	Franchise Agreements Signed but Outlet not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
CA	0	3	0
Totals	0	3	0

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

In the last three fiscal years, no franchisees have signed confidentiality clauses that would restrict their ability to speak openly about their experience with the franchise system.

Franchisee Groups

There are no franchisee groups or associations at present.

ITEM 21
FINANCIAL STATEMENTS

The financial statements of ICS4Schools Franchises, LLC for the period ended January 31, 2024 is attached as Exhibit A. We have not been operating long enough to provide three years' worth of audited financial statements.

The fiscal year end of ICS4Schools Franchises, LLC is October 31.

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Franchise Disclosure Document:

Exhibit B Franchise Agreement
Exhibit C Franchise Application
Exhibit I Owner's Guaranty and Assumption of Franchisee's Obligations
Exhibit J Spousal Consent
Exhibit K Electronic Debit Authorization

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear as Exhibit M. Please sign and date one copy and return it to us. Retain the other copy for your records.

EXHIBIT A TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

ICS4SCHOOLS FRANCHISES, LLC

FINANCIAL STATEMENTS

JANUARY 31, 2024

AND

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

JOHANSON + YAU
ASSURANCE · TAX · WEALTH

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management
ICS4Schools Franchises, LLC
San Jose, California

We have reviewed the accompanying financial statements of ICS4Schools Franchises, LLC (the Company), which comprise the balance sheet as of January 31, 2024, and the related statements of income and member's equity and cash flows for the one month ended January 31, 2024, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of ICS4Schools Franchises, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Basis for Qualified Conclusion

The Company is owned by a sole member, who also owns 100% of another entity. Generally accepted accounting principles require the presentation of the financial position and results of operations of entities under common control essentially as if the group were a single enterprise. Management has informed us that the accounts of the related entity are not included in the financial statements. The effect of this departure has not been determined, but the assets and liabilities of this commonly controlled entity are significant to the combined financial position of the Company.

Qualified Conclusion

Based on our review, except for the effect of the matter described in the Basis for Qualified Conclusion paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Johanson & Yau Accountancy Corporation

Campbell, California
March 7, 2024

ICS4SCHOOLS FRANCHISES, LLC
BALANCE SHEET
JANUARY 31, 2024

ASSETS

Current assets	
Cash	$ 50,000
Total current assets	$ 50,000

LIABILITIES AND MEMBER'S EQUITY

Member's equity	$ 50,000
	$ 50,000

See accompanying notes to financial statements and
independent accountants' review report

ICS4SCHOOLS FRANCHISES, LLC
STATEMENT OF INCOME AND MEMBER'S EQUITY
ONE MONTH ENDED JANUARY 31, 2024

Net income	$	-
Member's equity, beginning of period		-
Member's contribution		50,000
Member's equity, end of period	$	50,000

See accompanying notes to financial statements and
independent accountants' review report

ICS4SCHOOLS FRANCHISES, LLC
STATEMENT OF CASH FLOWS
ONE MONTH ENDED JANUARY 31, 2024

Cash flows from financing activities	
Member's contribution	$ 50,000
Net cash provided by financing activities	50,000
Net increase in cash	50,000
Cash, beginning of period	-
Cash, end of period	$ 50,000

See accompanying notes to financial statements and
independent accountants' review report

ICS4SCHOOLS FRANCHISES, LLC
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2024

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Description of Business - ICS4Schools Franchises, LLC (the Company) was organized in California in December 2023. The Company is a limited liability company 100% owned by the sole member. The Company provides emergency response protocol for school districts in the Silicon Valley area to ensure immediate mobilization and coordinated response to any emergency. The Company is pursing registration as a franchisor.

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.

Cash and Cash Equivalents - The Company considers all highly liquid securities purchased with an original maturity of three months or less at the date of purchase to be cash equivalents.

Revenue Recognition - The Company derives its revenue from providing emergency response protocol services. The Company recognizes revenues on the accrual basis of accounting, recognizing revenues when the following provisions are met: service is provided to the customer, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

The Company is in the process of registering as franchisor. There has been no franchise revenue from December 19, 2023 (date of inception) to January 31, 2024.

Accounts Receivable - Accounts receivable are stated at the amount management expects to collect on outstanding balances reduced by an allowance for credit losses. The Company provides an allowance for credit losses, which is based on historical experience, collection efforts and management's evaluation of outstanding receivables. As of January 31, 2024, there were no accounts receivable and no allowance for credit losses.

Income Taxes - No provision has been made for income taxes as the Company's sole member is liable for federal and state income taxes on the Company's taxable income.

Subsequent Events - Subsequent events were evaluated through March 7, 2024, the date the financial statements were available to be issued.

EXHIBIT B TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

ICS4SCHOOLS

Franchise Agreement

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EXHIBITS

Exhibit 1 – The Territory
Exhibit 2 – Guaranty and Assumption of Franchisee's Obligations
Exhibit 3 – Confidentiality Agreement
Exhibit 4 – Mobile App Terms and Conditions

THIS FRANCHISE AGREEMENT ("Agreement") between ICS4Schools Franchises, LLC, hereinafter referred to as "Franchisor", and _____ hereinafter referred to as "Franchisee", is made on the basis of the following understandings and recitals and in consideration of the following promises, and the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1. RECITALS

1.1 The ICS4Schools Business System.

As the result of the expenditure of time, effort and money in research and development, Franchisor has developed and has the right to license methods, procedures, designs and marketing and advertising standards and formats, which may be modified by Franchisor from time to time (hereinafter referred to as the "Franchisor System" or "System"). The System is used in the operation of business providing emergency response preparedness planning and tools on a consultation basis to K-12 schools and school districts (hereinafter referred to as "ICS4Schools Business" or "Business"), utilizing a proprietary mobile application ("Mobile App") all in accordance with techniques and specifications furnished by Franchisor. Each Business will be part of a network (hereinafter referred to as the "Franchisor Network" or "Network") of Businesses to use the Franchisor System on a mutually cooperative and interrelated basis. Pursuant to the terms of this Agreement, Franchisee is also permitted to offer the services of the Business to non-school companies and organizations.

1.2 Proprietary Marks.

Franchisor licenses Businesses under the proprietary service mark ICS4Schools and associated logo and such other trademarks, service marks and other commercial symbols owned by Franchisor, as may be modified from time to time, which are used to identify the products and services offered by the Businesses (herein collectively referred to as the "Proprietary Marks").

1.3 Operating Standards.

Franchisee acknowledges reading this Agreement and the ICS4Schools Franchise Disclosure Document and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonable and necessary to maintain Franchisor high standards of service, quality and appearance, as well as the consistency of these standards at all Franchisor Businesses, in order to protect and preserve the goodwill of the Proprietary Marks. Franchisee therefore agrees to operate the franchised Business as an integral part of the Franchisor Network and in accordance with the Franchisor System.

1.4 Franchisee Desires a License.

Franchisee desires to establish a ICS4Schools Business under the System, in the general area designated in Exhibit 1, and to use in connection therewith the Franchisor Proprietary Marks and System, and provide the related products and services authorized for the Business, as an integral part of the Franchisor Network, and to derive the benefits of Franchisor's reputation, advice, experience, guidance and know-how.

1.5 Franchisee Is Not a Competitor.

Franchisee represents and warrants that, unless otherwise agreed upon in writing between the parties, it is not now an owner, part owner, operator, or employee of any business that offers consulting in the fields of emergency preparedness, incident response planning, active shooter response training, or any similar type of business, whether to schools or to other customers ("Competitive Business"). Franchisee further acknowledges and understands that it is a condition of this Agreement that, unless otherwise agreed upon in writing between the parties, during the term of this Agreement Franchisee will not engage in any Competitive Business in any capacity, including investing in such business. The only exception is that Franchisee may hold two percent (2%) or less in ownership of publicly traded shares of a Competitive Business.

ARTICLE 2 GRANT OF FRANCHISE

2.1 Grant of Franchise.

(a) Grant of Franchise. Subject to and upon all of the terms and conditions set forth in this Agreement, Franchisor grants to Franchisee the right and license, and Franchisee undertakes the obligation to establish and operate a ICS4Schools Business under the System and the Proprietary Marks as Franchisor directs, and to use the Proprietary Marks in connection with the various services to be supplied in the operation of the Business (such operation and all of Franchisee's business and activities in connection therewith are herein referred to as a "Business"), which shall be provided strictly within the area described in Exhibit 1 attached hereto and made a part hereof.

(b) Grant of Territory; Limitations.

(i) Franchisor will define an area granted to Franchisee (herein referred to as the "Territory") which shall be defined in Exhibit 1 attached hereto. Franchisee shall not directly market to or solicit customers outside of the Territory. Franchisee may accept business from customers outside of the Territory, provided that such customer is not located within the territory of another ICS4Schools business. Any lead or inquiry from a customer located in another ICS4School's territory must be referred promptly to such ICS4Schools business owner.

(ii) The standard area granted by Franchisor as a Territory is a geographic area of approximately a 15 mile radius around a specific point that Franchisor and Franchisee determine. Franchisor has the right to modify the specific size so that it may be defined by metes and bounds, rather than a radius, where Franchisor deems it appropriate, such as for geographic considerations and city, county, or state boundaries. At the time of signing this Agreement, Franchisee may request a larger area. If Franchisor agrees to the requested Territory size, Franchisee shall pay the additional fee specified in Section 3.1(b) of this Agreement. Territory sizes are approximate, based on data available to Franchisor. Franchisor has no obligation to modify Franchisee's Territory in response to demographic changes over time.

(iii) Franchisee shall provide the services associated with the Business within the Territory pursuant to the Manuals as defined in Section 5.2. Franchisee shall operate from a home office location which may be located anywhere within the Territory.

(iv) Franchisee understands and expressly acknowledges that neighboring, unassigned territories will be sold by Franchisor without prior notice to or consent from Franchisee. Franchisee receives no right or interest in or to any territory except the Territory assigned pursuant to this Agreement.

(v) Franchisor shall establish a name within the System to designate Franchisee's business that differentiates it geographically from other units in the System. Franchisor may, in its sole discretion, change the designated name of Franchisor's business during the term of this Agreement in response to the addition of new units in the area, provided that Franchisor will not grant Franchisee's exact former designated name to a new franchisee except where Franchisee has relocated, sold or transferred its business, or this Agreement has terminated or expired for any reason. For example, Franchisee could be required to change from being referred to as "ICS4Schools Los Angeles" to "ICS4Schools Culver City." Franchisee shall comply with such change and shall promptly cease using any designated name that is no longer approved by Franchisor.

(c) Franchisor Rights in and around Territory; Franchisee Right of First Refusal; Loss of Rights and Exceptions. Subject to the following exceptions, Franchisor will not, while this Agreement is in effect, operate, nor will Franchisor grant others a license to operate a ICS4Schools Business under its System at any location within the area (herein referred to as the "Territory") which shall be defined in Exhibit 1 attached hereto. Notwithstanding the above, Franchisor may itself operate, or grant a license to an affiliate to operate a ICS4Schools Business or utilize the ICS4Schools brand as set forth below:

(i) In the event that Franchisee fails to attain the minimum Sales Quota required by Section 5.2(h) of this Agreement, Franchisor may, in lieu of termination, modify Franchisee's Territory, including a modification to divide Franchisee's Territory into more than one non-contiguous areas in order to permit another party to make sales to schools within Franchisee's Territory to which Franchisee has not provided Services. This modification shall not be construed as a waiver of the right of termination in any subsequent year in which Franchisee fails to meet the Sales Quota.

(ii) Franchisor reserves the right to market and sell products under the ICS4Schools brand within the Territory granted by this Agreement through alternate distribution channels including but not limited to internet, retail stores including big box stores, catalog or direct mail methods.

(iii) Franchisor reserves the right to acquire, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind or company-owned or franchised system of businesses of any kind, including any business or system that offers products or services the same as or similar to those offered by Franchisee under the System and the Proprietary Marks, and to convert any such acquired business or such acquired system of businesses to operation under the System and the Proprietary Marks, notwithstanding any other provisions hereof.

(iv) Outside the Territory, Franchisor reserves unrestricted rights to market, sell, and perform services and sell goods in any channel of distribution, to establish brick and mortar facilities, to establish other franchised businesses, and to promote its businesses.

2.2 Further Rights & Privileges.

Subject to and upon all of the terms and conditions set forth in this Agreement, Franchisor further grants to Franchisee the following rights and privileges:

(a) Proprietary Marks. Use of the Proprietary Marks as Franchisor directs, but only in connection with the specific Business described in Section 2.1(a) and only in connection with authorized Business products and related services;

(b) System. Use, in conjunction with the operation of the Business, of the Franchisor System, as it may be developed, changed and improved during the term of this Agreement;

(c) Supply. To purchase or acquire the right to use, from Franchisor or its approved suppliers, all products, supplies, equipment and services offered by Franchisor and required or permitted in the operation of the Business.

2.3 Term.

(a) Term. This Agreement and the appointment of Franchisee hereunder shall commence on the date this Agreement is executed and, unless previously terminated as herein provided, shall expire on the fifth (5th) anniversary of the date on which this Agreement was executed.

(b) Renewal Option. The term of this Agreement and the appointment hereunder may be extended for three additional terms of five (5) years exercisable by written notice from Franchisee to Franchisor, at least one hundred eighty (180) days prior to the expiration of the initial term; provided that at the end of the initial term:

(i) Franchisee is not at the time of the exercise or at the commencement of the extension term, in default of the performance of any of Franchisee's obligations hereunder; and

(ii) All monetary obligations owed by Franchisee to Franchisor have been fully satisfied prior to the commencement of the extension term; and

(iii) At the option of Franchisor, Franchisee shall execute Franchisor's then-current form of franchise agreement which shall waive any initial franchise fees but which may have material differences from this Agreement including the then-current royalty fees and System Marketing Fund contributions; and

(iv) Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, and its affiliates, officers, directors, agents and employees, arising out of or relating to this Agreement; and

(v) Franchisee agrees to bring its operations, including all indicia of the brand including but not limited to uniforms and advertising, into compliance with specifications and standards then applicable under new or renewal franchises for Franchisor Businesses;

(vi) Franchisor reviews and approves or modifies the assigned Territory based on then-current demographic information; and

(vii) Franchisee pays Franchisor a renewal fee of ten percent (10%) of Franchisor's then-current initial franchise fee before the expiration of the initial term. The calculation of the then-current initial franchise fee shall be increased as appropriate to include any territory enlargement that Franchisee elected pursuant to Section 3.1(b). If the Franchisor has ceased offering franchises at the time of such renewal, then the renewal fee shall be Six Thousand Dollars ($6,000).

ARTICLE 3 PRE-OPENING FEES

3.1 Initial Franchise Fee.

(a) Initial Franchise Fee. In consideration of the grant of franchise, and of the rights and privileges relating thereto, hereinabove made, Franchisee shall pay to Franchisor a franchise fee in the amount of Thirty Thousand Dollars ($30,000) ~~Dollars~~, payable upon the signing of this Agreement. This fee shall be paid solely for the grant of franchise rights and privileges, shall be fully earned upon execution of this Agreement, and shall be in addition to all other fees, royalties, costs and other expenditures of any kind required of Franchisee under the terms hereof, or any sums otherwise becoming due from Franchisee for any reason. The franchise fee shall not be refundable under any circumstances.

(b) Territory Enlargement. In the event that Franchisee elects, and Franchisor agrees to provide, a larger territory, Franchisee shall pay eighty percent (80%) of the initial franchise fee set forth in Section 3.1(a) for a 2nd territory and seventy-five percent (75%) of the initial franchise fee set forth in Section 3.1(a) for the 3rd or higher numbered territory.

(c) Financing of Initial Franchise Fee. Where Franchisor and Franchisor agree, Franchisor will finance up to Twenty Two Thousand Dollars ($22,000) of Franchisee's initial franchisee fee referenced in section 3.1(a). Any amount financed shall be listed in Exhibit 1. Franchisee shall repay the principal sum financed plus ten percent (10%) of the principal sum financed in twenty-four (24) equal payments. Repayment must begin in the month after Franchisee makes its first sale and shall continue thereafter each month until the total sum is repaid in full.

3.2 Software License Access.

Franchisee may elect to pay a custom application fee of Three Hundred Dollars ($300) and Franchisor shall grant Franchisee's business access to the ICS4Schools software application and set up such access. Franchisor recommends franchisees consider this elective access after being in business for at least one year.

ARTICLE 4 RECURRING FEES

4.1 Royalties.

In further consideration of the grant of franchise and related rights and privileges hereunder, and in consideration of the services to be rendered by Franchisor to Franchisee in support of Franchisee's operations as below provided, Franchisee shall pay to Franchisor throughout the term of this Agreement monthly royalties of eight percent (8%) of Gross Sales (as defined in Section 4.2) derived from the Business, payable on or before the 10th of the month for the preceding calendar month's sales.

4.2 Gross Sales.

As used herein the term "Gross Sales" includes the aggregate amount of all charges (defined in accordance with accounting practices and procedures as determined by Franchisor) for goods sold or services rendered to customers in the operation of the Business, regardless of the nature and location of the giving and receiving of orders for, and of the rendition and delivery of, goods and services, and whether or not payment is received, and in cases where payment is made by exchange of other services and goods provided by a customer, calculated on the basis of usual and ordinary charges for the services or goods rendered or supplied by the Franchisee in the exchange, and all other receipts of any kind of Franchisee derived directly or indirectly from the Business, the operation thereof, and activities in connection therewith, including, but not limited to proceeds from business interruption insurance. Provided that such deductions are properly documented according to Franchisor prescribed accounting procedures, "Gross Sales" excludes the amount of all sales, use, and other taxes collected from customers and paid to the appropriate taxing authority.

4.3 Advertising, Public Relations and Marketing.

Recognizing the value of network advertising, public relations and marketing programs, and the importance of the standardization of these programs to promote and further the goodwill and public image of the Franchisor System and Proprietary Marks, Franchisee agrees as follows:

(a) System Marketing Fund. Franchisor has established a marketing fund ("System Marketing Fund") which is a collective fund used by Franchisor solely for advertising, promotion and marketing in accordance with the provisions of subparagraphs (i) and (ii) below. As long as the System Marketing Fund is in effect, Franchisee shall make monthly contributions of two percent (2%) of Gross Sales, of the preceding month's Gross Sales to the collective System Marketing Fund. Payments to the System Marketing Fund shall be made on the same schedule as payment of Royalties.

(i) Administration of System Marketing Fund**.** Franchisee agrees that Franchisor shall have the right to direct all local, regional and national advertising, public relations and marketing programs for the System; to use in these programs the payments described in subparagraph (a) above; and that Franchisor shall have the sole discretion over the creative concepts, materials and media used and the placement and allocation thereof. Franchisee agrees

and acknowledges that one of the primary intentions of the System Marketing Fund is to maximize public recognition and acceptance of Franchisor Proprietary Marks and that Franchisor undertakes no obligation in administering the System Marketing Fund to make expenditures for Franchisee's Area which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from these programs. Franchisor may, without prior notice to Franchisee, delegate some or all of the administration of the System Marketing Fund to a third party or parties.

(ii) System Marketing Fund Expenditures**.** Franchisee agrees that the System Marketing Fund may be used to meet any and all costs of maintaining, administering, directing and preparing marketing programs, including, without limitation, the cost of preparing and conducting television, radio, magazine, newspaper, internet, direct mail, in-store signage and other types of advertising; website, search engine optimization and digital marketing efforts; public relations activities, including, without limitation, the cost of hiring agencies and Franchisor personnel to engage in public relations work; and employing advertising and public relations agencies and personnel to assist therein; and charitable promotions. Advertising and public relations agencies and personnel may be composed of employees of Franchisor or may be entities owned by or affiliated with Franchisor if use of in-house agencies is deemed best by Franchisor, in which event the methods for determining the value of services rendered by the in-house agency shall be set forth in writing and may be charged to the System Marketing Fund. No sums paid by Franchisee to the System Marketing Fund shall be used to defray any of Franchisor general operating expenses, except for reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the System Marketing Fund and promotional programs, including, without limitation, conducting marketing research, preparing marketing and advertising materials and collecting and accounting for assessments for the System Marketing Fund. An accounting of the operation of the System Marketing Fund shall be prepared annually and made available to Franchisee upon request.

(b) Local Advertising. Franchisor does not represent or warrant that its System Marketing Fund expenditures will constitute sufficient advertising for Franchisee's local market. Franchisee is not required to engage in its own local marketing, but Franchisor encourages it to do. All such advertising must comply with Franchisor's established brand standards in all instances, and it must be pre-approved by Franchisor in writing. Franchisee shall provide written disclosure of its planned advertising before publishing any such advertising and Franchisor shall have at least five (5) business days to review such advertising. Proposed advertising that Franchisor does not expressly disapprove may be used after such time frame, but Franchisee shall immediately discontinue the use of any advertising Franchisor subsequently requires to cease, even if such advertising was previously expressly approved.

(c) Advertising Standards. Subject to Section 4.3(a) and without waiving or modifying its requirements and limitations, all advertising by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice that may be injurious to the Franchisor System or the goodwill associated with the Proprietary Marks. Without limiting the foregoing, Franchisee agrees that all advertising and promotions by Franchisee in any form and in any medium shall be conducted in a dignified manner and shall conform to such standards and requirements as Franchisor may from time to time designate in writing. Franchisor shall have the right, in its

discretion, to prohibit the use of artificial intelligence or machine-learning in the generation of any advertising or promotional content by Franchisee. Franchisee shall use Franchisor's required or approved marketing vendor, if one is identified, for such services, and shall comply with all requirements to permit Franchisor to place such advertisements and to reimburse Franchisor for such expenses. Franchisee shall submit to Franchisor, for prior written approval, samples of all advertising and promotional plans and materials, including but not limited to social media posts, videos, photos, testimonials, influencer arrangements or other materials to be used both within the Business and online, that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. If written approval thereof is not received by Franchisee, Franchisor shall be deemed not to have given the required approval. Even if Franchisor has given approval, Franchisor has the right to require discontinuation, deletion or removal of any content that appears to generate or be likely to generate harm to the brand goodwill, in Franchisor's reasonable judgment.

(d) Use of Social Media. During the term of this Agreement, Franchisor permits Franchisee to promote its business through the use of social media. Franchisee must comply with Franchisor policies on use of the Proprietary Marks in social media, which policies may be modified by Franchisor at any time. Franchisee must provide all posts and content that has not already been approved in writing to Franchisor for its prior written approval before posting it. All Franchisee use of social media in connection with the Proprietary Marks shall be subject to Franchisor Advertising Standards as set forth in its Manuals and must also comply with all applicable laws and with the terms of use of any applicable website and/or social media. Regardless of Franchisor's prior approval of any content, Franchisee shall promptly delete or remove any content upon Franchisor's written direction to do so.

4.4 Technology Fees.

Franchisee shall pay to Franchisor the sum of One Hundred Dollars ($100) per month, beginning the first month ~~Franchisor is open for business~~after Franchisee makes its first sale. Franchisor shall use the fees collected in its discretion to provide software licenses and access to proprietary and third party software products required or recommended by Franchisor, as well as research and development of new or existing technologies including the Mobile App to enhance the goodwill of the brand and to implement and maintain such technologies. Franchisor may raise this fee to a maximum of One Hundred Fifty Dollars ($150) upon written notice to Franchisee at any time.

4.5 Franchisee Huddles.

Franchisor reserves the right to hold periodic meetings with all franchisees to discuss the ICS4Schools business (each a "Franchisee Huddle"). Franchisee shall pay their pro rata share of the actual cost of each such event, but not to exceed Six Hundred Fifty Dollars ($650) per person per Franchisee Huddle. Franchisor reserves the right to require all of Franchisee's beneficial owners to attend as well as any key employees. Franchisee shall pay one hundred twenty percent (120%) of the per person cost for any person who is required to attend but fails to attend.

4.6 Software Access Fee.

(a) Onboarding Fee. For each school or business site Franchisee onboards to use the Mobile App, Franchisee shall pay to Franchisor an initiation fee of Two Hundred Fifty Dollars ($250)..

(b) Recurring Fee. For each school or business site Franchisee maintains with access to the Mobile App, Franchisee shall pay to Franchisor the annual access fee of Two Hundred Fifty Dollars ($250). This annual fee will be billed annually on October 10th of each year. Franchisee shall pay a prorated amount for newly enrolled school sites that have not yet had a full year of access to the Mobile App.

4.7 Other Fees and Payments; Cost Increases.

(a) Renewal, Transfer, & Relocation. Upon renewal or transfer of this Agreement, or relocation of the Business, Franchisee is obligated to pay Franchisor the fees set forth in this Agreement.

(b) Cost Increases. Items of inventory, equipment, supplies, products, material and services offered by Franchisor to and accepted by Franchisee shall be paid for at the prices currently charged by Franchisor and its affiliates or suppliers at the time of sale with payment for such items to be made by Franchisee in accordance with the terms and policies as specified by Franchisor in its Manuals (as defined in Section 5.2) or otherwise. Franchisor endeavors to keep all such prices and costs low, but has the right to increase costs as necessary based on vendor cost increases, increased levels of service, new technologies, and related market changes.

(c) Replacement Initial Training. Franchisee shall pay initial training fees consisting of Franchisor's then-current per diem charge per trainee for additional trainees beyond the two people Franchisor will train at no cost during Franchisee's initial training prior to opening the Business, or for any trainee requiring remedial or refresher training.

(d) Supplemental Training. In the event that Franchisee requests or Franchisor determines that Franchisee requires additional training, Franchisee shall pay to Franchisor the then-current per fees for such training, which shall be two hundred dollars ($200) per day for up to two people being trained, if training is provided virtually, or four hundred dollars ($400) per day plus actual travel and living expenses assessed by Franchisor if Franchisor must come to Franchisee. Franchisor may charge additional fees for additional trainees.

(e) Temporary Management. In the event that Franchisee requests, or Franchisor in its discretion requires Franchisee to have, temporary management by Franchisor, Franchisee shall pay Franchisor's then-current fees for such assistance.

(f) Customer Resolution Fee. In the event that Franchisor elects to resolve a dispute between Franchisee and a customer of Franchisee's Business due to Franchisee's request for assistance or Franchisee's failure or refusal to resolve the dispute, Franchisee will reimburse Franchisor for Franchisor's actual costs, plus Two Hundred Dollars ($200).

(g) Convention Fee. Franchisee shall pay a per person fee for Franchisor's franchisee convention, if it is held, no more than once annually. Franchisee shall be solely responsible for all of Franchisee's travel and lodging costs in addition to this fee. In Franchisor's discretion, attendance may be mandatory.

(h) CPI Adjustment. All fees and amounts expressed in dollar amounts in this Agreement are subject to adjustment on January 1st of each year by the amount of any increase in the Consumer Price Index for All Urban Consumers, U.S. City Average, published by the Bureau of Labor Statistics of the United States Department of Labor since the date of this Agreement or the most recent adjustment by Franchisor, whichever is more recent. Such increase shall be calculated as a percentage increase equal to the percentage increase in the Consumer Price Index for the applicable period.

4.8 Reports, Payment Schedule and Manner of Payment.

Franchisee shall, throughout the term of this Agreement and at Franchisee's expense, submit to Franchisor complete and accurate reports and payments in such form and detail as Franchisor may require, and in the manner that Franchisor may designate, as follows:

(a) Unless otherwise required by Franchisor, on or before the second Tuesday of each calendar month, a report of all Gross Sales of the Business for the preceding month (as defined in Section 4.2), together with payment, without setoff or deduction, of the royalties required by Section 4.1, and all expenses paid by the Business for such month;

(b) On or before April 15th of each calendar year, a balance sheet for the preceding calendar year; and

(c) Upon request by Franchisor, such other data, information and supporting records for such periods as Franchisor, from time to time, requires.

(d) Franchisee will make all payments to Franchisor in the manner required by Franchisor, which may include payment by electronic funds transfer from a designated bank account of Franchisee to a designated bank account of Franchisor, or payment by some other electronic debit/credit method. Franchisee agrees to execute any forms or agreements required by banks or financial institutions to authorize transfers, whether initiated by Franchisor or Franchisee. Franchisee is responsible for having sufficient funds on deposit to cover all checks, debits and electronic funds transfers made. All charges imposed by Franchisee's bank or financial institution to process and clear any checks, debits or transfers shall be paid by Franchisee. Franchisee will also reimburse Franchisor for any charges assessed to Franchisor due to Franchisee's account having insufficient funds to cover any check, debit or funds transfer or for any "stop payment' or other refusal to honor or pay a check, debit or funds transfer to Franchisor.

(e) Franchisee will submit all reports required hereunder in the form and using the method designated by Franchisor, which may include transmission electronically over the internet or by way of an intranet through a point of sale or computer system or using other information technology.

4.9 Late Payments; Insufficient Funds.

(a) Late Payments. Any payment not actually received by Franchisor as required by this Agreement shall be deemed overdue. If any payment is overdue, Franchisee shall pay Franchisor the overdue amount, interest on such amount accrued at the lesser of 12% per annum or the highest rate permitted by law, a late fee of One Hundred Dollars ($100) per occurrence, plus an additional fee of One Hundred Dollars ($100) per week until such amount is paid in full. Separately, each incident of insufficient funds reported by your bank shall also incur a One Hundred Dollar ($100) fee per occurrence.

(b) Non-Compliance Fees. For any material non-compliance with one or more terms of this Agreement, Franchisor may, in its sole discretion, assess a fee for non-compliance of One Hundred Dollars ($100) per incident, plus an additional fee of One Hundred Dollars ($100) per week until Franchisee resumes compliance.

(c) No Waiver. Franchisee acknowledges that this Section 4.9 shall not constitute an agreement by Franchisor to accept any payments after they are due, a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's Business, or a waiver of breach of this Agreement. Further, Franchisee acknowledges that failure to pay all amounts when due shall constitute grounds for termination of this Agreement by Franchisor, as provided in Section 7.2, notwithstanding the provisions of this Section.

ARTICLE 5 FRANCHISEE'S OBLIGATIONS & DUTIES

5.1 Home Office.

The parties anticipate that Franchisee will operate from a home office located within the Territory and that Franchisee will visit school and potentially other business sites in order to pitch and provide services to customers. Franchisee will not invite customers to Franchisee’s home office without Franchisor’s prior written consent, which may reasonably be conditioned on review of the location, set-up, décor, and look of such home office. If Franchisee wants to relocate its home office, it may do so anywhere within the Territory, but may not move it outside of the Territory without prior written approval from Franchisor, which may be withheld.

5.2 Operation of Business.

Promptly following the completion of training, and in any event within twelve (12) months of the date of signing this Agreement, Franchisee shall commence operation of the Business and shall thereafter, subject only to interruption resulting from acts of God or other causes beyond the control of Franchisee and not relating to the availability of funds to Franchisee, continuously operate the Business, devoting Franchisee's best efforts, skills, and diligence to the conduct of the business of selling and providing products and services (hereinafter "Business Services") authorized or required to be provided as part of the Franchisor System as set forth in Franchisor Confidential Operating Manuals and all supplements, addenda and amendments thereto (herein collectively called the "Manuals"), and Franchisee shall not sell or provide other products or services except ones which Franchisor, in its sole and absolute discretion, shall approve as being

compatible and not interfering with the Franchisor System or Network. Specifically and without limiting the foregoing, Franchisee agrees:

(a) Follow Manuals and Standards. Franchisee shall operate the Business in all respects in accordance with all reasonable requirements of Franchisor from time to time in effect, as set forth in the Manuals and in other communications from Franchisor, maintaining the highest business standards of quality and ethical conduct, and not otherwise so that the Business shall be established and at all times operated as and constitute a business of the highest quality and appearance. With respect to the Manuals, Franchisee specifically agrees as follows:

(i) Franchisee shall treat the Manuals created and approved for use in the operation of franchised Businesses, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain this information as secret and confidential; and

(ii) Franchisee agrees that the Manuals shall remain the sole property of Franchisor; that Franchisor may, from time to time, revise the contents of the Manuals; and Franchisee agrees to comply with each new or changed provision thereof; and

(iii) Franchisee agrees that the master copy of each Manual maintained by Franchisor at its principal office shall be controlling in the event of a dispute relative to the content of any Manual.

(b) Approved Products and Services; Offers to Non-School Businesses.

(i) Franchisee shall sell only products and services that meet Franchisor standards of quality and have been expressly approved by Franchisor in writing for offer or sale by Franchisee. Franchisee shall refrain from any deviation from Franchisor standards and specifications for selling products and services without Franchisor's prior written consent and shall discontinue offering and selling any products and services that Franchisor may disapprove in writing from time to time, in its sole discretion. Franchisor standards extend to the qualification of coaches or staff who provide club fitting as a service.

(ii) Franchisee has no obligation to offer or sell services to non-school businesses or organization. If Franchisee elects to offer the services of the Business to non-school businesses or organizations, Except as provided in section 5.2(b)(iii) below, Franchisee shall notify Franchisor of the type of business to which it intends to offer the services prior to doing so. If Franchisor has suggestions or advice regarding the approach to such business, Franchisor will consult with Franchisee and provide such advice. Franchisor does not represent or warrant that it has expertise regarding provision of the Business services to non-schools. Franchisor may disapprove the offer of the services of the Business to a specific type of non-school business or entity when Franchisor has a commercially reasonable concern that the provision of ICS4Schools services to such business or organization will be unsuccessful or will materially harm the reputation and goodwill of the Franchised System and Network.

(iii) As franchisees within the Franchised System begin offering services of the Business to non-school businesses, Franchisor will create a list of types of business to which such services have been successfully provided. If Franchisor provides Franchisee with such a list, Franchisee may offer services to materially similar businesses and organizations without having

to obtain Franchisor's prior consent. Franchisor has the right, in its sole discretion, to remove types of businesses from such list where it deems it necessary to do so.

(c) Approved Suppliers: Testing. If Franchisee desires to purchase any item or service from an unapproved supplier, or to sell products or services not previously approved by Franchisor, Franchisee shall submit a written request for approval to Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, or that samples of unapproved products or services be delivered, at Franchisor option and without charge to Franchisor, either to Franchisor or its designee for testing. A charge constituting Franchisor's then-current product or supplier review fee shall be paid to Franchisor by Franchisee. Franchisor reserves the right, at its option, to re-inspect the facilities and products of any approved supplier and revoke its approval, if any has been granted, if the supplier fails to meet any of Franchisor then-current criteria. In no event shall Franchisor be required to evaluate or approve a different supplier where Franchisor has designated a supplier or suppliers as the source for a particular item or to approve any products or services for sale not previously approved by Franchisor.

(d) Confidential Information. Franchisor possesses and will develop and acquire certain confidential and proprietary information and trade secrets consisting of (1) business methods, techniques, standards, procedures and formats of the System; (2) policies, procedures, information, concepts, systems and knowledge of and experience in the development, operation and franchising of Businesses; (3) marketing programs for Businesses; and (4) knowledge and specifications for and suppliers of certain materials, furniture, fixtures, furnishings, equipment, signs and inventory requirements for Businesses (collectively the "Confidential Information"). Franchisor will disclose to Franchisee the Confidential Information in the Manuals and in guidance and assistance furnished to Franchisee during the term of this Agreement. Franchisee acknowledges and agrees that Franchisee will not acquire any interest in the Confidential Information and that the use of the Confidential Information in any other business would constitute an unfair method of competition with Franchisor and other Businesses. Franchisee acknowledges and agrees that the Confidential Information belongs to Franchisor, contains trade secrets belonging to Franchisor and is disclosed to Franchisee and authorized for use solely on the condition that Franchisee agrees that Franchisee: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute secrecy and confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of or access to the Confidential Information.

Franchisee shall cause its principals and staff to execute a Confidentiality Agreement substantially in the form of Exhibit 3 attached hereto. Franchisee shall deliver such copies of all such Confidentiality Agreements to Franchisor promptly after they are signed. Franchisee agrees that the relationship with Franchisor does not vest in Franchisee any interest in any Confidential Information other than the right to use it in the development and operation of the Business under this Agreement and other than the right to utilize it in the operation of the Business during the term of this franchise and that Franchisee will maintain the confidentiality of the Confidential Information during and after the term of this Agreement.

(e) Devote Adequate Working Time. Franchisee acknowledges and agrees that it is essential to this Agreement that the franchise be operated and managed by an individual who has successfully completed the training required by Franchisor. That person can be Franchisee (or, if Franchisee is an entity, a person approved by Franchisor) or a person designated by Franchisee and approved by Franchisor in its reasonable discretion. If said individual does not throughout the term of this Agreement continue to operate and/or manage the Business without otherwise being replaced by another qualified and approved person, such event shall be a material breach of this Agreement.

(f) Attend and Satisfactorily Complete Training. Franchisee or its designee shall, at Franchisee's sole expense, attend and satisfactorily complete the initial training program provided by Franchisor. Any designated representative(s) attending the training programs and meetings shall first have entered into a nondisclosure agreement as provided in subparagraph (d) hereof. Franchisee agrees to attend or cause Franchisee's designated manager(s) to attend, all subsequent and continuing management training programs as provided for in Sections 6.2(a) and (e) hereof.

(g) Marketing Efforts; Territorial Limitations.

(i) Franchisee shall vigorously pursue and promote sales and activities leading to sales by the Business; and shall cooperate with Franchisor and other franchisees in the Franchisor Network in promoting and enhancing the Franchisor System and Network. Franchisee shall not engage in direct marketing to any customer in a territory or area reserved to Franchisor or assigned to another franchisee.

(h) Sales Quota. Franchisee is required to onboard at least five (5) school or other business sites by the end of the first year after Franchisee begins its business operations, to have a cumulative total of at least 15 school or other business sites by the end of the second year of business operations, and thereafter to maintain a minimum of 25 school or other business sites in each year after that. Failure to meet this requirement is a material breach of this Agreement and Franchisor may terminate Franchisee for failure to meet this requirement or, in Franchisor’s sole discretion, modify the Territory to permit another party to market directly to more schools in your Territory.

(i) Major Demographic Changes. In Franchisor’s sole discretion, if there are material demographic changes to your Territory, Franchisor may modify the Territory with prior written notice to Franchisee.

(j) Report Issues. Franchisee must promptly report any significant issues or customer complaints, as well as any matters which are or have material possibility to become a crisis for the brand to Franchisor. Franchisee shall cooperate with commercially reasonable steps required by Franchisor in response to any such issues.

5.3 Use of Commercial Symbols.

Franchisee acknowledges that Franchisee's right to use the Proprietary Marks is derived solely from this Agreement and is limited to the operation of a Business pursuant to and in compliance with this Agreement and all applicable specifications, standards and operating

procedures prescribed by Franchisor in its Manuals from time to time during the term of this Agreement. Specifically and without limiting the foregoing, Franchisee agrees:

(a) This Agreement does not confer any goodwill or interests in the Proprietary Marks upon Franchisee.

(b) Franchisee shall use only the Proprietary Marks authorized by Franchisor, and shall use the Proprietary Marks only in the manner authorized and permitted by Franchisor.

(c) Franchisee shall use the Proprietary Marks only in connection with the operation of the Business and only at the locations referred to in Section 2.1 of this Agreement.

(d) Any and all goodwill arising from Franchisee's use of the Proprietary Marks under the Franchisor System shall inure solely and exclusively to the benefit of Franchisor and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned to any goodwill associated with Franchisee's use of the Franchisor System or Proprietary Marks.

(e) The Proprietary Marks are valid and serve to identify Franchisor, the Franchisor System and those licensed under the System. Franchisee agrees not to directly or indirectly contest the validity or ownership of the Proprietary Marks. Throughout the term of this Agreement, including any extensions thereof, Franchisee shall identify himself or herself as a franchisee of Franchisor in conjunction with any use of the Proprietary Marks, displaying the Proprietary Marks in all appropriate places at the Business, on stationery and merchandise, and otherwise in the operation of the Business, as Franchisor may specify from time to time.

(f) Franchisee agrees not to use any Mark licensed under this Agreement in connection with the sale of any unauthorized product or service or in any other manner not expressly approved in writing by Franchisor.

(g) If it becomes advisable at any time, in Franchisor's sole discretion, for Franchisor or Franchisee to modify or discontinue use of any Mark or use one or more additional or substitute Proprietary Marks or commercial symbols, Franchisee agrees to comply therewith within a reasonable time after notice by Franchisor.

(h) Franchisee shall comply with Franchisor instructions in filing and maintaining fictitious or trade name registrations, and shall execute any documents deemed necessary by Franchisor to protect and maintain the continued validity of the Proprietary Marks.

(i) In the event that Franchisee is aware of any use of the Proprietary Marks or colorable imitation thereof which falsely suggests or represents an association or connection with Franchisor or any of its Proprietary Marks, or litigation involving the Proprietary Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and cooperate fully with Franchisor in connection therewith. Franchisee agrees that Franchisor will have the right to control any litigation with respect to the Proprietary Marks.

5.4 System Improvements.

Franchisee acknowledges and agrees that Franchisor may modify, alter, add to or subtract components from the System and/or the methods, procedures and techniques which Franchisee is authorized and required hereunder to utilize in the operation of the Business, including addition to or elimination from the System of products or services or other activities constituting elements thereof. Franchisee acknowledges and agrees that Franchisor shall have sole control and discretion over all supplements, improvements, alterations and development of the System, and the programs, products and services offered thereunder; that this control and discretion is in the best interests of the Franchisor System; and that Franchisee will comply with all Franchisor requirements concerning the System and improvements thereto. In its operation of the business, Franchisee shall seek to develop and conceive such supplements, improvements and alterations, and upon doing so shall in each case promptly and fully advise Franchisor thereof. Franchisor shall have the right, but not the obligation, to make use of all supplements, improvements and alterations so conceived or developed by Franchisee, including the right to disseminate the same to all Business franchisees for their use, all without payment of royalties, fees or other compensation by Franchisor or other franchisees.

5.5 Uniform Network.

Franchisee understands and acknowledges that the Business and the business carried on there will benefit from being an integral part of a network of similar Businesses in a variety of locations, utilizing the Franchisor System in a uniform manner, providing uniform products and services with uniform equipment and with personnel of uniform skill and training. Franchisee acknowledges that the interests of the Franchisor System and Network are vital to the success of each franchisee, and that each franchisee has an obligation to promote and further the Franchisor System and Network to the fullest extent possible. Franchisee agrees to adhere to Franchisor standards, specifications and requirements concerning the Proprietary Marks, the Franchisor System and the Franchisor Network as specified by Franchisor from time to time in its Manuals including, without limitation, the offering of any new Business Services, the requirement to offer any previously optional Business Services, the elimination of any previously specified Business Services, and the operation of the Business as an integral part of the Franchisor Network, cooperating and complementing other Businesses thereof.

5.6 Responsibility for Costs and Expenses.

Franchisee will be solely responsible for and shall pay, promptly when due, all costs, expenses, obligations and indebtedness of or in any way rising out of or in connection with the Business and the establishment and operation thereof, including all amounts due to any landlord or suppliers of the Business and taxes, assessments and other levies, charges and impositions of any kind of any governmental or regulatory body. Franchisee acknowledges that failure to pay vendors or service providers to the Business constitutes a material breach of this contract.

5.7 Compliance with Law.

Franchisee shall, in the establishment and operation of the Business, comply, at Franchisee's sole expense, with all applicable statutes, ordinances, regulations, orders and other

enactments or requirements of all governmental or regulatory bodies including obtaining any licenses or permits required by any law.

5.8 Indemnification.

Franchisee shall indemnify Franchisor, its affiliates, and their respective officers, directors and employees and hold them harmless from and against any liability or responsibility for any matter for which Franchisee is responsible under this Section 5.9 or otherwise under this Agreement, and from and against any loss, liability, claims, demands, damages, charges, costs or expenses of any kind whatsoever, including attorneys' fees, arising directly or indirectly out of or in connection with any such liability or responsibility, or otherwise out of or in connection with the establishment and operation by Franchisee of the Business, including but not limited to any such matters arising directly or indirectly out of or in connection with any injury to or death of persons or damage to or loss of property.

Franchisee will notify Franchisor in writing within ten (10) days of becoming aware of the filing or existence of any lawsuit, claim, arbitration or administrative proceeding by any third party (including but not limited to employees, former employees, customers, suppliers, landlords, creditors, competitors or others) against Franchisee or Franchisor relating to or arising out of the operation of the Franchised Business, regardless of the nature of the lawsuit, claim, arbitration or proceeding and regardless of whether the right to indemnification under this Section 5.9 would apply.

5.9 Insurance.

Franchisee shall procure and maintain in effect throughout the term of this Agreement insurance coverage issued by companies admitted and licensed to do business in the state where the business operates; satisfactory to Franchisor; and having a Best's rating of not less than A. The policy or policies shall each include an endorsement naming Franchisor, its affiliates, and their respective officers, directors and employees as additional insureds on a primary basis, using Grantor of Franchise Form CG 20 29 04 13, or equivalent. All insurance shall provide for severability of interests so that the acts of Franchisee shall not be imputed to the Franchisor, its affiliates, and their respective officers, directors and employees, and shall include a Waiver of Subrogation in favor of the franchisor. All coverage shall be primary and not request contribution from any insurance held by the franchisor. Franchisee's insurance policy or policies shall provide at least the following coverage, subject to change by way of modified requirements in the Manual:

(a) Commercial general liability insurance with a $2 million per occurrence and $2 million aggregate limit. The total required limits can be accomplished through the purchase of an Umbrella/Excess liability policy.

(b) Business property damage insurance covering replacement costs.

(c) Auto liability coverage for all drivers who will operate in the business, with coverage including damage and replacement cost.

(d) Such other insurance as may be required by any laws, including but not limited to uninsured or underinsured motorist coverage for the auto insurance.

Franchisee shall supply Franchisor with Certificates of Insurance currently in force, which shall reflect at least the above required coverage, and shall also provide: (1) A copy of the schedule of forms and endorsements comprising the policy, and (2) Copies of the endorsements naming Franchisor and its affiliate ICS4Schools, Inc. as additional insureds, with a waiver of subrogation to benefit Franchisor and ICS4Schools, Inc. All Certificates of Insurance shall provide that the insurance shall not be canceled or reduced in limits or scope of coverage except after at least thirty (30) days written notice by the insurer to Franchisee and Franchisor. Any conditional language on the Certificate purporting to limit the obligation or liability of the insurer relating to this notice requirement shall be unacceptable and shall be stricken. If Franchisee fails to provide the required certificates, either initially or upon renewal, Franchisor may, but shall not be obligated to obtain such insurance and Franchisee shall reimburse Franchisor for the cost thereof upon demand, plus a fee of 20% of the cost as an administrative fee.

All required insurance policies shall be renewed annually and new Certificates of Insurance and copies of endorsements as required above shall be provided to Franchisor not less than thirty (30) days prior to expiration of each policy.

Franchisee understands and acknowledges that Franchisor may, on notice and in its sole discretion, raise, lower or otherwise change the amounts and types of insurance required under this Section 5.10 and Franchisee shall comply with such changed requirements upon expiration of the policies in force at the time Franchisor gave notice of the changes but in no event later than sixty (60) days after such notice.

5.10 Encumbrances.

During the term of this Agreement, except with the written consent of Franchisor, Franchisee shall not mortgage, pledge or otherwise assign as security, this Agreement, the Business or any part thereof, or any furniture, fixtures, furnishings, equipment, signs, decor or leasehold improvements located thereon, or any interest which Franchisee may have in any part thereof.

5.11 Point of Sale and Computer Systems.

(a) If Franchisor designates one, Franchisee must record and process all sales using a point of sale ("POS") system designated or approved by Franchisor or meeting specifications issued by Franchisor, including but not limited to the capacity to record sales transactions by dollar amount, product category and quantity, calculate applicable tax, provide daily totals, and process credit card, debit card and gift card transactions. Franchisor reserves the right to require Franchisee to use other computer systems (such as those for office and administrative functions) meeting Franchisor specifications. Franchisor has the right to require that such computer system be fully compatible with the Franchisor designated POS system, computer systems and information systems, loyalty programs, and other technology which may include Intranets or other systems as Franchisor may develop in the future. Without limiting the foregoing, Franchisor may require the use of an information interface capability through which Franchisee's POS system and other computer system communicate electronically with Franchisor designated computer or information system, and through which Franchisor could access data used or stored in Franchisee's POS or other computer systems.

(b) Franchisee must authorize third parties to grant Franchisor independent access to Franchisee's systems wherever Franchisor requests this. This may require Franchisee to acquire an additional software license, for which Franchisee shall bear all expense. On any applications where it is possible, Franchisor shall have the independent right to access Franchisee's computer systems for the Business or to obtain information regarding the Business's transactions from a third party vendor providing the POS system, and to download information without notice to Franchisee.

(c) Franchisee shall obtain access to the Mobile App during the term of this Agreement. Franchisee understands and acknowledges that its use of the Mobile App will be subject at all times to the terms and conditions annotated therewith ("Terms and Conditions"), a current copy of which is attached as Exhibit 4. With respect to Franchisee's access to and use of the Mobile App, this Agreement shall constitute the License Agreement referenced in the Terms and Conditions. Franchisor has authority to update and revise the Terms and Conditions at any time. In the event of a conflict between the Terms and Conditions and this Agreement, this Agreement shall control.

5.12 Audit Rights, Recordkeeping & Reporting.

(a) Recordkeeping. Franchisee shall throughout the term hereof, maintain and preserve full, complete and accurate books, records and accounts of the Business, and supporting data, all in accordance with generally accepted accounting principles and utilizing accounting records and systems as are, from time to time, approved by Franchisor. All records and reports required by this Agreement shall be in accordance with the system of accounting as contained in the Manuals, and Franchisee must use a certified public accountant to prepare and file taxes for its business each year.

(b) Audit. Franchisor shall have the right at any time during business hours, and without prior notice to Franchisee to inspect and audit, or cause to be inspected and audited, the books, records and financial statements, sales and income tax records and returns and other records of the Business and the books and records of any corporation or partnership that holds the franchise. Franchisor right to audit shall include the right to access any computer systems directly or virtually. Franchisee shall fully cooperate with representatives of Franchisor and independent accountants hired by Franchisor to conduct any such inspection or audit. In the event that any such inspection or audit shall disclose an understatement of Net Sales in any statements or reports submitted by Franchisee by two percent (2%) or more, than the cost of the audit, including without limitation, the charges for any certified public accountant(s) and the travel expenses, room, board and compensation of Franchisor employees connected with the audit shall be borne by Franchisee and the deficiency shall become immediately due and payable with interest payable as provided in Section 4.8(a) above. The foregoing remedy shall be in addition to any other rights Franchisor may have, including, but not limited to, the right to terminate this Agreement. An understatement of Net Sales in any report submitted by Franchisee to Franchisor by two percent (2%) or more shall be grounds for immediate termination of this Agreement.

(c) Third Party Information. Franchisor shall have the right to access information about Franchisee maintained by third parties such as vendors and suppliers to Franchisee.

(d) Surveys and Studies. The continuing development, improvement and success of the Franchisor Network, and of each Business, requires meaningful, timely and accurate information concerning all functions and aspects of the business. In order that the Franchisor System can be fully evaluated and improved and benefit all franchisees thereof, Franchisee agrees to prepare and forward to Franchisor, at times specified and on forms supplied by Franchisor, information that Franchisor may require for its use in preparing studies and surveys relating to the Businesses, the System and the Network, including but not limited to information regarding Franchisee's expenses, advertising information, or other data.

5.13 Right of Entry.

Franchisee shall permit Franchisor and its agents the right to enter Franchisee's home office at all times during regular business hours for the purpose of conducting inspections, on-site market surveys and studies. Franchisee shall cooperate with Franchisor representatives in these examinations and inspections; and, upon notice from Franchisor or its agents, and without limiting Franchisor other rights under this Agreement, shall take all necessary steps to promptly correct any deficiency detected during the inspection, including, without limitation, immediately desisting from offering and selling any disapproved product or service, or using advertising materials that do not conform with Franchisor then-current specifications or standards.

ARTICLE 6 FRANCHISOR OBLIGATIONS

6.1 Pre-Opening Services.

Franchisor shall assist Franchisee and perform activities in connection with the establishment of the Business as follows:

(a) Site Selection Advice: Territory. Franchisor will advise and consult with Franchisee in selecting a Territory for the Business. Franchisor makes no representations, guarantees or warranties, either express or implied, regarding the profitable operation of Franchisee's Business as a result of any site selection advice.

(b) Initial Training. Franchisor shall provide in connection with the establishment, management and operation of the Business management training lasting approximately 22 hours and comprised of training in administration and operations of the Business. The training program shall be attended by up to two people, which may include Franchisee or be Franchisee's designees.. Franchisee shall pay all expenses of travel, room, board and wages incurred by Franchisee and/or its trainee(s). If at any time new persons assume management of the Business and Franchisor requires that individual to undergo initial training as a condition of approval, the new manager(s) must undertake and successfully complete the initial training, and Franchisee will be responsible for the associated costs and fees.

(c) Mobile App Set Up. Franchisor will ensure Franchisee receives access to the Mobile App and is set up to properly use it.

(d) Manuals. Franchisor shall lend to Franchisee one complete copy each of Franchisor Manuals, which shall at all times remain the property of Franchisor and be handled as herein provided.

(e) Initial Forms. Franchisor will provide Franchisee with initial copies of financial reporting forms as detailed by Franchisor in its Manuals.

(f) Launch Assistance. Franchisor shall add Franchisee to the website and shall provide guidance regarding inventory, suppliers, and related information about approved vendors.

6.2 Support for Business Operations.

Throughout the term of this Agreement, Franchisor shall supply to Franchisee, in support and assistance of Franchisee's operations, the following:

(a) Additional Management Training; Conventions. Franchisor will provide periodic seminars for updates on new management techniques and other topics of interest to Franchisees of the Franchisor Network. In Franchisor's discretion, Franchisor may also provide in person conventions or business meetings for the ICS4Schools brand. Franchisor reserves the right to require Franchisee and its managers to attend mandatory conventions or meetings in person up to one time per year, and to pay a per person fee as specified in the Manuals to attend such meetings. In addition to this training charge, which shall be payable to Franchisor by Franchisee upon demand, it will be the Franchisee's responsibility to pay all travel, room, board and other expenses incurred by Franchisee and its manager(s) while attending these seminars. Franchisor may also offer optional and mandatory remote training or check-ins, at no cost to Franchisee.

(b) Pricing Recommendations and Requirements. Franchisor shall provide Franchisee with information regarding suggested retail pricing for services and inventory items, and may provide required pricing floors, ceilings, or amounts.

(c) Updates. Franchisor will disseminate periodic supplements and amendments to its Manuals as well as bulletins and other information of general interest to all Franchisees.

(d) Supplier Assistance. From time to time, Franchisor may negotiate with new suppliers to sell Franchisee products at favorable rates; however, neither Franchisor nor its affiliates shall be liable to Franchisee for any nonperformance by or the acts or omissions of its designated or approved suppliers. Franchisor will use reasonable commercial efforts to negotiate favorable terms with reliable suppliers, but Franchisee understands that Franchisor cannot dictate the pricing, delivery and other terms offered by its suppliers or control their performance.

(e) Advertising. Franchisor will manage the System Marketing Fund, maintain the website, including contact information for Franchisee's business, engage in digital marketing and other programs pursuant to the terms of Section 4.3 hereof, and will review and approve or reject advertising proposed by Franchisee.

(f) Marketing Support. Franchisor will provide guidance and recommendations for Franchisee with respect to Franchisee's promotion of the Business. Franchisor will consult with Franchisee when Franchisee notifies Franchisor of an intention to offer services of the Business to a non-school business or organization regarding the offer and provision of services to such entity as described in Section 5.2(b) of this Agreement.

(g) New Product and Service Training. In the event that Franchisee is authorized to offer a new product or service, Franchisor may mandate training prior to Franchisee's offer or sale of such new product or service. If in person training is required for such new product or service, Franchisee shall be solely responsible for all travel, room, board and other expenses incurred in connection with such training and, if required, shall pay Franchisor's then-current per diem training costs.

(h) Franchisor will be available at reasonable times to provide advice and guidance via phone, email, or virtual meeting platforms, in Franchisor's discretion, regarding Franchisee's business operations. Franchisee understands that it is running an independently owned and operated business and that there is no guarantee that Franchisor can help it solve or address every issue that may arise.

6.3 Protection of Proprietary Marks.

Franchisor has taken and will continue to take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks. Franchisor will use, and permit Franchisee and other franchisees to use the Proprietary Marks only in accordance with the Franchisor System and the standards and specifications attendant thereto which underlie the goodwill associated with and symbolized by the Proprietary Marks.

6.4 Indemnification.

Franchisor shall indemnify Franchisee and its officers, directors and employees and hold them harmless from and against any liability or responsibility, claims, demands, damages, charges, costs or expenses of any kind whatsoever, including attorneys' fees in connection with (a) any claim of trademark infringement arising out of or relating to Franchisee's use of our Proprietary Marks, provided that such use was in full compliance with Franchisor's directions and authorization; or (b) any claim of patent infringement arising out of or relating to Franchisee's operation, license or use of the Mobile App, provided that Franchisee strictly complied with the requirements of this Agreement.

Franchisee will notify Franchisor in writing within ten (10) days of becoming aware of the filing or existence of any lawsuit, claim, arbitration or administrative proceeding by any third party (including but not limited to employees, former employees, customers, suppliers, landlords, creditors, competitors or others) against Franchisee which could trigger the right to indemnification under this Section 6.4.

ARTICLE 7 TERMINATION

7.1 Termination by Franchisee; Opportunity to Cure.

(a) Termination Only for Franchisor Breach. If Franchisee is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement, Franchisee may terminate this Agreement effective ten (10) days after delivery of notice thereof by registered or certified mail, addressed as provided in Section 9.6, if Franchisee gives written notice of such breach to Franchisor and Franchisor does not: (a) correct such failure within thirty (30) days after delivery of such notice; or (b) if such breach cannot reasonably be cured within thirty (30) days

after delivery of such notice, undertake within ten (10) days after delivery of such notice, and continue until completion, efforts to cure any such breach. Any termination of this Agreement by Franchisee other than as provided in this Paragraph shall be deemed a termination by Franchisee without cause.

(b) Liquidated Damages. Except as provided in Section 7.1(a), above, Franchisee has no right of early termination of this Agreement. If Franchisor terminates this Agreement for cause, the parties agree that Franchisor will be damaged, but that damages may be difficult to quantify as they will involve the loss of future royalties, and that it will take an unknown period of time and substantial effort for Franchisor to find a qualified franchisee to take over, if one can be identified at all within the remaining term of this Agreement. Consequently, the parties agree that in the event of Franchisee's early termination of this Agreement except under Section 7.1(a), above, Franchisee shall pay Franchisor the sum of 24 multiplied by the average of Franchisee's last 12 payments of royalties. If Franchisee has operated less than 12 months, the average shall be calculated based on the average of the total months Franchisee has been open for business. If Franchisee's remaining term is less than 24 months, Franchisee shall pay the calculated average for the remaining period of the term.

7.2 Immediate Termination.

(a) Immediate Termination. This Agreement shall automatically terminate upon delivery of notice of termination to Franchisee if:

(i) Franchisee or any of its owners fails to develop the Business in accordance with plans and specifications furnished by Franchisor and to commence operation of business within the time provided in Section 5.2 of this Agreement;

(ii) Within one year of signing this agreement, Franchisee fails to complete the training program to the satisfaction of Franchisor;

(iii) Franchisee or any of its owners abandons, surrenders or transfers control of the operation of the Business without prior approval of Franchisor;

(iv) Franchisee or any of its owners has made any material misrepresentation or omission in the application for the franchise;

(v) Franchisee or any of its owners or affiliates are convicted of or plead no contest to a felony, or other crime or offense that may adversely affect the reputation of Franchisor or the Business or the goodwill associated with the Proprietary Marks;

(vi) Franchisee or any of its owners makes an unauthorized transfer of this Agreement, the franchise, the Business, or an ownership interest in Franchisee;

(vii) Franchisee or any of its owners makes any unauthorized use or disclosure of or duplicates any copy of any Confidential Information, makes any unauthorized use of the Proprietary Marks, or uses, duplicates, or discloses any portion of the Manuals;

(viii) Franchisee or its owners becomes insolvent or makes a general assignment for the benefit of creditors, or a petition in bankruptcy is filed by Franchisee, or if such petition is filed against and consented by Franchisee or if Franchisee is adjudicated a bankrupt, or if a bill of equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for the Business or its assets is filed and consented 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, or if a proceeding for a competition with creditors under any state or federal law should be instituted by or against Franchisee;

(ix) Franchisee fails for a period of ten (10) days or more after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to Franchisee's operation of the Business;

(x) Franchisee engages in conduct that Franchisor reasonably determines will result in an imminent danger to public health or safety if Franchisee continues to operate the Business;

(xi) Franchisee engages in conduct that Franchisor reasonably determines has or will damage the goodwill associated with the Proprietary Marks and which cannot be cured;

(xii) Franchisee is found to have engaged in a Competitive Business in violation of Section 1.5 of this Agreement; or

(xiii) Franchisee fails to comply with any requirement under this agreement on two (2) or more separate occasions within any period of twelve (12) consecutive months, whether or not any such failure to comply is corrected after notice of default is given.

(b) Termination After Notice of Default. This Agreement shall terminate without further action by Franchisor or notice to Franchisee, if Franchisee or any of its owners:

(i) fails to timely and accurately report the Gross Sales of the Business or fails to make payments of any amounts due Franchisor for royalty fees, advertising contributions, purchases from Franchisor or its affiliates, or any other amounts due to Franchisor or its affiliates, and does not correct such failure within ten (10) days after written notice of such failure is delivered to Franchisee; or

(ii) fails to comply with any other provision of this Agreement or any mandatory specification, standard, or operating procedure prescribed by Franchisor and does not: (a) correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee, or a longer period if required by applicable law.

7.3 Rights and Duties on Termination.

In the event of any termination of this Agreement, whether by reason of action by Franchisee or Franchisor as above provided, or as elsewhere provided in this Agreement, or by the expiration of the term hereof, the parties shall have the following rights and duties:

(a) Cease Operation of Business under System and Proprietary Marks. All rights and privileges herein granted to Franchisee shall immediately terminate and revert to Franchisor, with all rights and goodwill of the Business pertaining thereto, and Franchisee shall surrender all such rights and privileges, shall cease operation of the Business using the Franchisor System and Proprietary Marks in all connections, including any colorable imitation thereof or in any manner or for any purpose, or utilize for any purpose any trade name, trademark, service mark, logo or other insignia which is likely to cause confusion, mistake or deception or that falsely suggests or indicates a connection or association with Franchisor. Franchisee shall take all action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to Franchisee's use of any Mark.

(b) Pay Creditors. Franchisee shall immediately pay all creditors of the Business, including all sums then owing by Franchisee to Franchisor or its affiliates.

(c) Transfer Telephone and Social Media Privileges. Franchisee shall relinquish and take all steps necessary to transfer all right, title and interest in all telephone numbers, listings, email addresses and accounts, all social media pages, accounts, usernames, websites or website pages, and advertising privileges concurrent therewith, relating to the Franchisee's Business to Franchisor. Franchisee will notify applicable telephone companies, listing agencies, web hosting and related companies of the termination or expiration of Franchisee's right to use any such numbers, email addresses, websites or social media accounts and will comply in all ways with turnover, transfer or assignment of such numbers, accounts, listings, registrations and privileges to Franchisor.

(d) Franchisor Right To Purchase the Business. Upon termination of this Agreement by Franchisor for cause or upon expiration of this Agreement (without renewal), Franchisor shall have the option, exercisable by giving written notice thereof within sixty (60) days from the date of such expiration or termination, to purchase from Franchisee all the assets of the Business. Franchisor shall have the unrestricted right to assign this option to purchase. Franchisor or its assignee shall be entitled to all customary warranties and representations in connection with its asset purchase, including, without limitation, representations and warranties as to ownership, condition and title to assets, liens and encumbrances on the assets, validity of contracts and agreements, and liabilities inuring to Franchisor or affecting the assets, contingent or otherwise.

The purchase price for the assets of the Business shall be the price paid, minus depreciation, for all inventory, supplies, equipment, fixtures and furnishings purchased and paid for by Franchisee pursuant to this Agreement or any other Agreement between the parties; the purchase price shall not contain any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Business, and further provided that Franchisor may exclude from the assets purchased hereunder any furniture, fixtures, furnishings, equipment, signs, decor and inventory that are not approved as meeting quality standards for Businesses.

The purchase price shall be paid in cash at the closing of the purchase, which shall take place no later than ninety (90) days after receipt by Franchisee of Franchisor notice to exercise this option to purchase, at which time Franchisee shall deliver instruments transferring to

Franchisor or its assignee: (1) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor or its assignee), with all sales and other transfer taxes paid by Franchisee; and (2) all licenses and/or permits of the Business which may be assigned or transferred. In the event that Franchisee cannot deliver clear title to all of the purchased assets as aforesaid, or in the event there shall be other unresolved issues, the closing of the sale shall be accomplished through an escrow. Further, Franchisee and Franchisor shall, prior to closing, comply with the applicable Bulk Sales provisions of the Uniform Commercial Code of the state where the Business is located. Franchisor shall have the right to set off against and reduce the purchase price by any and all amounts owed by Franchisee to Franchisor, and the amount of any encumbrances or liens against the assets. If Franchisor or its assignee exercises this option to purchase, pending the closing of such purchase as hereinafter provided, Franchisor shall have the right to appoint a manager to maintain the operation of the Business. Franchisee shall maintain in force all insurance policies required by this Agreement until the date of closing.

(e) Rights Not Exclusive. The foregoing rights of Franchisor upon termination by reason of breach or default hereunder shall not be exclusive, but shall be in addition to all other rights available to Franchisor under the terms hereof or under applicable law. Termination of this Agreement under any circumstances shall not abrogate, impair, release, or extinguish any debt, obligation, or liability of Franchisee which may have accrued hereunder, including without limitation any debt, obligation, or liability which was the cause of termination. All covenants and agreements of Franchisee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

(f) Activities Following Termination; Noncompetition. Franchisee acknowledges that the elements comprising the Franchisor System are unique, proprietary and distinctive and have been developed by Franchisor as the result of great expenditures of time, effort and money; that Franchisee has regular and continuing access to valuable trade secret and confidential information; and that Franchisee recognizes its obligation to keep this trade secret and confidential information in confidence pursuant to the provisions of this Agreement. Franchisee therefore agrees that if, prior to its expiration, this Agreement is terminated by Franchisor in accordance with the provisions of this Agreement or by Franchisee without cause, or this Agreement expires pursuant to the terms hereof, Franchisee shall (1) immediately cease to use any Confidential Information of Franchisor disclosed to, or otherwise learned or acquired by Franchisee in any business or otherwise; (2) return to Franchisor all copies of the Manuals and any other confidential materials which have been loaned or made available to him or her by Franchisor; and (3) return to Franchisor all customer lists generated and/or used by the Business. Further, for a period of two (2) years, commencing on the expiration or termination of this Agreement for any reason, Franchisee, its owners and members of the immediate family of Franchisee or each owner of Franchisee shall not hold any direct or indirect interest as a disclosed or beneficial owner in, or employee of, any Competitive Business located or operating within ten (10) miles of the Business or any other franchised business of the System, or any entity which is granting franchises or licenses or establishing joint ventures for the operation of Competitive Businesses.

ARTICLE 8 TRANSFER AND ASSIGNMENT

8.1 Prior Offering and Consent: Conditions For Approval.

Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee and that Franchisor has granted this franchise in reliance upon the individual character, skill, aptitude, attitude, business ability and financial capacity of Franchisee. Therefore, except as hereinafter provided in Section 8.4 with respect to assignment to a corporation or partnership, neither this Agreement nor the franchise (or any interest therein), nor any part or all of the ownership of Franchisee or the Business (or any interest therein) may be transferred without the prior written approval of Franchisor, and any such transfer without approval shall constitute a breach hereof and convey no rights to or interests in this Agreement, the franchise, Franchisee or the Business. As used in this Agreement the term "transfer" shall mean and include the voluntary, involuntary, direct or indirect assignment, sale, gift or other transfer by Franchisee (or any of its owners) of any interest in: (1) this Agreement; (2) the franchise; (3) the ownership of Franchisee; or (4) the Business. An assignment, sale, or other transfer shall include the following events: (1) the transfer of any ownership interest in Franchisee or the Franchised Business, whether by transfer of capital stock, partnership interest or otherwise; (2) merger or consolidation or issuance of additional securities representing an ownership interest in Franchisee; (3) any sale of voting stock of or other ownership interest in Franchisee or the sale of any security or debt interest that is convertible to voting stock of or other ownership interest in Franchisee; (4) transfer of an interest in this Agreement, the franchise, Franchisee or the Business in a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; or (5) transfer of an interest in this Agreement, the franchise, Franchisee or the revenues, profits, rights or assets of the Business in the event of the death of Franchisee or an owner of Franchisee, by will, declaration of or transfer in trust, or under the laws of interstate succession. If Franchisee is in full compliance with this Agreement, Franchisor shall not unreasonably withhold its approval of a transfer that meets all of the applicable requirements of this Section 8.1. A transfer of ownership of the Business may only be made in conjunction with a transfer of the franchise and this Agreement and a transfer of the franchise or this Agreement may only be made in conjunction with a transfer of the Business and all in all cases the following conditions must be met prior to, or concurrently with, the effective date of the transfer:

(a) Franchisee has complied with the provisions of Section 8.3 below and Franchisor has been given and has declined to exercise the right of first refusal as described in Section 8.3 below; and

(b) The proposed transferee meets Franchisor uniform standards of qualification then applicable with respect to all applicants for a business franchise including, but not limited to, financial strength, business experience, and other relevant business considerations; and

(c) As of the effective date of the transfer, all obligations of Franchisee under all written contracts and agreements between Franchisee and Franchisor are fully satisfied; and

(d) Franchisor is paid a transfer fee in the amount of seventy-five percent (75%) of the then-current Initial Franchise Fee, or, in the case of a transfer to an existing Franchisee, fifty

percent (50%) of the then-current Initial Franchise Fee (or Fifteen Hundred Dollars (1,500) for a transfer between existing owns of the franchised business), by the effective date of the transfer to the transferee (except that transfer to an entity that Franchisee controls, with Franchisor's prior approval, will incur a cost of only Franchisor's actual expenses); and

(e) Prior to the commencement of training, the transferee shall, have signed and agreed to be bound by the then current form of franchise agreement and other ancillary agreements, which shall waive the initial franchise fees, provide for a term equal to the remaining term hereof and contain other provisions to clarify that it is for a transfer of an existing franchise rather than the sale of a new franchise, and which may provide for higher royalty fees, advertising contributions or expenditures, and different rights and obligations than are provided in this Agreement; and

(f) The transferee must attend and satisfactorily complete the training program provided by Franchisor as provided in Section 5.2(f) prior to the effective date of the transfer; and

(g) Except to the extent limited by applicable law, Franchisee and its owner(s) have executed a general release, in form satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, directors, officers, employees and agents; and

(h) Franchisee and its owners must execute a noncompetition agreement in favor of Franchisor and the transferee, agreeing that for a period of two (2) years, commencing on the effective date of transfer, Franchisee, its owners and members of the immediate family of Franchisee or each owner of Franchisee will not hold any direct or indirect interest as a disclosed or beneficial owner in any Competitive Business located or operating within ten (10) miles of the Business (other than other Franchisor Businesses operated under franchise agreements with Franchisor, or businesses previously approved by Franchisor), or any entity which is granting franchises or licenses or establishing joint ventures for the operation of Competitive Businesses; and

(i) Franchisor shall have approved the material terms and conditions of the assignment, which approval shall not be unreasonably withheld including, without limitation, a determination that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Business by the proposed transferee in compliance with the terms and conditions of the franchise agreement; and

(j) If Franchisee finances any part of the sale price of the transferred interest, Franchisee and/or its owners must agree that all obligations of the transferee under or pursuant to any promissory note, agreements or security interests reserved by Franchisee or its owners in the assets of the Business or the Warehouse shall be subordinate to: the obligations of the transferee to pay franchise fees, royalty fees, advertising contributions and other amounts due to Franchisor, and otherwise to comply with this Agreement or the franchise agreement executed by the transferee.

If the proposed transfer is to or among owners of Franchisee, Subparagraph (d) of the above requirements shall not apply.

Subparagraphs (j) and (k) shall not apply to transfers by gift, bequest or inheritance.

8.2 Death or Disability; Management by Franchisor.

Notwithstanding the provisions of Section 8.1, in the event of the death or permanent disability of Franchisee or if Franchisee is a corporation or partnership or the owner of a majority interest therein, the executor, administrator, conservator or other personal representative of such person shall transfer Franchisee's interest within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, to a third party approved by Franchisor. This transfer, including, without limitation, transfers by devise or inheritance, shall be subject to all of the terms and conditions contained in Section 8.1 hereof, and the following:

(a) Appointment of Manager. If, within ten (10) days after the death or permanent disability, Franchisee's Business is not being managed by a competent and trained manager, Franchisor is authorized, but is not obligated, to immediately appoint a manager for Franchisee's Business for a period of up to one hundred twenty (120) days, terminating when an approved Franchisee-appointed manager or approved transferee can assume the management of Franchisee's Business. Franchisor will discuss matters material to Franchisee's Business with the Franchisee, or Franchisee's representatives, at least once per quarter during any period of management. Franchisor appointment of an interim manager of the Business pursuant to this Section shall not relieve Franchisee of any obligations under this Agreement and Franchisor shall not be liable for any debts, losses, costs or expenses incurred in the operation of the Business or to any of Franchisee's creditors for any products, materials, supplies or services purchased by the Business during any period during which it is managed by a manager appointed by Franchisor. Franchisor will charge Franchisee a management fee equal to Two Thousand Dollars ($2,000) per month, plus One Hundred Fifty Dollars ($150) per hour of time spent on management activities. Franchisor may cease to provide such management services at any time and, upon Franchisee's request, shall account for revenues and expenditures of the Business during any period in which Franchisor provides such services.

(b) Franchisor, in its discretion, may agree to provide management services described in Section 8.2(a) in circumstances other than as a result of death or disability. In any such instance, the fees specified in Section 8.2(a) shall apply.

8.3 Franchisor Right of First Refusal.

In the event Franchisee desires to make any sale, assignment or other transfer referred to in Section 8.1, Franchisee shall notify Franchisor of this intention before extending any offer or making any arrangements to sell, assign or transfer. Upon receipt of any bona fide offer and before unconditionally accepting any bona fide offer for any sale, assignment or transfer, Franchisee will submit an exact copy of the written offer or writings encompassing such offer to Franchisor, or if not in writing, Franchisee will submit to Franchisor in writing all of the terms and conditions of such offer fully and accurately, including the identity of the purchaser. Franchisor shall have the right, exercisable by written notice delivered to Franchisee, to accept this offer on equal terms and price at any time within thirty (30) days following receipt by Franchisor of the offer or terms and conditions of the offer in writing as provided above. If Franchisor does not exercise its right of first refusal, Franchisee may complete the proposed sale, assignment or other transfer pursuant to and on the terms of the offer, and in compliance with all provisions of Section 8.1. In the event the sale, assignment or other transfer is not completed within sixty (60) days after

delivery of the information about the offer to Franchisor as required above, or if there is a material change in the terms of the sale, assignment or other transfer after the delivery of the required information to Franchisor, Franchisor right of first refusal and the process and time periods required above shall be initiated again.

8.4 Assignment to Franchisee Entity.

Notwithstanding Section 8.1, Franchisee may assign and delegate this Agreement and Franchisee's rights and obligations hereunder to a corporation, limited liability company or partnership ("entity") organized by Franchisee solely for the purpose of operating the Business provided that Franchisee retains ownership and control of at least fifty-one percent (51%) of the equity and voting power of the entity, and further provided that:

(a) The shareholders, members or partners are all identified to and approved by Franchisor; and

(b) The articles of incorporation, articles of partnership, limited liability formation and operating agreements, partnership agreement, bylaws or other organizational documents of the entity shall recite that the issuance and assignment of any interest therein is restricted by the terms of Sections 8.1 and 8.3 of this Agreement, and in the case of a corporation, all issued and outstanding stock certificates of the corporation shall bear a legend reflecting or referring to the restrictions of Sections 8.1 and 8.3 in a form satisfactory to counsel for Franchisor; and

(c) Each shareholder, officer, director, member or partner of Franchisee shall execute an agreement in form attached to this Agreement as Exhibit 2 undertaking to be bound jointly and severally by the provisions of this Agreement; and

(d) The parties will document the assignment by entering into a form of assignment as approved by Franchisor; and

(e) The entity shall furnish to Franchisor at any time upon request, in form as Franchisor may require, a list of all shareholders, members, directors, officers or partners of Franchisee reflecting their respective interests in and positions with Franchisee; and

(f) The entity shall at no time engage, directly or indirectly, in any Competitive Business or in any similar business activity other than those directly related to the operation of Franchisee's Business, pursuant to all terms and conditions of this Agreement; and

(g) Franchisor shall be given written notice of the assignment and delegation, and upon compliance with the foregoing, the entity shall have all of said rights and obligations, and the term "Franchisee" as used herein shall refer to the corporation, limited liability company or partnership.

8.5 Consent Does Not Constitute Waiver.

Franchisor consent to an assignment or transfer of any interest subject to the restrictions of this Article 6 shall not constitute a waiver of any claims it may have against the

transferring party, nor shall it be deemed a waiver of Franchisor right to demand exact compliance with any of the terms or conditions hereof by transferee.

8.6 Transfer or Assignment By Franchisor.

This Agreement is fully assignable by Franchisor and shall inure to the benefit of any assignee or other legal successor to the interest of Franchisor herein.

ARTICLE 9 ADDITIONAL LIMITATIONS AND PROVISIONS

9.1 Independent Status.

This Agreement and the activities pursuant hereto do not and will not be deemed to create any relationship between Franchisor and Franchisee or any other party of agency, partnership, joint venture or employment, or any other relationship except that of franchisor and franchisee. Franchisee is and shall be solely an independent contractor and shall at no time act or represent itself to be acting in any other capacity. Without limiting the foregoing, Franchisee shall not incur any obligation or indebtedness on behalf of Franchisor; shall only contract or otherwise incur any obligation or indebtedness only in Franchisee's own name, which, if Franchisee is a corporation or partnership, shall at no time include Franchisor name or Proprietary Marks or any part thereof, or be so similar thereto so as to be in any way misleading; and Franchisee shall otherwise comply with the provisions of Section 5.3 hereof.

9.2 Construction; Whole Agreement; Amendments.

This Agreement contains the entire understanding of the parties, except for such additional agreements and understandings as may, concurrently herewith or hereafter be set forth in written agreements executed by both parties hereto. This Agreement shall be effective only when executed by a duly authorized representative of Franchisor, and no amendment or addition hereto shall be effective unless in writing, executed by a duly authorized representative of Franchisor and by Franchisee.

Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. Except where this Agreement expressly obligates Franchisor to reasonably approve or not unreasonably withhold its approval of any action or request by Franchisee, Franchisor has the absolute right to refuse any request by Franchisee, or to withhold its approval of any action or omission by Franchisee. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of such sections or paragraphs. The term "attorneys' fees" shall include, without limitation, reasonable legal fees, whether incurred prior to, in preparation for or in contemplation of the filing of any written demand or claim, action, hearing or proceeding to enforce the obligations of this Agreement. The term "member of the immediate family" as used herein refers to parents, spouses, offspring and siblings and their spouses, and the parents and siblings of spouses. References to a "controlling interest" in Franchisee shall mean more than fifty percent (50%) of the voting control of Franchisee if Franchisee is a corporation, and any general partnership interest if Franchisee is a partnership. The term "Franchisee" as used herein is applicable to one or more persons, a corporation or a partnership, as the case may be. The singular

usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Franchisee hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Franchisor shall be joint and several. This Agreement shall be executed in multiple copies, each of which shall be deemed an original.

Nothing in this or any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.

9.3 Limitation of Liability.

EXCEPT AS OTHERWISE PROVIDED IN SECTION 6.4, IN NO EVENT SHALL FRANCHISOR OR ANY OF ITS AFFILIATES OR REPRESENTATIVES BE LIABLE UNDER THIS AGREEMENT FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES, ARISING OUT OF OR RELATING TO THE FUNCTION OR MALFUNCTION OF THE MOBILE APP, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE, WHETHER OR NOT FRANCHISEE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED.

9.4 Disclaimer of Warranties.

DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, ALL SOFTWARE AND SERVICES THROUGH THE MOBILE APP ARE PROVIDED "AS IS" AND FRANCHISOR HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, AND FRANCHISOR SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, FRANCHISOR MAKES NO WARRANTY OF ANY KIND THAT THE MOBILE APP, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET FRANCHISEE'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR-FREE. ALL THIRD-PARTY MATERIALS ARE PROVIDED "AS IS" AND ANY REPRESENTATION OR WARRANTY OF OR CONCERNING ANY THIRD-PARTY MATERIALS IS STRICTLY BETWEEN FRANCHISEE AND THE THIRD-PARTY OWNER OR DISTRIBUTOR OF THE THIRD-PARTY MATERIALS.

9.5 Severability; Additional Assurances.

Should any provision of this Agreement be for any reason held invalid, illegal or unenforceable, that provision shall be deemed restricted in application to the extent required to render it valid and the remainder hereof shall in no way be affected and shall remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this

Agreement without inclusion of the invalid, illegal or unenforceable provision. If any of the provisions of this contract are inconsistent with applicable state law, then the state law shall apply. Each party agrees to execute and deliver to the other any further documents that may be reasonably required to fully effectuate the provisions hereof. To the extent that either Sections 5.3(d) or 7.3(g) is deemed unenforceable by virtue of its scope of area, prohibited business activity or length of time, but may be made enforceable by reductions of any or all provisions thereof, Franchisee and Franchisor agree that Sections 5.3(d) and 7.3(g) shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. Although provisions of this Agreement were prepared by Franchisor, this Agreement shall not be construed either for or against Franchisor or Franchisee, but shall be construed in accord with the general tenor of the language to reach a fair and equitable result.

9.6 Notices.

All notices or demands shall be in writing and shall be served in person, by Express Mail, by certified mail, by private overnight delivery, or by email. Service shall be deemed conclusively made: (i) at the time of service, if personally served; (ii) twenty-four (24) hours (exclusive of weekends and national holidays) after deposit in the United States mail, properly addressed and postage prepaid, if served by Express Mail; (iii) upon the earlier of actual receipt or three (3) calendar days after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by certified mail; (iv) twenty-four (24) hours after delivery by the party giving the notice, statement or demand if by private overnight delivery; and (v) one (1) business day after email transmission:

To Franchisor: ICS4Schools Franchises, LLC

1171 Blewett Vanue
San Jose, CA 95125
sales@ics4schools.com

To Franchisee: _____

_____

Either party may change the address for notices by written notice to the other in accordance with the foregoing.

9.7 Costs and Attorneys' Fees.

In any legal action or arbitration proceeding between the parties arising out of or related to this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable accounting and legal fees.

9.8 Successors and Assigns.

Subject to the above provisions concerning assignments and transfers by Franchisee, this Agreement shall inure to the benefit of and be binding upon the successors, assigns and legal representatives of the parties hereto.

9.9 Headings.

The subject headings of the paragraphs and subparagraphs of this Agreement are included for the purpose of convenience only, and shall not affect the construction or interpretation of any of its provisions.

9.10 Governing Law; Jurisdiction.

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other applicable state law, This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any conflict of laws principles. If, however, any provision of this Agreement would not be enforceable under the laws of Delaware, and if Businesses are located outside of Delaware and such provision would be enforceable under the laws of the state in which Businesses are located, then such provision shall be interpreted and construed under the laws of that state. For the purposes of injunctive relief pursuant to Section 9.12, Franchisee irrevocably submits to jurisdiction of the Superior Court of the State of California and the Federal Court for the Northern District of California. Franchisee irrevocably agrees that venue for any action in arbitration or otherwise shall be in the county where Franchisor's headquarters then are located, currently Santa Clara County, State of California. Franchisee waives any objection to the jurisdiction of such courts or to venue in Santa Clara County.

9.11 Jury Trial and Punitive Damages Waiver.

FRANCHISOR AND FRANCHISEE KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY AND WAIVE ANY CLAIM FOR PUNITIVE, MULTIPLE, AND/OR EXEMPLARY DAMAGES, EXCEPT THAT EACH PARTY SHALL BE FREE AT ANY TIME HEREUNDER TO BRING AN ACTION FOR WILLFUL TRADEMARK INFRINGEMENT AND, IF SUCCESSFUL, TO RECEIVE AN AWARD OF MULTIPLE DAMAGES AS PROVIDED BY LAW.

9.12 Dispute Resolution.

(a) All controversies, disputes or claims arising between Franchisor and Franchisee (including any claim against Franchisor officers, directors, agents, employees, licensors, licensees, independent contractors or consultants in their capacity as such, or against the owners and guarantors of Franchisee, if applicable) in connection with, arising from, or with respect to: (1) any provision of this Agreement or any other agreement between the parties related to this Agreement; (2) the relationship of the parties hereto; (3) the validity of this Agreement or any other agreement between the parties related to this Agreement, or any provision thereof; or (4) any specification, standard or operations procedure relating to the establishment or operation of the Franchisor Business (except controversies, disputes or claims relating to the Proprietary Marks or any lease of real estate) shall be submitted for mediation to Judicial Arbitration and Mediation Services ("JAMS") or such other dispute resolution service agreed upon by the parties for mediation. If JAMS or such other dispute resolution service is unable to successfully resolve any dispute, the dispute shall be determined by arbitration administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures, and in such jurisdiction as set forth in Section

9.10. Judgment on any resulting award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction, including those named in Section 9.9.

(b) Franchisor may enforce by judicial process any right Franchisor may have to possession of the Business under this Agreement or any collateral conditional assignment of lease with Franchisee. Further, Franchisor has the right to seek preliminary and permanent injunctive relief prohibiting unauthorized use or infringement of any of the Proprietary Marks or unauthorized use of any licensed software program or copyrighted material or other confidential information, in any court of competent jurisdiction under customary equity rules, without submitting the dispute to mediation. Franchisee agrees that Franchisor will have the right to seek any provisional remedy, including preliminary injunctive relief necessary to enforce this Agreement or the termination hereof or to restrain conduct by Franchisee in the operation of the Business that could materially damage the goodwill associated with the Proprietary Marks and the reputation of Franchisor Business without prior submission of the claim to mediation or pending the outcome of any mediation commenced. Franchisee agrees that Franchisor will not be required to post a bond to obtain any injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction. It is agreed that either party may seek injunctive relief to prohibit a wrongful termination of this Agreement by the other party without first submitting the dispute to mediation.

9.13 Limitations of Actions.

Any and all claims arising out of this Agreement or the relationship of Franchisee and Franchisor in connection with Franchisee's operation of the Business must be made within one (1) year from the occurrence of the facts giving rise to such claims or one (1) year after this Agreement expires or is terminated for any reason. Franchisee agrees that any claim or action not brought within the periods required under this Section shall forever be barred as a claim, counterclaim, defense, or set off.

ARTICLE 10 ACKNOWLEDGMENTS.

10.1 General.

Franchisee, and if franchisee is not a natural person its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution of this Agreement, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby. Franchisor expressly disclaims making, and Franchisee acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses or success of the business venture contemplated by this Agreement.

10.2 Independent Investigation.

Franchisee acknowledges that Franchisee has conducted an independent investigation of the business franchised under this Agreement, recognizes that the business venture

contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of Franchisee and if an Entity, its Owners, as independent businesspersons. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

10.3 Copy of Agreement.

Franchisee acknowledges that it received a copy of this Agreement, the Attachments annexed to this Agreement, and agreements relating to this Agreement, if any, with all of the blank lines therein filled in prior to executing this Agreement.

10.4 Franchise Disclosure Document.

Franchisee acknowledges that it has received a copy of the complete Franchisor's Franchise Disclosure Document which contains a copy of this Agreement, at least fourteen (14) calendar days prior to the date on which this Agreement was executed. Franchisee acknowledges and agrees that Franchisor has made no promises, representations, warranties or assurances to Franchisee which are inconsistent with the terms of this Agreement or Franchisor's Franchise Disclosure Document, concerning the profitability or likelihood of success of Business at the Franchised Location, that Franchisee has been informed by Franchisor that there can be no guarantee of success in the franchised business and that Franchisee's business ability and aptitude is primary in determining success.

10.5 Anti-Terrorism Laws.

Neither Franchisee nor any of its Owners conducts any activity, or has failed to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the International Money Laundering Abatement and Anti-Terrorist Financing Act ("Patriot Act") and any amendments or successors thereto.

(a) Neither Franchisee, any of its Owners nor any employee of either of them is named as a "Specially Designated Nationals" or "Blocked Persons" as designated by the U.S. Department of the Treasury's Office of Foreign Assets Control. Currently, this list is published under the internet website address "www.treas.gov/offices/enforcement/ofac/sdn/". Franchisee is neither directly nor indirectly owned or controlled by the government of any country that is subject to a United States embargo. Nor does Franchisee or its Owners act directly or indirectly on behalf of the government of any country that is subject to a United States embargo. Franchisee agrees that it will notify Franchisee in writing immediately of the occurrence of any event, which renders the foregoing representations and warranties of this paragraph incorrect.

(b) Franchisee represents that it understands and has been advised by legal counsel on the requirements of the Applicable Laws referred to above, including the United States Foreign Corrupt Practices Act (currently located at www.usdoj.gov/criminal/fraud/fcpa.html), any local foreign corrupt practices laws and the Patriot Act (currently located at www.epic.org/privacy/terrorism/hr3162.html), and hereby acknowledges the importance to Franchisee, ICS4Schools System and the parties' relationship of their respective compliance with any applicable auditing requirements and any requirement to report or provide access to

information to Franchisor or any government, that is made part of any Applicable Law. Franchisee shall take all reasonable steps to require its consultants, agents and employees to comply with such laws prior to engaging or employing any such persons.

10.6 Counterparts and Electronic Transmission; Electronic Signatures.

This Agreement and its Attachments may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement and its Attachments with signatures that have been transmitted by email or by facsimile shall constitute and will be deemed original copies of this Agreement and its Attachments for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement and its Attachments. In addition, this Agreement and all Attachments to this Agreement may be signed electronically by the parties and electronic signatures appearing on this Agreement and the Attachments shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Attachments.

[Signature page follows]

FRANCHISOR

ICS4Schools Franchises, LLC ("Franchisor")

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Name of Entity)

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Print Name)

By: _____
(Signature)

Date: _____

EXHIBIT 1 TO FRANCHISE AGREEMENT

The Territory referred to in subparagraph (b) of Section 2.1 shall be:

_____

_____

_____

_____ Initial if this Territory includes additional size and indicate number of additional territories purchased: ____.

Total initial franchise fee: $_____

Total principal amount of initial franchisee fee financed: $_____

FRANCHISOR

ICS4Schools Franchises, LLC ("Franchisor")

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Name of Entity)

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Print Name)

By: _____
(Signature)

Date: _____

EXHIBIT 2 TO FRANCHISE AGREEMENT

Guaranty and Assumption of Franchisee's Obligations

In consideration of, and as required by Section 8.4(c) of the above Franchise Agreement (the "Agreement") each of the undersigned hereby personally and unconditionally:

(1) guarantees to ICS4Schools Franchises, LLC("Franchisor") and its successors and assigns, for the term of the Agreement including renewals thereof, that _____ ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and

(2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement.

Each of the undersigned waives the following:

(1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; and

(2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; and

(3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; and

(4) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and

(5) any and all other notices and legal or equitable defenses to which he or she may be entitled, including defenses arising by reason of California Civil Code Sections 2806 through 2855.

Each of the undersigned consents and agrees that:

(1) his or her direct and immediate liability under this guaranty shall be joint and several; and

(2) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; and

(3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and

(4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any

way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement, including renewals thereof.

WITNESS	**GUARANTOR(S)**	**%**
_____ (Signature)	_____ (Signature)	_____
_____ (Print Name)	_____ (Print Name)	
_____ (Date)	_____ (Date)	
_____ (Signature)	_____ (Signature)	_____
_____ (Print Name)	_____ (Print Name)	
_____ (Date)	_____ (Date)	
_____ (Signature)	_____ (Signature)	_____
_____ (Print Name)	_____ (Print Name)	
_____ (Date)	_____ (Date)	

EXHIBIT 3 TO FRANCHISE AGREEMENT

CONFIDENTIAL INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

Name: **[NAME OF EMPLOYEE]**

Effective Date: **[_____Date of CIIAA - TBD_____]**

As a condition of my becoming employed (or my employment being continued) by or otherwise working with [NAME OF YOUR COMPANY], or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, the "Company"), and in consideration of my relationship with the Company and my receipt of the compensation now and hereafter paid to me by the Company, the receipt of Confidential Information (as defined below) while associated with the Company, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, I agree to the following:

1. **Relationship.** This Confidential Information and Invention Assignment Agreement (this "Agreement") will apply to my employment relationship with the Company. If that relationship ends and the Company, within a year thereafter, either reemploys me or engages me as a consultant, I agree that this Agreement will also apply to such later employment or consulting relationship, unless the Company and I otherwise agree in writing. Any such employment or consulting relationship between the parties hereto, whether commenced prior to, upon or after the date of this Agreement, is referred to herein as the "Relationship."

2. **Confidential Information.**

(a) **Protection of Information.** I understand that during the Relationship, the Company intends to provide me with information, including Confidential Information (as defined below), without which I would not be able to perform my duties to the Company. I agree, at all times during the term of the Relationship and thereafter, to hold in strictest confidence, and not to use, except for the benefit of the Company to the extent necessary to perform my obligations to the Company under the Relationship, and not to disclose to any person, firm, corporation or other entity, without written authorization from the Company in each instance, any Confidential Information that I obtain, access or create during the term of the Relationship, whether or not during working hours, until such Confidential Information becomes publicly and widely known and made generally available through no wrongful act of mine or of others who were under confidentiality obligations as to the item or items involved. I further agree not to make copies of such Confidential Information except as authorized by the Company.

(b) **Confidential Information.** I understand that "Confidential Information" means information and physical material not generally known or available outside the Company and information and physical material entrusted to the Company in confidence by third parties. Confidential Information includes, without limitation: (i) ICS4Schools Inventions (as defined below); and (ii) technical data, trade secrets, know-how, research, product or service ideas or plans, software codes and designs, algorithms, developments, inventions, patent applications, laboratory notebooks, processes, formulas, techniques, biological materials, mask works, engineering designs

and drawings, hardware configuration information, agreements with third parties, lists of, or information relating to, employees and consultants of the Company (including, but not limited to, the names, contact information, jobs, compensation, and expertise of such employees and consultants), lists of, or information relating to, suppliers and customers (including, but not limited to, customers of the Company on whom I called or with whom I became acquainted during the Relationship), price lists, pricing methodologies, cost data, market share data, marketing plans, licenses, contract information, business plans, financial forecasts, historical financial data, budgets or other business information disclosed to me by the Company either directly or indirectly, whether in writing, electronically, orally, or by observation.

(c) **Third Party Information.** My agreements in this Section 2 are intended to be for the benefit of the Company and any third party that has entrusted information or physical material to the Company in confidence, specifically including ICS4Schools, Inc. I further agree that, during the term of the Relationship and thereafter, I will not improperly use or disclose to the Company any confidential, proprietary or secret information of my former employer(s) or any other person, and I agree not to bring any such information onto the Company's property or place of business.

(d) **Other Rights.** This Agreement is intended to supplement, and not to supersede, any rights the Company may have in law or equity with respect to the protection of trade secrets or confidential or proprietary information.

(e) **U.S. Defend Trade Secrets Act.** Notwithstanding the foregoing, the U.S. Defend Trade Secrets Act of 2016 ("DTSA") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (iii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

3. **Ownership of Inventions.**

(a) **Inventions Retained and Licensed.** I have attached hereto, as Exhibit A, a complete list describing with particularity all Inventions (as defined below) that, as of the Effective Date: (i) I made, and/or (ii) belong solely to me or belong to me jointly with others or in which I have an interest, and that relate in any way to any of the Company's actual or proposed businesses, products, services, or research and development, and which are not assigned to the Company hereunder; or, if no such list is attached, I represent that there are no such Inventions at the time of signing this Agreement, and to the extent such Inventions do exist and are not listed on Exhibit A, I hereby forever waive any and all rights or claims of ownership to such Inventions. I understand that my listing of any Inventions on Exhibit A does not constitute an acknowledgement by the Company of the existence or extent of such Inventions, nor of my ownership of such Inventions. I

further understand that I must receive the formal approval of the Company before commencing my Relationship with the Company.

(b) **Use or Incorporation of Inventions.** If in the course of the Relationship, I use or incorporate into a product, service, process or machine any Invention not covered by Section 3(d) of this Agreement in which I have an interest, I will promptly so inform the Company in writing. Whether or not I give such notice, I hereby irrevocably grant to the Company a nonexclusive, fully paid-up, royalty-free, assumable, perpetual, worldwide license, with right to transfer and to sublicense, to practice and exploit such Invention and to make, have made, copy, modify, make derivative works of, use, sell, import, and otherwise distribute such Invention under all applicable intellectual property laws without restriction of any kind.

(c) **Inventions.** I understand that "Inventions" means discoveries, developments, concepts, designs, ideas, know how, improvements, inventions, trade secrets and/or original works of authorship, whether or not patentable, copyrightable or otherwise legally protectable. I understand this includes, but is not limited to, any new product, machine, article of manufacture, biological material, method, procedure, process, technique, use, equipment, device, apparatus, system, compound, formulation, composition of matter, design or configuration of any kind, or any improvement thereon. I understand that "ICS4Schools Inventions" means any and all Inventions that I may solely or jointly author, discover, develop, conceive, or reduce to practice during the period of the Relationship, except as otherwise provided in Section 3(g) below.

(d) **Assignment of ICS4Schools Inventions.** I hereby assign to ICS4Schools, Inc., or its designee, and I agree that I will promptly make full written disclosure to the Company of and to hold in trust for the sole right and benefit of ICS4Schools, Inc., all my right, title and interest throughout the world in and to any and all ICS4Schools Inventions and all patent, copyright, trademark, trade secret and other intellectual property rights therein. I hereby waive and irrevocably quitclaim to the ICS4Schools, Inc. or its designee any and all claims, of any nature whatsoever, that I now have or may hereafter have for infringement of any and all ICS4Schools Inventions. I further acknowledge that all ICS4Schools Inventions that are made by me (solely or jointly with others) within the scope of and during the period of the Relationship are "works made for hire" (to the greatest extent permitted by applicable law) and are compensated by my salary. Any assignment of ICS4Schools Inventions includes all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like (collectively, "Moral Rights"). To the extent that Moral Rights cannot be assigned under applicable law, I hereby waive and agree not to enforce any and all Moral Rights, including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

(e) **Maintenance of Records.** I agree to keep and maintain adequate and current written records of all ICS4Schools Inventions made or conceived by me (solely or jointly with others) during the term of the Relationship. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, laboratory notebooks, or any other format. The records will be available to and remain the sole property of ICS4Schools, Inc. at all times. I agree not to remove such records from the Company's place of business except as expressly permitted by Company policy which may, from time to time, be revised at the sole election of the Company for the purpose of furthering the Company's business. I agree to deliver all such records

(including any copies thereof) to the Company at the time of termination of the Relationship as provided for in Section 4 and Section 5.

(f) **Patent and Copyright Rights.** I agree to assist ICS4Schools, Inc., or its designee, at its expense, in every proper way to secure ICS4Schools Inc.'s, or its designee's, rights in the ICS4Schools Inventions and any copyrights, patents, trademarks, mask work rights, Moral Rights, or other intellectual property rights relating thereto in any and all countries, including the disclosure to ICS4Schools, Inc. or its designee of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which ICS4Schools, Inc. or its designee shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, waive and agree never to assert such rights, and in order to assign and convey to ICS4Schools, Inc. or its designee, and any successors, assigns and nominees the sole and exclusive right, title and interest in and to such ICS4Schools Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. I further agree that my obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue during and at all times after the end of the Relationship and until the expiration of the last such intellectual property right to expire in any country of the world. I hereby irrevocably designate and appoint ICS4Schools, Inc. and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such instruments and papers and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters patent, copyright, mask work and other registrations related to such ICS4Schools Inventions. This power of attorney is coupled with an interest and shall not be affected by my subsequent incapacity.

(g) **Exception to Assignments.** Subject to the requirements of applicable state law, if any, I understand that the ICS4Schools Inventions will not include, and the provisions of this Agreement requiring assignment of inventions to ICS4Schools, Inc. do not apply to, any invention which qualifies fully for exclusion under the provisions of applicable state law, if any, attached hereto as Exhibit B. In order to assist in the determination of which inventions qualify for such exclusion, I will advise ICS4Schools, Inc. promptly in writing, during and for a period of twelve (12) months immediately following the termination of the Relationship, of all Inventions solely or jointly conceived or developed or reduced to practice by me during the period of the Relationship.

4. **Company Property; Returning Company Documents.** I acknowledge and agree that I have no expectation of privacy with respect to the Company's telecommunications, networking or information processing systems (including, without limitation, files, e-mail messages, and voice messages) and that my activity and any files or messages on or using any of those systems may be monitored or reviewed at any time without notice. I further agree that any property situated on the Company's premises and owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice. I agree that, at the time of termination of the Relationship, I will deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, laboratory notebooks, materials, flow charts, equipment, other documents or property, or reproductions of any of the aforementioned items

developed by me pursuant to the Relationship or otherwise belonging to the Company, its successors or assigns.

5. **Termination Certification.** In the event of the termination of the Relationship, I agree to sign and deliver the "Termination Certification" attached hereto as Exhibit C; however, my failure to sign and deliver the Termination Certification shall in no way diminish my continuing obligations under this Agreement.

6. **Notice to Third Parties.** I agree that during the periods of time during which I am restricted in taking certain actions by the terms of Section 7 of this Agreement (the "Restriction Period"), I shall inform any entity or person with whom I may seek to enter into a business relationship (whether as an owner, employee, independent contractor or otherwise) of my contractual obligations under this Agreement. I also understand and agree that the Company or ICS4Schools, Inc. may, with or without prior notice to me and during or after the term of the Relationship, notify third parties of my agreements and obligations under this Agreement. I further agree that, upon written request by the Company or ICS4Schools, Inc., I will respond in writing regarding the status of my employment or proposed employment with any party during the Restriction Period.

7. **Solicitation of Other Parties.** As described above, I acknowledge and agree that the Company's Confidential Information includes information relating to the Company's employees, consultants, customers and others, and that I will not use or disclose such Confidential Information except as authorized by ICS4Schools, Inc. I further agree that during the term of the Relationship, I will not negatively influence any of the Company's or ICS4Schools, Inc.'s clients, licensors, licensees or customers from purchasing products or services or solicit or influence or attempt to influence any client, licensor, licensee, customer or other person either directly or indirectly, to direct any purchase of products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company or ICS4Schools, Inc..

8. **At-Will Relationship.** I understand and acknowledge that, except as may be otherwise explicitly provided in a separate written agreement between the Company and me, my Relationship with the Company is and shall continue to be at-will, as defined under applicable law, meaning that either I or the Company may terminate the Relationship at any time for any reason or no reason, without further obligation or liability, other than those provisions of this Agreement that explicitly continue in effect after the termination of the Relationship.

9. **Representations and Covenants.**

(a) **Facilitation of Agreement.** I agree to execute promptly, both during and after the end of the Relationship, any proper oath, and to verify any proper document, required to carry out the terms of this Agreement, upon the Company's written request to do so.

(b) **No Conflicts.** I represent that my performance of all the terms of this Agreement does not and will not breach any agreement I have entered into, or will enter into, with any third party, including without limitation any agreement to keep in confidence proprietary information or materials acquired by me in confidence or in trust prior to or during the Relationship. I will not disclose to the Company or use any inventions, confidential or non-public

proprietary information or material belonging to any previous client, employer or any other party. I will not induce the Company to use any inventions, confidential or non-public proprietary information, or material belonging to any previous client, employer or any other party. I acknowledge and agree that I have listed on Exhibit A all agreements (e.g., non-competition agreements, non-solicitation of customers agreements, non-solicitation of employees agreements, confidentiality agreements, inventions agreements, etc.), if any, with a current or former client, employer, or any other person or entity, that may restrict my ability to accept employment with the Company or my ability to recruit or engage customers or service providers on behalf of the Company, or otherwise relate to or restrict my ability to perform my duties for the Company or any obligation I may have to the Company. I agree not to enter into any written or oral agreement that conflicts with the provisions of this Agreement.

(c) **Voluntary Execution.** I certify and acknowledge that I have carefully read all of the provisions of this Agreement, that I understand and have voluntarily accepted such provisions, and that I will fully and faithfully comply with such provisions.

10. **Electronic Delivery.** Nothing herein is intended to imply a right to participate in any of the Company's equity incentive plans, however, if I do participate in such plan(s), the Company may, in its sole discretion, decide to deliver any documents related to my participation in the Company's equity incentive plan(s) by electronic means or to request my consent to participate in such plan(s) by electronic means. I hereby consent to receive such documents by electronic delivery and agree, if applicable, to participate in such plan(s) through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

11. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of [GOVERNING LAW JURISDICTION] without giving effect to the principles of conflict of laws.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and me relating to its subject matter and merges all prior discussions between us. No amendment to this Agreement will be effective unless in writing signed by both parties to this Agreement. The Company shall not be deemed hereby to have waived any rights or remedies it may have in law or equity, nor to have given any authorizations or waived any of its rights under this Agreement, unless, and only to the extent, it does so by a specific writing signed by a duly authorized officer of the Company, it being understood that, even if I am an officer of the Company, I will not have authority to give any such authorizations or waivers for the Company under this Agreement without specific approval by the Board of Directors. Any subsequent change or changes in my duties, obligations, rights or compensation will not affect the validity or scope of this Agreement.

(c) **Successors and Assigns.** This Agreement will be binding upon my heirs, executors, administrators and other legal representatives, and my successors and assigns, and will be for the benefit of the Company, its successors, and its assigns.

(d) **Notices.** Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address set forth in the Company's books and records.

(e) **Severability.** If one or more of the provisions in this Agreement are deemed void or unenforceable to any extent in any context, such provisions shall nevertheless be enforced to the fullest extent allowed by law in that and other contexts, and the validity and force of the remainder of this Agreement shall not be affected. The Company and I have attempted to limit my right to use, maintain and disclose the Company's Confidential Information, and to limit my right to solicit employees and customers only to the extent necessary to protect the Company from unfair competition. Should a court of competent jurisdiction determine that the scope of the covenants contained in Section 7 exceeds the maximum restrictiveness such court deems reasonable and enforceable, the parties intend that the court should reform, modify and enforce the provision to such narrower scope as it determines to be reasonable and enforceable under the circumstances existing at that time.

(f) **Remedies.** I acknowledge and agree that violation of this Agreement by me may cause the Company irreparable harm, and therefore I agree that the Company will be entitled to seek extraordinary relief in court, including, but not limited to, temporary restraining orders, preliminary injunctions and permanent injunctions without the necessity of posting a bond or other security (or, where such a bond or security is required, I agree that a $1,000 bond will be adequate), in addition to and without prejudice to any other rights or remedies that the Company may have for a breach of this Agreement.

(g) **Advice of Counsel.** I ACKNOWLEDGE THAT, IN EXECUTING THIS AGREEMENT, I HAVE HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL, AND I HAVE READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF.

(h) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile or scanned copy will have the same force and effect as execution of an original, and a facsimile or scanned signature will be deemed an original and valid signature.

[Signature Page(s) Follow]

The parties have executed this Confidential Information and Invention Assignment Agreement on the respective dates set forth below, to be effective as of the Effective Date first above written.

THE COMPANY:

[COMPANY NAME]

By: _____
[NAME, TITLE]

Date: [_____Date of Company Signature - TBD_____]

The parties have executed this Confidential Information and Invention Assignment Agreement on the respective dates set forth below, to be effective as of the Effective Date first above written.

EMPLOYEE:

[NAME OF EMPLOYEE]

_____

[ADDRESS]

Date: [_____Date of Employee Signature - TBD_____]

EXHIBIT A

LIST OF PRIOR INVENTIONS AND ORIGINAL WORKS OF AUTHORSHIP EXCLUDED UNDER SECTION 3(A)AND CONFLICTING AGREEMENTS DISCLOSED UNDER SECTION 9(B)

The following is a list of (i) all Inventions that, as of the Effective Date: (A) I made, and/or (B) belong solely to me or belong to me jointly with others or in which I have an interest, and that relate in any way to any of the Company's actual or proposed businesses, products, services, or research and development, and which are not assigned to the Company and (ii) all agreements, if any, with a current or former client, employer, or any other person or entity, that may restrict my ability to accept employment with the Company or my ability to recruit or engage customers or service providers on behalf of the Company, or otherwise relate to or restrict my ability to perform my duties for the Company or any obligation I may have to the Company:

Prior Inventions:

[EXCLUDED IP DESCRIPTION]

Prior Agreements:

[RESTRICTIVE PRIOR AGREEMENTS]

[Signature Page(s) Follow]

Except as indicated above on this Exhibit A, I have no inventions, improvements or original works to disclose pursuant to Section 3(a) of this Agreement and no agreements to disclose pursuant to Section 9(b) of this Agreement.

EMPLOYEE:

[NAME OF EMPLOYEE]

_____

[ADDRESS]

Date: [_____Date of Employee Signature - TBD_____]

EXHIBIT B

Section 2870 of the California Labor Code is as follows:

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

Chapter 765, Section 1060/2 of the Illinois Compiled Statutes is as follows:

(1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this State and is to that extent void and unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this subsection.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this Section as a condition of employment or continuing employment. This Act shall not preempt existing common law applicable to any shop rights of employers with respect to employees who have not signed an employment agreement.

(3) If an employment agreement entered into after January 1, 1984, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

Sections 44-130 of the Kansas Labor and Industries Code is as follows:

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facilities or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(b) Any provision in an employment agreement which purports to apply to an invention which it is prohibited from applying to under subsection (a), is to that extent against the public policy of this state and is to that extent void and unenforceable. No employer shall require a provision made void and unenforceable by this section as a condition of employment or continuing employment.

(c) If an employment agreement contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer shall provide, at the time the agreement is made, a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates directly to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(d) Even though the employee meets the burden of proving the conditions specified in this section, the employee shall disclose, at the time of employment or thereafter, all inventions being developed by the employee, for the purpose of determining employer and employee rights in an invention.

Section 181.78, Subdivision 3 of the Minnesota Labor, Industry Code is as follows:

If an employment agreement entered into after August 1, 1977 contains a provision requiring the employee to assign or offer to assign any of the employee's rights in any invention to an employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer.

Section 49.44.140 of the Washington Labor Regulations is as follows:

(1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this section as a condition of employment or continuing employment.

(3) If an employment agreement entered into after September 1, 1979, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

EXHIBIT C

TERMINATION CERTIFICATION

This is to certify that I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, laboratory notebooks, flow charts, materials, equipment, other documents or property, or copies or reproductions of any aforementioned items belonging to [NAME OF COMPANY] a [Delaware] corporation, its subsidiaries, affiliates, successors or assigns (collectively, the "Company") or ICS4Schools, Inc. or its subsidiaries, affiliates, successors or assigns.

I further certify that I have complied with all the terms of the Company's Confidential Information and Invention Assignment Agreement signed by me, including the reporting of any Inventions (as defined therein), conceived or made by me (solely or jointly with others) covered by that agreement, and I acknowledge my continuing obligations under that agreement.

I further agree that, in compliance with the Confidential Information and Invention Assignment Agreement, I will preserve as confidential all trade secrets, confidential knowledge, data or other proprietary information relating to products, processes, know-how, designs, formulas, developmental or experimental work, computer programs, data bases, other original works of authorship, customer lists, business plans, financial information or other subject matter pertaining to any business of the Company or any of its employees, clients, consultants or licensees.

Further, I agree that I shall not use any Confidential Information of the Company to negatively influence any of the Company's clients or customers from purchasing Company products or services or to solicit or influence or attempt to influence any client, customer or other person either directly or indirectly, to direct any purchase of products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company.

EMPLOYEE: [NAME OF EMPLOYEE]

Signature: _____

Date: _____

EXHIBIT 4 TO FRANCHISE AGREEMENT

MOBILE APP TERMS AND CONDITIONS

TERMS AND CONDITIONS OF USE

THESE TERMS AND CONDITIONS OF USE (THE "TERMS AND CONDITIONS") APPLY TO AND GOVERN YOUR ACCESS TO AND USE OF THIS ICS4SCHOOLS, LLC's ("ICS4S") PROPRIETARY EMERGENCY RESPONSE MOBILE APPLICATION (THE "App"). PLEASE SCROLL DOWN TO READ THESE TERMS AND CONDITIONS CAREFULLY BEFORE CLICKING THE "I ACCEPT" BUTTON. BY CLICKING THE "I ACCEPT" BUTTON, YOU AGREE TO THE FOLLOWING TERMS AND CONDITIONS GOVERNING YOUR USE OF THIS APP AND THE TERMS AND CONDITIONS WILL BE BINDING ON YOU. IF YOU DO NOT AGREE WITH THESE TERMS AND CONDITIONS, YOU MUST SELECT THE "I DECLINE" BUTTON AND MAY NOT USE THIS APP.

Authorized Users. You have been granted access to this App as a result of your being a member of the emergency response team of an entity ("Licensee") who has entered into a licensing agreement with ICS4S (the "License Agreement") to permit you access and use of the App in connection with emergency response efforts at a specified approved location or event (the "Approved Location/Event"). You are authorized to use this App in accordance with these Terms and Conditions only during such time as you are member of the emergency response team for the Approved Location/Event and are physically present at the Approved Location/Event.

License and Access to App. ICS4S grants you a limited, non-transferrable, non-sublicensable, revocable, non-exclusive license to access and make use of this App in accordance with these Terms and Conditions on mobile devices approved by ICS4S (the "Approved Mobile Devices") in connection with such Approved Location/Event's emergency response systems. Notwithstanding any provision of these Terms and Conditions to the contrary, ICS4S will have the right, in its sole discretion, to determine the content, appearance, design, functionality and all other aspects of the App. ICS4S reserves the right to redesign, modify, change, alter, suspend or discontinue, temporarily or permanently, the content, appearance, design, functionality, and other aspects of the App and/or any element, aspect, portion or feature thereof, from time to time at any time without notice. ICS4S will not be liable to you or to any third party for any modification, suspension, or discontinuance of the App.

Restrictions. You must comply with all applicable laws and all provisions of these Terms and Conditions when using the App. Except as may be expressly permitted by applicable law or authorized by ICS4S in writing, you will not, and will not permit anyone else to:

- store, copy, modify, distribute, or resell any of the information or other materials on the App or compile or collect any materials from the App as part of a database or other work;
- sell, rent, lease, license or sublicense the App or in any way act as an application service provider or enter into any agreement whereby you agree to let any non-authorized users or third parties have access to or utilize the App in any way;

- use, display, mirror or frame the content of the App, or any individual element within the App, ICS4S's name, any ICS4S trademark, logo or other proprietary information, or the layout and design of the App;
- transfer or assign your rights under these Terms and Conditions to use the App;
- write or develop any derivative software or any other software program based upon the App;
- modify, de-compile, disassemble, reverse assemble, or reverse engineer the App, in whole or in part;
- build a product using similar ideas, features, functions or graphics of the App or copy any ideas, features, functions or graphics of the App;
- allow the use of the App on any device other than an Approved Mobile Device;
- use the App or information and materials found on the App for any purpose other than as permitted by these Terms and Conditions;
- Attempt to probe, scan, or test the vulnerability of any ICS4S system or network or breach any security or authentication measures;
- avoid, bypass, remove, deactivate, impair, descramble or circumvent any technological measure implemented to protect the App and its content or interfere or attempt to interfere with the proper working of the App or conduct any activities on the App intended to circumvent, bypass or disable any digital rights management, usage rules, or other security features of the App or bypass any measures to prevent or restrict access to the App;
- use the App in a manner that threatens the integrity, performance, or availability of the App;
- attempt to obtain any password, account, or private information from any other user; or
- violate any laws in your jurisdiction.

ICS4S reserves the right to (i) investigate and take legal action against anyone who, in ICS4S's sole discretion, violates these Terms and Conditions, and (ii) terminate your access to the App. Violations of these Terms and Conditions may result in civil or criminal liability. ICS4S reserves the right to investigate occurrences which may involve such violations and may involve, and cooperate with, law enforcement authorities in prosecuting users who have participated in such violations.

Ownership of IP. ICS4S alone (and its licensors, where applicable) shall own all right, title and interest, including all related Intellectual Property Rights, in and to the ICS4S Technology, the content of the App and any suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by you or any other party relating to the App. This Agreement is not a sale and does not convey to you any rights of ownership in or related to the ICS4S Technology or the Intellectual Property Rights owned by ICS4S.

"ICS4S Technology" means ICS4S's proprietary technology (including, but not limited to, the software and functionality found in the App processes, algorithms, user interfaces, know-how, techniques, designs and other tangible or intangible technical material or information) made available to you by ICS4S in providing use and access to the App.

"Intellectual Property Rights" means unpatented inventions, patent applications, patents, design rights, copyrights, trademarks, service marks, trade names, domain name rights, mask work rights, know-how and other trade secret rights, and all other intellectual property rights, derivatives thereof, and forms of protection of a similar nature anywhere in the world.

Your Account. If you use the App, you are responsible for maintaining the confidentiality of (i) all information provided to you by the App; and (ii) your account and password. You are also responsible for restricting access to your Approved Mobile Device, and you agree to accept responsibility for all activities that occur under your account or password. ICS4S reserves the right to terminate your use of the App in its sole discretion, with no liability to you, in the event of a breach of these Terms and Conditions or upon any termination of the License Agreement by and between Licensee and ICS4S.

DISCLAIMER OF WARRANTIES. YOUR USE OF THE APP IS AT YOUR SOLE RISK. ACCESS TO THE APP IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. ICS4S EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS, STATUTORY OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT. ICS4S DOES NOT WARRANT THAT ANY PART OF THE APP WILL OPERATE UNINTERRUPTED OR ERROR-FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT THE APP OR THE NETWORK THAT MAKES IT AVAILABLE ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

LIMITATION OF LIABILITY. THE APP RELIES ON THE SUCCESSFUL TRANSFER OF ACCURATE INCIDENT REPORT DATA AND OTHER INFORMATION BY AND BETWEEN EMERGENCY OR SECURITY PERSONNEL VIA INTERNET ACCESS, WIFI OR CELLULAR SERVICE NETWORKS AT EACH APPROVED LOCATION/EVENT. ICS4S MAKES NO REPRESENTATION, WARRANTY, OR GUARANTY AND ICS4S SHALL HAVE NO LIABILITY FOR THE RELIABILITY, TIMELINESS, QUALITY, SUITABILITY, AVAILABILITY, ACCURACY, THE USEFULNESS OF THE APP OR THE COMPLETENESS OF THE INFORMATION SUPPLIED BY THE ICS4S MOBILE APP. YOUR RELIANCE ON THE APP AND THE INFORMATION AVAILABLE ON THE APP IS AT YOUR OWN RISK. ICS4S HAS NO DUTY TO UPDATE OR MODIFY THE APP AND ICS4S IS NOT LIABLE FOR ITS FAILURE TO DO SO. ICS4S DOES NOT REPRESENT OR WARRANT AND SHALL HAVE NO LIABILITY FOR (A) THE ICS4S MOBILE APP BEING SECURE, TIMELY, UNINTERRUPTED OR ERROR-FREE OR OPERATE IN COMBINATION WITH ANY OTHER HARDWARE, SOFTWARE, SYSTEM OR DATA; (B) LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET, CELLULAR COMMUNICATIONS AND ELECTRONIC COMMUNICATIONS, INCLUDING, WITHOUT LIMITATION, THE ICS4S MOBILE APP NOT OPERATING PROPERLY IN THE EVENT OF ANY DISRUPTION OR OVER BURDEN ON INTERNET OR CELL PHONE SERVICE AT ANY APPROVED LOCATION/EVENT; OR (C) ANY DISRUPTIONS OR FAILURES DUE TO ANY VIRUSES OR OTHER HARMFUL COMPONENTS ON ANY MOBILE DEVICES UTILIZING THE ICS4S MOBILE APP.

TO THE FURTHEST EXTENT PERMITTED BY LAW, UNDER NO CIRCUMSTANCES AND UNDER NO LEGAL OR EQUITABLE THEORY (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, STRICT PRODUCT LIABILITY, OR UNDER ANY STATUTE OR ON ANY OTHER BASIS) SHALL ICS4S OR ANY OF ITS EMPLOYEES, MEMBERS, MANAGERS, OFFICERS, AGENTS OR AFFILIATES BE LIABLE FOR ANY DAMAGES INCLUDING, WITHOUT LIMITATION, DIRECT, SPECIAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, EXEMPLARY AND/OR INCIDENTAL DAMAGES, LOST ANTICIPATED PROFITS, LOSS OF GOODWILL, LOSS OF DATA, BUSINESS INTERRUPTION, ACCURACY OF RESULTS, OR COMPUTER FAILURE OR MALFUNCTION, THAT RESULT FROM YOUR USE OF THE APP OR ANY INFORMATION PROVIDED BY THE APP, EVEN IF ICS4S OR AN AUTHORIZED REPRESENTATIVE OF ICS4S HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANYTHING ELSE CONTAINED IN THESE TERMS AND CONDITIONS, IN THE EVENT THE TERMS OF THIS SECTION, OR ANY PART OF THIS SECTION, SHALL BE HELD INVALID OR UNENFORCEABLE BY A COURT OF COMPETENT JURISDICTION, IN NO EVENT SHALL THE COMPANY'S TOTAL LIABILITY TO YOU, OR ANYONE CLAIMING BY OR THROUGH YOU, FOR ANY DAMAGES, LOSSES, CLAIMS AND/OR CAUSES OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE OR OTHERWISE EXCEED ONE HUNDRED DOLLARS ($100). BECAUSE SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

Indemnification. You shall indemnify, defend and hold harmless ICS4S and its sponsors, business affiliates, subsidiaries, affiliates, officers, managers, members, employees, attorneys, agents and successors and assigns, from and against any and all losses, liabilities, damages, claims, suits, actions, expenses, (including without limitation attorneys' fees) and costs brought by you or any third party resulting from your use of the App.

Copyright and trademark Information. All content included or available on this App, including interface design, text, graphics, interfaces, and the selection and arrangements thereof is © 2016 ICS4Schools, LLC with all rights reserved, or is the property of ICS4S and/or third parties protected by Intellectual Property Rights.

Changes to Terms and Conditions. These Terms and Conditions may only be changed by ICS4S in its discretion. If the modification, amendment or alteration constitutes a material change to these Terms and Conditions, ICS4S will request that you again click through to provide your acceptance of the new terms. What constitutes a "material change" will be determined in ICS4S's sole discretion, in good faith and using common sense and reasonable judgment.

Electronic Communications. When you open the App or send e-mails to ICS4S, you are communicating with ICS4S electronically. You consent to receive communications from ICS4S electronically. ICS4S will communicate with you by e-mail or by posting notices on the App. You agree that all agreements, notices, disclosures and other communications that ICS4S provides to you electronically satisfy any legal requirement that such communications be in writing.

Applicable Law. You agree that the laws of the state of California, without regard to principles of conflict of laws, will govern these Terms and Conditions and any dispute of any sort that might arise between you and ICS4S or its affiliates.

Severability. If any provision of these Terms and Conditions shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid, that provision(s) shall be limited or eliminated to the minimum extent necessary so that these Terms and Conditions will otherwise remain in full force and effect.

Miscellaneous Legal Terms. The exclusive jurisdiction and venue for any claims arising out of or related to these Terms and Conditions or your use of the App will lie in the State and Federal courts located in San Jose, California, and you irrevocably agree to submit to the jurisdiction of such courts. The failure of ICS4S to enforce any right or provision in these Terms and Conditions will not constitute a waiver of such right or provision unless acknowledged and agreed to by ICS4S in writing. If any provision of these Terms and Conditions is found by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction, provided, however, if such invalid or unenforceable provision may be modified so as to be valid and enforceable as a matter of law, such provision will be deemed to have been modified so as to be valid and enforceable to the maximum extent permitted by law.

EXHIBIT C TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

FRANCHISE APPLICATION

ICS4SCHOOLS FRANCHISE APPLICATION

I am applying to become an ICS4Schools franchisee. I certify that all of the following information is true:

CONTACT INFORMATION

Name _____

Present Address _____
Street City State Zip

Home Phone _____ Work _____ Cell Phone _____

Email Address _____

How Long at Present Address? _____

Rent ☐ Own ☐

If Renting, Name and contact information of Landlord _____

Previous Address _____
Street City State Zip

EMPLOYMENT & EDUCATION

Current Employer _____

Address _____ Phone _____

Position _____ Date of Hire _____

Education Level _____ Degree _____

Name of College _____

PRIOR EMPLOYMENT EXPERIENCE

(Attach a resume, if available)

Business Name	City	Position	Date of Hire

BACKGROUND INFORMATION

(Attach additional pages if necessary)

Do you have experience with emergency response preparedness? ☐ Yes ☐ No

If yes, please explain _____

Do you have any experience in sales? ☐ Yes ☐ No
If yes, please explain _____

Have you ever been a franchisee of any other company? ☐ Yes ☐ No
If so, what company and dates? _____

Have you ever owned your own business or been self-employed? ☐ Yes ☐ No
If yes, please explain _____

Do you plan to be the full-time operator/manager of this business? ☐ Yes ☐ No
If not, have you identified a manager? ☐ Yes ☐ No
If yes, provide contact information or details _____

If yes, does your identified manager have prior experience in emergency preparedness? ☐ Yes ☐ No
If you do not intend to be the full-time operator/manager, what will you do with the majority of your time? _____

How did you hear about ICS4Schools? _____
Why do you want to become an ICS4Schools franchisee?

What in your background or experience qualifies you to become an ICS4Schools franchisee?

How do you expect that becoming a franchisee will help you achieve your business and personal goals?

BACKGROUND CHECK INFORMATION

(Please answer for yourself and all business partners and managers listed in this application)

Have you ever used any name(s) other than what appears above? ☐ Yes ☐ No
Do you have any criminal convictions (felonies or misdemeanors)? ☐ Yes ☐ No
Have you ever been evicted from either residential or commercial property? ☐ Yes ☐ No
Have you ever declared bankruptcy? ☐ Yes ☐ No
Have you ever been sued for fraud, unfair competition, breach of contract, theft or conversion? ☐ Yes ☐ No
If you answered yes to any question, please provide details _____

YOUR DESIRED FRANCHISE

Location Preference: 1st Choice _____ 2nd Choice _____
Planned date to open franchise: _____
Available Capital to Invest _____
Source of available capital (income, savings, loans, gifts, etc.) _____

Will you have to repay your capital investment? ☐ Yes ☐ No
If yes, please provide details _____

Will you have a business partner? ☐ Yes ☐ No
Name of Partner _____
Will your business partner be active in the business? ☐ Yes ☐ No
Will an existing business entity become the franchisee? ☐ Yes ☐ No
If yes, please provide details _____

PERSONAL REFERENCES

(No relatives)

Name	Address	Phone/Email	How you know this person

IMPORTANT: This information will be held in the strictest confidence. Returning this form does not obligate ICS4Schools Franchises, LLC or the applicant to enter into a business relationship.

Signed _____ Date _____

PERSONAL FINANCIAL STATEMENT
(Complete one for each business partner)

INCOME STATEMENT

SOURCE OF INCOME		**CONTINGENT LIABILITIES**	
Salary	$	As endorser or co-maker	$
Bonus/Commissions	$	On leases or contracts	$
Real Estate Income	$	Provision for federal income tax	$
Interest and Dividends	$	Other contingent liabilities (itemize)	$
Other Income (Itemize)	$		$
	$		$
	$		$
TOTAL INCOME	$	**TOTAL CONTINGENT LIABILITIES**	$

BALANCE SHEET

ASSETS (Attach third party confirmations)		**LIABILITIES AND NET WORTH**	
LIQUID ASSETS:			
Cash on hand and in bank (See Schedule #1)	$	Notes Payable (See Schedule 4)	$
Publicly traded stocks/bonds (See Schedule #2)	$	Accounts and bills due	$
Accounts/Notes Receivable (convertible to cash in 90 days).	$	Taxes Due	$
Life Insurance (cash surrender value)	$	Liens Payable	$
	$	Real Estate Mortgages Payable (See Schedule #3)	$
TOTAL LIQUID ASSETS	$		

ILLIQUID ASSETS:

Real Estate investments excluding personal residence (See Schedule #3)	$_____	Other Liabilities (itemize)	$_____
Pensions, IRA's, etc	$_____	_____	$_____
Accounts/Notes Receivable	$_____	_____	$_____
OTHER ASSETS (Itemize)	$_____	_____	$_____
_____	$_____	_____	$_____
_____	$_____	_____	$_____
TOTAL ASSETS	$_____	**TOTAL LIABILITIES**	$_____

NET WORTH.....$_____

SCHEDULE #1 - BANK ACCOUNTS

Institution Name & Location	Account Number	Contact Officer	Cash Balance

SCHEDULE #2 - STOCKS AND BONDS

Description of Security	Stock Exchange Traded	Number of Shares	Cost	Current Market Value

SCHEDULE #3 - REAL ESTATE INVESTMENTS EXCLUDING PERSONAL RESIDENCE

Description or Street Number of Property	Percent of Ownership	Date of Purchase	Cost	Market Value	Mortgage Balance	Liens

SCHEDULE #4 - NOTES PAYABLE

Institution Name & Location	Account Number	Outstanding Balance	Maturity Date

EXHIBIT D TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS
AND
AGENTS FOR SERVICE OF PROCESS.

We intend to register this Disclosure Document as a "franchise" in some or all of the following states, in accordance with the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013–2344 (213) 876–7500 Toll free: (866) 275-2677	**MICHIGAN** Consumer Protection Div., Franchise Section Attn: Kathryn A. Barron 670 G. Mennen Williams Building Lansing, Michigan 48913 (517) 373–7117
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**MINNESOTA** Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 (651) 296–4026
ILLINOIS Office of the Attorney General Franchise Division 500 South Second Street Springfield, Illinois 62706 (217) 782–4465	**NEW YORK** NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222
INDIANA Secretary of State Franchise Section 302 West Washington, Room E–111 Indianapolis, Indiana 46204 (317) 232–6681	**NORTH DAKOTA** North Dakota Securities Department 600 Boulevard Avenue, State Capitol Fifth Floor, Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202–2020 (410) 576–6360	**RHODE ISLAND** Securities Division Department of Business Regulation John O. Pastore Center Bldg. 69, First Floor 1511 Pontiac Avenue Cranston, RI 02920 (401) 277–3048

SOUTH DAKOTA Director of Division of Securities 445 E. Capitol Avenue Pierre, South Dakota 57501–2017 (605) 773–4013	**WASHINGTON** Department of Financial Institutions General Administration Building Securities Division – 3rd Floor West 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902–8760
VIRGINIA Director, Securities and Retail Franchising Div. State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371–9051	**WISCONSIN** Office of the Commissioner of Securities 345 West Washington Avenue, Fourth Floor Madison, Wisconsin 53703 (608) 261–9555

AGENTS FOR SERVICE OF PROCESS

We intend to register this Disclosure Document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

CALIFORNIA Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013–2344 (213) 576–7500 Toll free: (866) 275-2677	**MICHIGAN** Dept. of Commerce, Corp'ns & Securities Bureau 670 Law Building 525 West Ottawa Lansing, Michigan 48913 (517) 373–7117
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**MINNESOTA** Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 (612) 296–4026
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782–4465	**NEW YORK** Secretary of State 99 Washington Avenue Albany, NY 12231 (518) 486-6423
INDIANA Indiana Secretary of State 201 State House Indianapolis, Indiana 46204 (317) 232–6681	**NORTH DAKOTA** North Dakota Securities Commissioner 600 Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202–2020 (410) 576–6360	**RHODE ISLAND** Director of Department of Business Regulation John O. Pastore Center Bldg. 69, First Floor 1511 Pontiac Avenue, Cranston, RI 02920 (401) 277–3048

SOUTH DAKOTA Director of Division of Securities 445 E. Capitol Avenue Pierre, South Dakota 57501–2017 (605) 773–4013	**WASHINGTON** Director of Department of Financial Institutions General Administration Building Securities Division – 3rd Floor West 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902–8760
VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371–9733	**WISCONSIN** Commissioner of Securities 345 West Washington Avenue, Fourth Floor Madison, Wisconsin 53703 (608) 261–9555

EXHIBIT E TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

STATE ADDENDA

CALIFORNIA APPENDIX

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. The California Franchise Investment Law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document.

2. California Business and Professions Code Section 20000 through 20043 provide rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

3. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 USCA § 101 *et seq*.).

4. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

5. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchis eRelations Act (Business and Professions Code §§20000 through 20043).

6. Before the franchisor can ask you to materially modify your existing franchise agreement Section 31125 of the California Corporations Code requires the franchisor to file a material modification application with the Department that includes a disclosure document showing the existing terms and the proposed new terms of your franchise agreement. Once the application is registered, the franchisor must provide you with that disclosure document with an explanation that the changes are voluntary.

7. Neither the franchisor nor any person described in Item 2 of the disclosure document is subject to any currently effective order of any national securities exchange as defined in the Securities Exchange Act of 1934, 15 USCA 78a *et seq*., suspending or expelling such persons from membership in such association or exchange.

8. Our url is www.ics4schools.com. Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

9. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

EXHIBIT F TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

LIST OF ACTIVE FRANCHISEES

None.

EXHIBIT G TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

None.

EXHIBIT H TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF OPERATIONS MANUAL

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EXHIBIT I TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

OWNER'S GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

OWNER'S GUARANTY
AND
ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution by ICS4SCHOOLS FRANCHISES, LLC ("FRANCHISOR") of that certain Franchise Agreement of even date herewith (the "Agreement") between FRANCHISOR and _____ ("FRANCHISEE"), or in consideration of and as an inducement to FRANCHISOR's consent to a transfer by or of FRANCHISEE under the Agreement, each of the undersigned parties including:_____
_____ ("Guarantors") hereby personally and unconditionally: (1) guarantees to FRANCHISOR and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement; and agrees to punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement, and (2) agrees to be personally bound by, and personally liable for the breach of, each and every term, condition, covenant and provision in the Agreement. Each Guarantor expressly represents and acknowledges that he or she has read the Agreement and has had the opportunity to review the same, and this Guaranty, with counsel. Each Guarantor hereby expressly waives:

(1) acceptance and notice of acceptance by FRANCHISOR, of the foregoing undertakings;
(2) notice of demand for payment of any indebtedness or non performance of any obligations hereby guaranteed;
(3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
(4) any right he or she may have to require that an action be brought against FRANCHISEE, Guarantor or any other person as a condition of liability;
(5) any requirement that FRANCHISOR proceed against or exhaust its remedies with respect to FRANCHISEE or any other person before demanding payment or performance by Guarantor; and
(6) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each Guarantor consents and agrees that:

(1) his or her direct and immediate liability under this guaranty shall be joint and several;
(2) he or she shall render any payment or performance required under the Agreement upon demand if FRANCHISEE fails or refuses to do so punctually;
(3) such liability shall not be contingent or conditioned upon pursuit by FRANCHISOR of any remedies against FRANCHISEE or any other person;
(4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which FRANCHISOR may, from time to time, grant to FRANCHISEE or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be irrevocable during the term of the Agreement; and
(5) the liability and obligations under this Guaranty and Assumption shall not be diminished, relieved or otherwise affected by any modification by FRANCHISEE and FRANCHISOR of the terms or conditions of the Agreement.

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

GUARANTOR(S)

Name:_____

Signature:_____

Date:_____

Name:_____

Signature:_____

Date:_____

EXHIBIT J TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

SPOUSAL CONSENT

SPOUSAL CONSENT AND WAIVER

The undersigned _____ ("Spouse") hereby represents that he/she is a _____ [state] resident and is the spouse of _____ ("Franchise Owner"). Spouse acknowledges and understands that, contemporaneously herewith, Franchise Owner, or a corporation, partnership or limited liability company in which Franchise Owner is a principal owner (the "Franchisee"), will be entering into a Franchise Agreement with ICS4Schools Franchises, LLC ("Franchisor") to acquire and operate a ICS4Schools Franchise. Spouse hereby consents to this transaction and waives any right, now or in the future, to assert a community property or quasi community property interest in the franchise, the Franchise Agreement, the ICS4Schools Franchise or in the Franchisee. Spouse understands that in the absence of this Spousal Consent and Waiver, Franchisor, as a condition of granting the ICS4Schools franchise to Franchise Owner, would have required Spouse to personally enter into the Franchise Agreement or to execute a personal guaranty of all of Franchisee's obligations under the Franchise Agreement. Spouse represents and agrees that the waiver of this condition by Franchisor is sufficient consideration for this Spousal Consent and Waiver. Spouse understands that if Spouse did not wish to provide this Spousal Consent and Waiver, Spouse could have agreed to personally execute the Franchise Agreement or the personal guaranty. Spouse hereby represents and acknowledges that Spouse knowingly and deliberately elected not to do so and to instead provide this Spousal Consent and Waiver. If notwithstanding this Spousal Consent and Waiver, Spouse claims or is awarded in a legal action a community property interest, quasi community property interest or other ownership interest in the franchise, the Franchise Agreement, the ICS4Schools Franchise or in Franchisee, other than by way of a transfer approved in writing by Franchisor as provided in the Franchise Agreement, Spouse hereby agrees, without further action or execution of further instruments, to be personally bound by all of the terms of the Franchise Agreement and to be liable for the performance of all obligations thereunder.

Spouse

_____ Dated: _____

EXHIBIT K TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

ELECTRONIC DEBIT AUTHORIZATION

AUTOMATIC PAYMENT PLAN

We are pleased to be able to offer you a new billing convenience – Automatic Payment. Now you can have your payment made directly from your checking or savings account. And, you won't have to change your present banking relationship to take advantage of this service.

The Automatic Payment plan will help you in several ways:

- It saves time and saves checks
- It will help you meet your billing commitments– even when you're on vacation or out of town
- It's easy to get started, easy to change, and easy to cancel
- It's convenient, timely, and gives peace of mind

How the Automatic Payment plan works:
You authorize regularly scheduled payments to be made from your checking or savings account. Your payments will be made electronically on the specified day. Proof of payment will appear with your statement.

The authority you give to debit your account will remain in effect until you notify us in writing to terminate the authorization. You can change your payment at any time by notifying us 5 days prior to any regularly scheduled payments.

The Automatic Payment Plan is worry free, convenient, and easy. To participate in this service, complete the authorization form (part A), select the fund and dollar amount of your payment, and return to us.

A. I authorize _____ to initiate debit entries, and in case of error credit entries, to my checking/savings (circle one) account. This authority will remain in effect until I notify you in writing to cancel in such time as to afford the business a reasonable opportunity to act on it. I can stop payment of any entry by written notification 3 days before my account is charged.*

Name of Financial
Institution_____

City_____State_____Zip_____

Signature_____Email_____

Name (Please print) _____

Address _____

Account Number _____ Checking Savings

Financial Institution Routing Number _____

B. Select Payment fund, regularity, and dollar amount:

General Billing $_____ Amount
(Payment date)_____ Frequency _____

Other Billing $_____ Amount Project Name _____
(Payment date)_____ Frequency _____

Special Bill $_____ Amount Billing Name _____
(Payment due date)_____ Frequency _____

*If you are currently enrolled in the Automatic Payment plan and wish to update your billing information or

pay a specific bill no bank information is required. Please provide written information and authorize by signing below:

Signature_____ OFAC Compliance

EXHIBIT L TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure 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
California	(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.

EXHIBIT M TO THE
ICS4SCHOOLS FRANCHISES, LLC
DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT
(YOUR COPY)

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

If ICS4SCHOOLS FRANCHISES, LLC offers you a franchise, ICS4SCHOOLS FRANCHISES, LLC must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale except:

If ICS4SCHOOLS FRANCHISES, LLC offers you a franchise subject to the franchise laws of Indiana or Michigan, ICS4SCHOOLS FRANCHISES, LLC must provide this disclosure document to you by the earliest of:

1. Ten business days before signing of a binding agreement; or
2. Ten business days before payment to us; or
3. Fourteen calendar days before signing a binding agreement or making a payment to us.

If ICS4SCHOOLS FRANCHISES, LLC offers you a franchise subject to the franchise laws of New York or Oklahoma, ICS4SCHOOLS FRANCHISES, LLC must provide this disclosure document to you by the earliest of:

1. The first personal meeting to discuss our franchise; or
2. Ten business days before signing of a binding agreement; or
3. Ten business days before payment to us; or
4. Fourteen calendar days before signing a binding agreement or making a payment to us.

If ICS4SCHOOLS FRANCHISES, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and your state agency.

The name, principal address and telephone number of each franchise seller offering the franchise:

( ) Joe Viramontez, 1171 Blewett Avenue, San Jose, CA 95125 / (408) 891-9782
( )

Issuance Date: ~~August 27~~February 20, ~~2024~~2025	
Effective Dates	See Exhibit L

Our agents for service of process are listed in Exhibit D of the Disclosure Document.

This Disclosure Document includes the following exhibits:

Exhibit A Financial Statements
Exhibit B Franchise Agreement
Exhibit C Franchise Application

Exhibit D	List of State Administrators and Agents for Service of Process
Exhibit E	State Addenda
Exhibit F	List of Active Franchisees
Exhibit G	List of Franchisees Who Have Left the System
Exhibit H	Table of Contents of Operations Manual
Exhibit I	Owner's Guaranty and Assumption of Franchisee's Obligations
Exhibit J	Spousal Consent
Exhibit K	Electronic Debit Authorization
Exhibit L	State Effective Dates
Exhibit M	Receipts

Date:_____ Signature: _____ Printed Name:_____

Date: _____ Signature: _____ Printed Name:_____

KEEP THIS COPY FOR YOUR RECORDS.

RECEIPT
(OUR COPY)

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

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2. Ten business days before signing of a binding agreement; or
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( ) Joe Viramontez, 1171 Blewett Avenue, San Jose, CA 95125 / (408) 891-9782
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Exhibit M	Receipts

Date: _____	Signature: _____	Printed Name:_____
Date: _____	Signature: _____	Printed Name:_____

Please sign this copy of the receipt, date your signature, and return it to:

Name:_____
Address: _____
Telephone Number: _____