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FRANCHISE DISCLOSURE DOCUMENT

JOMSOM FRANCHISE COMPANY, LLC

A New Jersey limited liability company

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Received
LA Mailroom

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Department of
Business Oversight



As a franchisee, you will operate a Jomsom Staffing Services Business, which will offer temporary, temporary to permanent and permanent staffing services

The total estimated investment necessary to begin the operation of a Jomsom Staffing Services Business ranges from \$84,100-\$128,000. This includes \$40,000 that must be paid to the franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchisor, Jomsom Franchise Company, LLC, Attn: Franchise Department, 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540, (866) 435-4050.

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

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

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

ISSUANCE DATE March 6, 2019

STATE COVER PAGE

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

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

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

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

1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION IN THE COURTS OF NEW JERSEY, OR THE UNITED STATES DISTRICT COURT, DISTRICT OF NEW JERSEY. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN NEW JERSEY THAN IT MAY COST IN YOUR OWN STATE OR AREA.

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

3 YOUR SPOUSE MUST SIGN A GUARANTEE THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN THOUGH YOUR SPOUSE HAS NO INTEREST IN THE BUSINESS. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

STATE EFFECTIVE DATES

The following states require that this Disclosure Document be registered or filed with the state, or that an exemption from registration be filed California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin, Connecticut, Nebraska, Kentucky, Utah, Florida and Texas

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

State	Effective Date
California	
Maryland	
New York	
Virginia	
Florida	Exempt
Texas	Exempt
Kentucky	Exempt

In all the other states, this Franchise Disclosure Document has an issuance date of March 6, 2019

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Exhibits to Franchise Disclosure Document

Exhibit A -	List of State Administrators/Agents for Service of Process
Exhibit B -	Form of Franchise Agreement
Exhibit C -	Financial Statements
Exhibit D -	Table of Contents-Operations Manual
Exhibit E -	List of Franchisees
Exhibit F -	State Addenda

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "we", "us" or "our" means Jomsom Franchise Company, Inc, the franchisor "You" means the person (or persons), corporation, partnership, limited liability company or other legal entity that is granted the franchise If you are a legal entity, each of the following individuals must sign our Guaranty (i) each of your shareholders and their spouses if you are a corporation, (ii) each of your partners and their spouse if you are a general partnership, or (iii) each of your members and managers and each of their spouses if you are a limited liability company All of the provisions of our Franchise Agreement (a copy of which is attached as Exhibit B to this Disclosure Document) will apply to you and to each individual who signs the Guaranty¹ Each individual who signs the Guaranty must also agree to be bound by the confidentiality and non-competition covenants of the Franchise Agreement

The Franchisor

We are a New Jersey limited liability company formed in March, 2012 We do business only under our corporate name and maintain our principal business address at 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540 Our agents for service of process, which vary by state, are identified in Exhibit A to this Disclosure Document

We offer and sell franchises for the operation of Jomsom Staffing Services Businesses We have never operated a Jomsom Staffing Services Business However, our affiliate IM Practices, Inc has operated a staffing business, similar to the one you will be operating since January, 2008 We also offer Area Representative franchises under a separate disclosure document

We have offered franchises for Jomsom Staffing Services businesses since September, 2012 and Area Representative franchises since April, 2016 We have never offered franchises in any other line of business We have no other business activities

Parents, Predecessors and Affiliates

We have no parent company or predecessors

Our affiliate, IM Practices, Inc, d/b/a Jomsom Staffing Services, a Delaware corporation, maintains its principal place of business at 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540 IM Practices, Inc was incorporated in January, 2008 and has operated a staffing business under the trade name IM Practices from January, 2008 through December 31, 2015 Beginning in January, 2016, IM Practices began operating under the trade name Jomsom Staffing Services IM Practices has not engaged in any other lines of business and has not offered franchises in any line of business

The Franchise Offered

We grant franchises for the right to operate a Jomsom Staffing Services Business which offers full time and part time personnel to businesses on a temporary, temporary to permanent, and permanent basis, as well as and other products and services that we approve If your residence is within twenty (20) miles of your Area of Prime Responsibility, you have the option of operating your Jomsom Staffing Service business from your home Otherwise, you will operate the Jomsom Staffing Service from an office location, within your Area of Prime Responsibility If you are operating from your home, you will be required to have a virtual office with access to suitable conference space

Jomsom Staffing Services businesses operate under our unique system relating to the establishment, development and operation of a Jomsom Staffing Services business (the "System") and proprietary marks ("Proprietary Marks") The Proprietary Marks include various trade names, trademarks, service marks, logos, and other indicia of origin including the service mark "Jomsom Staffing Services®" which we have designated or may in the future designate for use in connection with the System The System includes Proprietary Marks, know-how, trade secrets, sales techniques, marketing, advertising, and procedures for the operation and management of Jomsom Staffing Services businesses We may periodically make changes to the System

Area Representative

Although not a franchise, we may offer area representative rights pursuant to area representative agreements, granting the non-exclusive right to act as Jomsom's authorized area representative for sales and development within the territory granted under the area representative agreement If we elect to award additional area representative rights, we will do so under a separate franchise disclosure document

Currently, we have one Area Representative (See Item 2 for additional information about our Area Representative)

Market and Competition

The market for temporary, temporary to permanent and permanent staffing is highly developed You will compete with national, regional and local companies that provide similar services and some of which may have stronger name recognition in your region A business such as a Jomsom Staffing Services Business may also be affected by other factors, such as changes in economic conditions and population density Your business may be also be impacted by other normal business risks, including pricing policies of competitors, changes to laws or regulations, changes in supply and demand, new technologies and competition from internet-based organizations that provide information and some related products and services

We can give you no guarantees of success There are many business risk factors These include, without limitation, changing market conditions, demand, competition, quality and availability of labor, availability of financing, recession or depression (locally or nationally), wars, strikes, national emergencies, natural disasters, and liability and casualty losses Your own efforts and skills as a business owner are necessary, but not a guaranty, for you to be successful

We recommend that you consult with your own independent business advisors to evaluate these and other factors before deciding to invest in a Jomsom Staffing Services Business

Industry-Specific Laws and Regulations

You must comply with all federal, state and local laws, ordinances and regulations affecting the Jomsom Staffing Services Business Your Jomsom Staffing Services Business may also be subject to federal, state or local licensing and bonding requirements There are wide variations in licensing and bonding requirements, including the relative cost and difficulty in obtaining them You must learn and comply with the requirements for the area where your Jomsom Staffing Services Business will be located

You will also be subject to other laws or regulations that are not specific to the industry, but which apply to businesses generally You may also be subject to immigration laws and regulations, if you seek to place candidates who are not citizens of the United States

You must investigate and comply with all applicable laws and regulations affecting the Jomsom Staffing Service business. We do not assume any responsibility for advising you on these regulatory or legal matters. You should consult with your attorney about laws and regulations that may affect your Jomsom Staffing Services Business.

ITEM 2 BUSINESS EXPERIENCE

Chief Executive Officer/ President Saurabh Agarwal

Mr. Agarwal has served as our Chief Executive Officer and President since our formation in March 2012 through the present. From September 2018 through present, Mr. Agarwal has been the Chief Executive Officer and Founder of Reva Logistics, Inc. He has also been the managing partner of our affiliate, IM Practices, Inc., from January 2008, through the present.

Area Representative Onika Kakkar :

Ms. Kakkar has served as an Area Representative from September 2016 through the present. From 2011, through the present, Ms. Kakkar has also served as the Assistant Manager for the North Shore Center for Plastic Surgery in Great Neck, NY.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No information is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

The initial franchise fee for a Jomsom Staffing Services Business is \$40,000. The initial franchise fee is uniform to all franchisees establishing a Jomsom Staffing Services Business and must be paid in full when you sign the Franchise Agreement. The initial franchise fee is not refundable under any circumstances.

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**ITEM 6
OTHER FEES**

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
APR Royalty Fee	5% of Gross Sales of Temporary Staffing Services, 10% of Gross Sales of Permanent Staffing Services	Payable monthly, by no later than the 5 th business day of each month	"Gross Sales" includes all revenue derived from all business conducted at or from your Jomsom Staffing Services Business within your Area of Prime Responsibility See Note 1
National Account Commission Fee	Originating Franchisee 2 5% of Gross Sales Servicing Franchisee 95% of Gross Sales Franchisor Servicing Fee 2 5% of Gross Sales	Payable to you no later than the 5 th business day of each month	See Note 2
Brand Development Fund	Up to 5% of Gross Sales	Payable to the Fund due at the same time and in the same manner you pay the Royalty Fee	You must also spend 1 5% of your monthly Gross Sales and commissions on local advertising (the "Minimum Local Advertising Requirement") within your Area of Primary Responsibility See Note 3
Transfer	50% of the then current initial franchise fee	Prior to transfer	See Item 17 for a further explanation of transfer conditions
Insurance	Cost of insurance	Annually	Paid to Insurers See Item 7 We may obtain the insurance if you fail to You will pay the cost of the insurance premiums and a fee to us to cover its reasonable expenses

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Audit	Our audit costs	Upon completion of inspection/audit	See Note 4
Collection Costs, Attorneys' Fees and Interest	Interest on overdue amounts from the due date until paid at the lesser of 18% interest per year or the highest lawful interest rate, costs of collection, attorneys' fees and court costs	As incurred	See Note 5
Initial Training	Our then current tuition, you will also pay personal expenses, including transportation, lodging, meals and salaries	As incurred	We provide tuition-free initial training for up to 3 individuals (including you or an equity owner, and your manager), before your Jomsom Staffing Services Business opens. For any additional training requested beyond that, you will pay us our then current tuition, which is now set at \$300 per person, per day.
On-site Training, Supplemental Training and Regional Training Course	Our then current rates, you will also pay personal expenses, including transportation, lodging, meals and salaries for your employees	As incurred	We may charge a reasonable fee for additional on-site training (beyond the 7 days' of initial on-site opening assistance). We may charge our then current tuition for any refresher or supplemental training. Our current tuition is currently set at \$300 per person, per day, plus any travel related expenses we incur.

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Indemnification	Amount of loss or damages plus costs	As incurred	See Note 6
Bank Charges and Administrative Costs	Our then-current fees	Upon invoice	We may charge fees to cover bank charges and administration costs if an electronic funds transfer attempt is unsuccessful or you close your operating account, or any check or
New Product or New Supplier Approval	Cost of review and testing, (generally between \$1,000-\$5,000)	Payable to us, when incurred	We may request approval of a new product or a supplier under our published procedures. We or the independent testing facility that we designate may charge a fee for the testing. We may also charge you a fee for services in making a
Renewal Fee	25% of then current initial franchise fee	Prior to renewal	See Item 17 for a further explanation of renewal conditions
Technology Fee	Up to \$500 per month	Monthly	The Technology Fee will include (i) all website care, including but not limited to website hosting, updates, and changes and (ii) software development and
Pay Roll Financing Fee	2.5% of billed revenue	Weekly	Payable to Madison Resource Funding Corporation as our exclusive supplier

Notes

General Unless otherwise stated, all fees are paid to us and are non-refundable. All fees are imposed uniformly. We reserve the right to collect all fees due to us through electronic funds.

- In the event you are required to reimburse or otherwise return any monies to a payroll funding/ factoring company, you shall receive a royalty credit equal to 5% of the amount returned to the payroll funding/ factoring company. The credit shall be calculated on January 15th and July 15th of each calendar year and will be subject to the franchisor's receipt of sufficient documentation documenting the return of such monies.

- 2 You will have the option to designate a client a "National Account" for any clients who have offices in more than one franchisee's Area of Prime Responsibility. National Accounts will be required to execute an agreement directly with us or our affiliate. The franchisee who introduces the National Account to us, will be the Originating Franchisee. For each National Account, the franchisee who is responsible for the client placement, based on the Area of Prime Responsibility, will be the Servicing Franchisee for such particular placement. We will be responsible for billing and collecting all amounts owed by the National Account. Commissions will be based on the Gross Sales received by us during the prior month, for a placement from any National Account, less the following amounts:
- a) 2.5% servicing fee, payable to us,
 - b) All legal and other out-of-pocket collection expenses we (or our affiliate) incur,
 - c) The portion of other required insurance policy premiums allocated to the National Account,
 - d) Any costs incurred by us as a result of any license, permits or bond requirements
 - e) The APR Royalty Fee, and
 - f) The Brand Development Fee

In the event we (or our affiliate) are required to hire any temporary employees pursuant to a National Account contract, then such payroll and related expenses will be deducted from "Gross Sales" prior to calculating the commission payments to the Originating Franchisee and Servicing Franchisee.

In the event you work in cooperation with a competing staffing company for an end client that has offices in more than one franchisee's Area of Prime Responsibility, that account shall not be deemed a National Account. However, at your option you may work with the franchisee who services the Area of Prime Responsibility where the client is seeking a placement and you will receive a 2.5% referral fee.

Any agreements with competing staffing companies may not contain any non-compete, not-solicitations or any other restrictions that binds us, our affiliates or other System franchisees. You may not execute an agreement with a competing staffing company without prior written approval.

- 3 We reserve the right to establish a fund for national and/or regional and local advertising. You must participate in and contribute the amount that we require (up to one half percent (1/2%) of monthly Gross Sales and commissions you receive) to the Fund (the "Brand Development Fee"). After we have established the Fund, the Brand Development Fee will be credited towards your Minimum Local Advertising Requirement. You must contribute at least the amount designated for the Fund and then spend the amount specified in your lease if your lease requires you to spend more on local advertising than we require.
- 4 You must maintain accurate business records, reports, accounts, books, and we have the right to inspect and/or audit your business records during normal business hours. If any audit reveals that you have understated Gross Sales by 3% or more in any reporting period, or if you have failed to submit complete reports and/or remittances for any 2 reporting periods or you do not make them available when requested, you must pay the reasonable cost of the audit, including the cost of auditors and attorneys, together with amounts due

for royalty and other fees as a result of the understated Gross Sales, including interest from the date when the Gross Sales should have been reported

- 5 If we engage an attorney to collect any unpaid amounts (whether or not formal judicial proceedings are initiated), you must pay all reasonable attorneys' fees, court costs and collection expenses incurred by us. If you are in breach or default of any non-monetary material obligation and we engage an attorney to enforce our rights (whether or not formal judicial proceedings are initiated), you must pay all reasonable attorneys' fees, court costs and litigation expenses. If you institute any legal action to interpret or enforce the terms of the Franchise Agreement, and your claim in the action is denied or the action is dismissed, we may recover its reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against the same.
- 6 You must defend, indemnify and hold us and our related parties harmless from all fines, suits, proceedings, claims, demands, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising from your ownership, operation or occupation of your Jomsom Staffing Services Business, performance or breach of your obligations, breach of any representation or acts or omissions of you or your employees.

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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)	\$40,000	Lump Sum	Payable when you sign the Franchise Agreement,	Us
Lease and security deposit (Note 2)	\$600-\$3,000	Lump Sum	Upon execution of lease agreement	Landlord
Utility deposits (Note 3)	\$0-1,000	Lump Sum	As agreed upon with utility companies	Utility companies
Signage (Note 4)	\$0-\$1,000	As agreed upon	As incurred	Third party vendor
Furniture and Fixtures (Note 5)	\$0-\$2,000	As agreed upon	As incurred	Third party vendors
Office equipment, Computers, Office Supplies (Note 6)	\$1,000-\$5,000	As agreed upon	As Incurred	Third party vendors
Business software (Note 7)	\$800-\$1,000	As agreed upon	As incurred	Third party vendors
Business license and permits	\$200-\$500	As required by governmental authorities	As incurred	Governmental Authorities
Professional Fees (Note 8)	\$1,000-\$5,000	As agreed upon	As Incurred	Attorney, accountant and other professionals

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Business Insurance (Note 9)	\$2,000-\$7,500	As agreed upon	As Incurred	Insurance carrier/broker
Training Expenses (Note 10)	\$1,000-\$2,000	As Agreed	As Incurred	Airlines, hotels, restaurants
Additional Funds (Note 11)	\$37,500-60,000	Lump Sum	As Incurred	Third Party Vendors
Total (Note 12)	\$84,100-\$128,000			

- 1 Your Franchise Fee will be due upon signing the Franchise Agreement. There are NO REFUNDS UNDER ANY CONDITIONS once you have paid your Franchise Fee. We do not finance any portion of the fee.
- 2 You must operate your Jomsom Staffing Service Business from an office. The low end of this range assumes that you are operating your Jomsom Staffing Service Business from a virtual office. The high end of this range assumes that you are operating your Jomsom Staffing Service Business from a 500 -1,000 square foot office in a typical office building. Your office space (including any virtual office) must have access to suitable conference room space. Monthly rental for leased premises will vary depending upon the location of your business and then-current, local real estate rental market conditions. Estimates of rental costs may be obtained by contacting local commercial realtors. The range in the chart reflects an estimated lease deposit equal to the first and last months' rent plus a security deposit equal to one month's rent.
- 3 This estimate includes miscellaneous utility deposits such as telephone, electric, gas and water. These amounts will vary based upon your geographical area, credit rating and other factors. The low end of this range assumes that you are operating your Jomsom Staffing Service Business from a virtual office.
- 4 You will purchase signage for the exterior of your premises, meeting our specifications. The low end of this range assumes that you are operating your Jomsom Staffing Service Business from a virtual office and will not have any signage expenses.
- 5 This amount includes an estimate for office furniture, desks, file cabinets and other fixtures.
- 6 If you purchase from suppliers we recommend, the cost of mandatory equipment will be within this range. If you elect to acquire your mandatory equipment from other sources, it may cost more.

- 7 This amount includes an estimate for third party software See Item 11 for further details about the computer system
- 8 We recommend that you employ an attorney, accountant and other consultants
- 9 You must obtain and maintain the types and amounts of insurance described in the franchise agreement Certain types of insurance may not be required until you execute a contract with a staffing client During the term of the Franchise Agreement, the insurance requirements may be changed by us, without restriction See Item 8 for further details
- 10 The low estimate represents one person attending training that does not require air fare or hotel stays and the high estimate represents two people attending training with airfare and other related travel costs
- 11 This is an estimate only of the range of initial start-up expenses for 3 months It is not an estimate of working capital you will need These expenses include employee salaries, rent and miscellaneous costs, and the cost to purchase office supplies during the first three months your Jomsom Staffing business is in operation The estimate does not include royalty and advertising contributions or any allowance for an owner's draw

These figures are estimates and we cannot guarantee that you will not have additional expenses starting your business The amount of additional funds that you may need will depend on factors such as how much you follow our methods and procedures, your management skill, experience and business acumen, local economic conditions, e g , the local market for our service, the prevailing wage rate, competition and the sales level reached during the initial period, insurance deposits, etc You should review these figures carefully with a business advisor before making any decision to purchase a Jomsom Staffing business

- 12 In preparing these estimates, we relied upon our affiliate company's experience, in current operating expenses and estimates obtained from suppliers in the New Jersey area These figures are estimates only, and we cannot guarantee that you will not have additional expenses starting your Jomsom Staffing business We cannot estimate the operating results of your business We do not directly or indirectly finance any portion of your initial investment

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ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

We and our affiliate, IM Practices, Inc , have spent considerable time, effort and money to develop the Jomsom System. Your Jomsom Staffing Services Business must conform to our high and uniform standards of quality and service. We anticipate that our standards will change over time. You are expected to adhere to these changes.

You must purchase all products containing the Proprietary Marks and other specified items exclusively in accordance with our standards and specifications that will be disclosed to you in the Operations Manual or otherwise.

You must purchase these items from suppliers that we designate. We reserve the right to designate our self or our affiliates as the only approved supplier for the items noted above. Currently, we are not the supplier of any items and there are no approved suppliers in which any of our officers or directors own an interest.

We have entered into an exclusive agreement with Madison Resource Funding Corporation ("Madison"). You must enter into an agreement with Madison whereby Madison agrees to provide you with payroll financing for temporary staffing services and corporate support services, such as payroll processing, performing customer credit checks, invoicing and billing and collections. The fee for this service is two and one-half percent (2.5%) of billed revenue, which will be computed and charged to you by Madison on a weekly basis. Madison also offers additional services that you can purchase, at your option. Your agreement with Madison will authorize it to deduct amounts payable to us (See Item 10 for additional detail). We reserve the right to terminate our agreement with Madison, and consequently your agreement with Madison, in our sole discretion.

Those items for which we have neither designated nor approved suppliers must be purchased in accordance with our standards and specifications as described in the Operations Manual or otherwise. We have the right to modify specifications, standards, suppliers and approval criteria by providing you written notice. There is no limit on our right to do so.

We estimate that the current required purchases in accordance with our standards and specifications and designated suppliers are approximately 30% to 40% of the cost to establish your Jomsom Staffing Services Business and approximately 75% to 85% of the ongoing operating expenses of your Jomsom Staffing Services Business.

Approval of New Suppliers

If you desire to purchase any product or item for which approval is required from a supplier that is not on our approved supplier list, you must request approval of the item or supplier in writing and we will evaluate the supplier and/or item for approval. Although we are not contractually bound to evaluate any supplier or item within a definite time period, we will make a good faith effort to evaluate the supplier or item and to notify you of approval or disapproval within 30 days from the date we receive your written request.

Before approving any supplier, we may take into consideration a) consistency of products and/or name brands, b) economies of scale achieved by larger volumes, and c) certain other

benefits that a particular supplier may offer, such as new product development capability. When approving a supplier, we take into consideration the System as a whole, which means that certain franchisees may pay higher prices than they could receive from another supplier that is not approved. We reserve the right to withhold approval of a supplier for any reason. We do not release our standards and specifications or criteria for supplier approval to System franchisees.

You may not purchase any item from any supplier for which approval is required until you have first received written notification of our approval. You must reimburse us for our reasonable costs of evaluating and/or testing the proposed supplier or item, regardless of whether we approve the supplier or item. We expect that the cost of testing will range from \$1,000 to \$5,000 depending on the complexity of the products or items.

We may withdraw our approval at any time if any supplier's performance does not meet our criteria, we change our specifications, standards or requirements or other reasons.

Revenues of Franchisor and Affiliates

We and our affiliates may derive income or revenue from franchisee purchases. We and/or our affiliates have the right to receive payments from any supplier or distributor to you or to other franchisees within our franchise system and to use these monies without restriction and as we deem appropriate. As of the date of this disclosure document, we have not received any revenues from sales of products, from sales directly to franchisees, sales directly to authorized distributors or from fees or rebates received from vendors. However, we expect to receive rebate monies from Madison based on Madison's agreements with franchisees.

We and our affiliates may require you to purchase or lease goods and services from third parties. We and our affiliates may enter into arrangements with these third parties under which we and our affiliates receive revenue or other material benefit, like rebates, discounts, commissions, and allowances, as a result of consideration you or any of our other franchisees pay to the third parties.

National Accounts

If a client has offices in more than one franchisee's Area of Prime Responsibility, you will have the option to designate such client a "National Account." National Accounts will be required to execute an agreement directly with us or our affiliate. The franchisee who introduces the National Account to us, will be the Originating Franchisee and will receive 2.5% commission for all business conducted under the National Account contract for every Jomsom franchisee in the System. You must designate the client, a National Account in order to receive the 2.5% commission payments. For each National Account, the franchisee that is responsible for the client placement, based on the Area of Prime Responsibility, will be the Servicing Franchisee for such particular placement. If there is no franchisee in the Area of Prime Responsibility, then we will designate either ourselves, our affiliate, or another Jomsom franchisee to be the Servicing Franchisee. We will be responsible for billing and collecting all amounts owed by the National Account. Commissions will be based on the Gross Sales received by us during the prior month, for a placement from any National Account, less the following amounts:

- g) 2.5% servicing fee, payable to us,
- h) All legal and other out-of-pocket collection expenses we (or our affiliate) incur,
- i) The portion of other required insurance policy premiums allocated to the National Account,

- j) Any costs incurred by us as a result of any license, permits or bond requirements
- k) The APR Royalty Fee, and
- l) The Brand Development Fee

In the event we (or our affiliate) are required to hire any temporary employees pursuant to a National Account contract, then such payroll and related expenses will be deducted from "Gross Sales" prior to calculating the commission payments to the Originating Franchisee and Servicing Franchisee

Once a client becomes a National Account, System franchises are not permitted to execute any new agreements with the client

Advertising

All advertising and promotion of your Jomsom Staffing Services Business must conform to our specifications and standards and must be approved by us in advance. You must submit to us for our approval copies of all advertising and promotional materials including business cards, signs, displays and mailouts

Insurance

You must obtain and keep in force at a minimum the insurance we require in the Operations Manual or otherwise. The mandatory insurance currently includes

(a) Commercial General Liability

Coverage	Minimum Amounts and Limits
Each Occurrence	\$1,000,000
Personal & Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000

(b) Business Automobile Liability

Coverage	Minimum Amounts and Limits
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Combined Single Limit	

This policy shall include all Owned, Hired and Non-Owned Autos

(c) Worker's Compensation

Coverage	Minimum Amounts and Limits
Worker's Compensation	Statutory Limits or \$1,000,000 Each Accident in any state where there is no Statutory Requirement
Employer's Liability	\$1,000,000 Each Accident

	\$1,000,000 Disease/Each Employee
	\$1,000,000 Disease/Policy Limit

The Worker's Compensation coverage must include an Alternate Employer Endorsement

(d) Umbrella Excess Liability

Coverage	Minimum Amounts and Limits
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Property Damage (Occurrence Basis)	\$1,000,000 aggregate

(e) Comprehensive Crime/Employee Dishonesty Insurance

Coverage	Minimum Amounts and Limits
Each Claim	\$1,000,000

This policy must include Third Party coverage

(f) Professional Liability/Errors and Omissions

Coverage	Minimum Amounts and Limits
Each Claim	\$1,000,000

If the lease for your premises requires you to purchase insurance with higher limits than those we require, the lease insurance requirements will control. If your client requires you to purchase insurance with higher limits than those we require, the client insurance requirements will control. We may, at our sole option, defer the requirement to obtain certain types of insurance coverage until such time that you have executed a staffing client contract. All insurance policies must contain a separate endorsement naming us as an additional insured and must be written by an insurance carrier accepted in writing by us. No insurance policy may be subject to cancellation, termination, non-renewal or material modification, except upon at least 30 days' prior written notice from the insurance carrier to us. Upon request, you must provide us with a currently issued certificate of insurance evidencing coverage in conformity with our requirements. We may increase or otherwise modify the minimum insurance requirements upon 30 days' prior written notice to you, and you must comply with any modification.

Purchasing or Distribution Cooperatives

We may negotiate purchase arrangements with some of our suppliers (including price terms and product allocations) for the benefit of System franchisees, but we are under no obligation to do so. There are currently no purchasing or distribution cooperatives related to the Jomsom System.

Material Benefits

We do not provide material benefits to franchisees, such as renewal rights or ability to purchase additional franchises, based on your use of approved or designated sources.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement	Item in Disclosure Document
a	Site selection and acquisition/lease	4 5	Items 6 and 11
b	Pre-opening purchases/leases	5 2	Items 7 and 8
c	Site development and other pre-opening requirements	5 1, 5 2, 5 4	Items 6, 7 and 11
d	Initial and ongoing training	4 1, 4 2	Items 6, 7 and 11
e	Opening	5 1	Item 11
f	Fees	2 2 6, 3, 4 1, 5 10, 7 3 2 7	Items 5, 6 and 7
g	Compliance with standards and policies/Operating Manual	1 1, 5 2, 5 3, 5 4, 5 8, 5 9, 5 10	Items 8 and 11
h	Trademarks and proprietary information	5 5, 5 6, 5 12, 6 4 3, 6 7, 6 8, 8 2 1(a), 9 1 3	Items 13 and 14
i	Restrictions on products/services offered	5 9	Items 8 and 16
j	Warranty and customer service requirements	4 4, 5 2, 5 3, 5 4, 5 9	Item 11
k	Territorial development and sales quotas	1 2	Item 12
l	Ongoing product/service purchases	5 2, 5 8, 5 9	Item 8
m	Maintenance, appearance and remodeling requirements	5 6 5, 5 7, 6 8	Items 6 and 11
n	Insurance	6 6	Items 6, 7 and 8
o	Advertising	3 4, 4 1 4, 5 6 3	Items 6, 7 and 11
p	Indemnification	6 2	Item 6
q	Owner's participation/ management/staffing	5 3, 6 1, 6 4 4	Items 11 and 15
r	Records and reports	3 9	Item 6
s	Inspections/audits	3 8, 5 7	Items 6 and 11

	Obligation	Section in Franchise Agreement	Item in Disclosure Document
t	Transfer	7	Item 17
u	Renewal	2, 2	Item 17
v	Post-termination obligations	6, 4, 2, 9	Item 17
w	Non-competition covenants	6, 4, 9	Item 17
x	Dispute resolution	11	Item 17

ITEM 10 FINANCING

Except as set forth below, we do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

We have entered into an exclusive agreement with Madison Resource Funding Corporation ("Madison"). You must enter into an agreement with Madison whereby Madison agrees to provide you with payroll financing for temporary staffing services and corporate support services, such as payroll processing, performing customer credit checks, invoicing and billing and collections. The fee for this service is two and one-half percent (2.5%) of billed revenue, which will be computed and charged to you by Madison on a weekly basis. Madison also offers additional services that you can purchase, at your option. Pursuant to your agreement with Madison, you will authorize them to deduct the following amounts from monies payable to you:

- a) 2.5% servicing fee, payable to us (if applicable),
- b) All legal and other out-of-pocket collection expenses we (or our affiliate) incur (if applicable),
- c) The APR Royalty Fee,
- d) The Brand Development Fee, and
- e) A 2.5% referral fee (if applicable), if the non-National Account was referred by another Jomsom franchisee. We will pay the referral fee (if any) directly to the referring franchisee.

In the event your account with Madison is inactive for a period of ninety (90) days or more, Madison reserves the right to charge you \$250 per month to cover Madison's costs to keep your bank account open. To avoid this monthly fee, you may have Madison close their bank account and in such event, would need to notify Madison at least two (2) weeks in advance that you plan to commence activity, to provide Madison with sufficient time to have a new account set up with the bank.

We reserve the right to terminate our agreement with Madison, and consequently your agreement with Madison, in our sole discretion.

Except for payroll financing (described above) we do not know if you will be able to obtain financing for all or part of your investment and, if so, what the terms of such financing will be. We will receive rebates from Madison (for the payroll financing). Otherwise, we do not receive direct or indirect payments for placing financing.

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

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

Pre-Opening Obligations

Before you open your Jomsom Staffing Services Business, we are obligated under the Franchise Agreement to

- 1 Provide initial tuition-free training for up to 3 persons (including you and your manager) (Section 4.1.1 of the Franchise Agreement). We also will provide you continuing consultation and advice as we deem advisable before your Jomsom Staffing Services Business opens for business (Section 4.1.2 and Section 4.2 of the Franchise Agreement).
- 2 Provide you with a list of approved vendors (Section 5.9 of the Franchise Agreement).
- 3 Loan you or otherwise provide you with access to a specifications, operations and procedures manual, and one copy of other books, binders, videos or other electronic media, intranet postings and other materials, referred to collectively as the "Operations Manual", containing mandatory and suggested standards, operating procedures and rules which we prescribe, as well as information relating to your other obligations under the Franchise Agreement. We have the right to add to and otherwise modify the Operations Manual as it deems necessary and reasonable, however, no change to the Operations Manual will materially alter your fundamental rights under the Franchise Agreement. We may provide the Operations Manual solely through our website(s) and/or intranet or other electronic means without any need to provide you with a paper copy or other physical format (Section 4.3 of the Franchise Agreement). Attached as Exhibit D is a copy of the table of contents of our Operations Manual as of the issuance date of this Disclosure Document. The Operations Manual has 245 pages. The number of pages and subjects in the Operations Manual are reflected in the table of contents.

Site Selection and Opening

Franchisees typically open their Jomsom Staffing Services Businesses for business within 90 days after they sign the Franchise Agreement or pay any consideration for the franchise. The actual length of time it will take you to open your Jomsom Staffing Services Business will depend upon the scheduling of the training program. See Items 12 and 17.

You may operate your Jomsom Staffing Services Business from your home or a typical office building with access to suitable conference room space. If you elect to operate out of an office building location, you do not need our prior approval for the location. However, such office building location must be located within your Area of Prime Responsibility. You may not operate your Jomsom Staffing Service Business from your home if your residence is not located within twenty (20) miles from your Area of Prime Responsibility. If you operate out of your home, you must obtain a virtual office with access to suitable conference room space.

You may not open the Jomsom Staffing Services Business for business until we notify you that (i) the Jomsom Staffing Services Business complies with our standards and specifications, (ii) you and

any required personnel have completed pre-opening training requirements, and (iii) you have given us copies of all insurance policies and evidence of coverage and premium payment (Section 5.1 of Franchise Agreement)

If the Jomsom Staffing Services Business is not opened for business within 180 days from the date you sign the Franchise Agreement, we have the right to terminate the Franchise Agreement

Continuing Obligations

During the operation of your Jomsom Staffing Services Business, we are obligated under the Franchise Agreement to

- 1 Provide periodic assistance we deem appropriate and advisable. Subject to availability of personnel and at your request, we will make personnel available to provide additional on-site assistance at a reasonable fee (Section 4.2 of the Franchise Agreement)
- 2 Provide, in addition to the assistance rendered to you prior to opening and in connection with your opening, continuing consultation and advice as it deems advisable regarding sales and marketing techniques, operating procedures, obtaining supplies and other products and services, administrative, bookkeeping, accounting and management procedures, personnel development and other business, operational and advertising matters that directly relate to the franchise operation. This assistance may be provided by telephone, facsimile, email, postings to our intranet, periodically through on-site assistance by appropriate personnel, and/or other methods (Section 4.2 of the Franchise Agreement)
- 3 Administer, after we establish a brand development fund, the contributions to the fund (Section 4.1.4 of the Franchise Agreement)
- 4 To the extent that any National Account has a location in your Area of Prime Responsibility, you will be required to hire all candidates to be furnished to National Account customers in your Area of Prime Responsibility (to the extent required by the contract between us and the National Account), and recruit, screen, interview, test, recommend for hire, train, place and manage these candidates on behalf of us (or our affiliate) (Section 4.4 of the Franchise Agreement)
- 5 We will bill National Account customers and collect all payments made by National Account customers. You may not bill or collect any monies from National Accounts, but must, at our direction, actively assist and cooperate with us in our billing and collection efforts (Section 4.4 of the Franchise Agreement)

Advertising Programs

We have established a Brand Development Fund (the "Fund") to be administered for the common benefit of System franchisees. Under the Franchise Agreement, we have the right to require you to spend up to one half percent (1/2%) of your monthly Gross Sales and Commissions on advertising, and we have the right to require you to contribute this amount to the Fund (Franchise Agreement, Section 4.1.4). Any contributions to the Fund will be credited towards your Minimum Local Advertising requirements (Franchise Agreement, Section 3.4.2.1).

Neither we nor our affiliate-owned Jomsom Staffing Services Businesses are contractually required

to contribute to the Fund. We have the sole right to determine contributions and expenditures from the Fund, or any other advertising program, and sole authority to determine the selection of the advertising materials and programs. We are not required, under the Franchise Agreement, to spend any amount of fund contributions in your territory and not all System franchisees will benefit directly or on a pro rata basis from these expenditures. Advertising contributions may be used at our discretion in the development, production and distribution of national, regional and/or local advertising, and in the creation of advertising materials and public relations which, in our sole judgment, promote the products and services offered by System Jomsom Staffing Services businesses, including development and production of advertising and marketing programs and materials, purchase of media, field marketing programs and activities, promotions, new product research and development, quality control, market research, talent fees, working with public relations firms, website development and maintenance, and for administrative, travel, debt service and operating costs and overhead. Our decisions in all aspects related to the Fund will be final and binding. We may charge the Fund for the costs and overhead, if any, we incur in activities reasonably related to the creation and implementation of the fund and the advertising and marketing programs for franchisees. These costs and overhead include (i) the cost of preparing advertising campaigns and other public relations activities, (ii) the cost of employing advertising agencies, including fees to have print or broadcast advertising placed by an agency and all other advertising agency fees, and (iii) the proportionate compensation of our employees who devote time and render services in the conduct, formulation, development and production of advertising, marketing and promotion programs or who administer the Fund. (Franchise Agreement, Section 3.4.2)

Your contributions to the Fund will not be used for advertising that is principally a solicitation for the sale of additional franchises, but we reserve the right to include a message or statement in any advertisement indicating that franchises are available for purchase and related information (Franchise Agreement, Section 3.4.2)

We may also establish special promotional programs. You are required to participate in special promotional programs and you must pay your share of the cost of developing and implementing the program, including common development, design and advertising costs. (Franchise Agreement, Sections 4.3.2, 4.3.5 and 4.3.6). See Item 6.

Advertising to be used by the Fund or by you locally may be produced in-house or through an outside agency. (Franchise Agreement, Section 3.4.2.2)

Although we anticipate that all advertising contributions will be spent in the fiscal year in which they accrue, any remaining amounts will be carried over for use during the next fiscal year. There is no requirement that the fund be audited. Upon your written request, we will provide you with un-audited fiscal year end financial statements and accountings of Fund expenditures. (Franchise Agreement, Section 3.4.2.2)

In our prior fiscal year, we spent 50% of Fund contributions on digital marketing and 50% on marketing materials.

There is currently no advertising council in place for the System.

Local Advertising

Under the Franchise Agreement, you are required to spend 1.5% of your monthly Gross Sales and Commissions on advertising in your Area of Prime Responsibility (the Minimum Local Advertising Requirement”), which includes any special promotional programs developed or implemented by

us (Franchise Agreement, Section 3.4) You may use your own advertising material so long as you have received prior written permission from us. If you propose to use any advertising which we have not previously approved, we have the right to condition approval of your proposed advertising upon your agreement to provide other System franchisees, whose businesses are located within the circulation area of the proposed advertising, the opportunity to contribute to and to participate in the advertising. You must provide any proposed advertising to us at least 30 days before you propose to use it. We are not contractually obligated to approve or reject any advertising submitted to us within the 30 days, but we will attempt to do so. You may not use the advertising unless we give you approval in writing (Franchise Agreement, Section 5.6.3). We are not required under the Franchise Agreement to spend any amount on advertising in your local area or your Area of Prime Responsibility. You may not establish a website using or displaying any of the Proprietary Marks, and you may not advertise your Jomsom Staffing Services Business or the sale of products or services offered by you businesses on the Internet or through social media, except as we permit. We may host and give you access to a separate web page for your Jomsom Staffing Services Business on our website(s). Any website, social media platform or electronic materials you propose to use must be approved in advance by us before publication to the site (Franchise Agreement, Section 3.4.4).

Advertising Cooperatives

If we establish an advertising cooperative within a geographically defined local or regional marketing area in which your Jomsom Staffing Services Business is located, you must participate and abide by any rules and procedures the cooperative adopts and we approve. You will contribute to your respective cooperative an amount determined by the cooperative, but not to exceed 1% of your monthly Gross Sales and Commissions. Amounts contributed to a cooperative will not be credited against monies you are otherwise required to spend on local advertising or Fund contributions. We have the right to draft your bank account for the advertising cooperative contribution and to pass those funds on to your respective cooperative. Any affiliate businesses that we operate will not be required to participate in any advertising cooperative that we establish.

The cooperative members are responsible for the administration of their respective advertising cooperative, as stated in the by-laws that we approve. The by-laws and governing agreements will be made available for review by the cooperative's franchisee members. We may require a cooperative to prepare annual or periodic financial statements for our review. Each cooperative will maintain its own funds, however, we have the right to review the cooperative's finances, if we so choose.

We reserve the right to approve all of a cooperative's marketing programs and advertising materials. On 30 days written notice to affected franchisees, we may terminate or suspend a cooperative's program or operations. We may form, change, dissolve or merge any advertising cooperative.

Computers and Point of Sale Registers

You must acquire computer hardware equipment and software that we require in connection with the operation of your Jomsom Staffing Services Business and all additions, substitutions and upgrades we specify. Your computer system must be able to send and receive email and attachments on the Internet and provide access to the World Wide Web and otherwise support our then-current information technology system.

We will have the right to independently access information and data collected by your computer system or otherwise related to operation of your Jomsom Staffing Services Business. You must allow us to access the information remotely. There is no contractual limitation on our right to access this information and data. (Franchise Agreement, Section 5.12)

We estimate that your cost to purchase required software will range from \$800 - \$1,000. We also estimate that you may be required to pay \$160-\$500 per month for ongoing software support and maintenance fees. This amount will be in addition to the Technology Fee (if any).

You must upgrade or update your computer equipment and software. There is no contractual limitation on the frequency or cost of required updates or upgrades. In addition to any charges imposed by computer hardware and software vendors, we may charge you a reasonable systems fee for modifications and enhancements we or our vendors or representatives make to proprietary software and for other maintenance and support services that we may furnish to you.

Training Program

Initial Training Schedule

SUBJECT	HOURS OF CLASS-ROOM TRAINING	HOURS OF ON SITE TRAINING	LOCATION
Business Overview	1		Princeton, NJ
Relationship with the Franchisor	1		Princeton, NJ
Pre-Opening Obligations	3		Princeton, NJ
HR	5		Princeton, NJ
Business Development Procedures	6		Princeton, NJ
Office Procedures	8		Princeton, NJ
Recruiting Procedures	4.5		Princeton, NJ
Placing Candidates	4.5		Princeton, NJ
Candidate Management	3		Princeton, NJ
Marketing	4		Princeton, NJ
TOTAL HOURS	40		Princeton, NJ

The initial training program is designed to provide training in the operation and management of a Jomsom Staffing Services Business. The training program is conducted on an as-needed basis and will be held at our affiliate's location in Princeton, New Jersey, or other place as we designate.

Part of the initial training will consist of on-the-job training. Training will be done by Saurabh Agarwal, who has operated a business similar to the one you will be operating since 2008. Certain portions of the training may be conducted by other Jomsom employees.

Both you and each of your initial, additional and/or replacement managers must attend, and complete the initial training program to our satisfaction before opening your Jomsom Staffing Services Business or assuming management responsibility. If initial training is otherwise required for you or any manager, you must pay us our then-current tuition for each person to attend the additional initial training program beyond the tuition free allowances. The current tuition for attending our additional initial training for these persons is \$2,500 per person. See Items 6 and 7. You are responsible for all training-related expenses including transportation to and from the training site, lodging and dining expenses. In addition, if your manager(s) will receive a salary during training, you are solely responsible for paying their salary.

We have the right to offer refresher courses from time to time to you, your manager and/or your employees. You and your manager are required to attend the additional training at your cost and at our then-current tuition if we, in our sole discretion, consider the training necessary. Our current tuition for refresher courses is \$300 per person per day. You are solely responsible for your expenses and your managers and/or employees' expenses which are incurred during training.

ITEM 12 TERRITORY

The Franchise Agreement grants you the right to operate one Jomsom Staffing Services Business at the specific location identified in the Franchise Agreement or subsequently identified and mutually acceptable to both you and us. You may operate the business out of your home or at an office building location located within your Area of Prime Responsibility. If you operate the business at a location outside the Area of Prime Responsibility without our prior written approval, we may terminate the Franchise Agreement. However, you may operate out of your home, provided that your residence is located within twenty (20) miles of your Area of Prime Responsibility. If you do operate out of your residence, you must obtain a virtual office with access to suitable conference space. You may not relocate your business without our prior approval. We will not unreasonably withhold our approval of your relocation request, except that the new location must be within your Area of Prime Responsibility. If you operate the business from a home office and you choose to sell your home and move to a new area more than twenty (20) miles from your Area of Prime Responsibility, we reserve the right to require you to lease premises within your Area of Prime Responsibility for the business.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We will provide you with a protected Area of Prime Responsibility ("APR") subject to the following terms, conditions and limitations set forth in this Section: if you are in compliance with the Franchise Agreement, we will not own, operate, franchise or license any other Jomsom Staffing Services Business within the APR during the Term of the Franchise Agreement. You have no right to distribute any products offered in the Jomsom Staffing Services Business through any alternate channels of distribution.

We and/or our affiliates reserve all other rights with respect to your APR, which include but are not limited to (i) the right to own, operate, franchise or license, both within and outside the APR, businesses operating under names other than the Proprietary Marks, regardless of whether or not these other concepts offer products and services which are similar to or competitive with those offered by your Jomsom Staffing Services Business, and (ii) the right to distribute products and services in alternative channels of distribution both within and outside the APR, (which alternative channels of distribution includes but is not limited to sales of products or services at or through the internet, and any similar outlets or distribution methods) We and our affiliates are under no obligation to pay you and compensation for selling similar products or services through other channels of distribution under the same and/or different proprietary marks within the APR

We and/or our affiliates retain the right to use and to license others to use the System for the operation and licensing of other Jomsom Staffing Services Businesses at any locations outside of the APR

Your APR will consist of an area with a minimum of 10,000 businesses (as calculated by our Intellevue mapping software) You will be required to service and assume any pre-existing obligations for any National Account, to the extent that the National Account maintains an office in your APR

If another Jomsom Franchisee refers you a client whose location is within your APR (and is not a National Account), then you will be required to pay the referring franchisee a referral fee equal to 2.5% of the Gross Sales for such account. If you refer a client to another Jomsom Staffing franchisee (and such client is not a National Account), the franchisee will be required to pay you a referral fee equal to 2.5% of the Gross Sales for such account

We are not prohibited from establishing any company-owned, affiliate-owned or franchised outlets for a similar or competitive business within your APR under a different trademark or service mark, as described in this Disclosure Document, above

Continuation of your franchise and retention of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency

We do not offer franchisees any option, right of first refusal or any similar right to acquire additional franchises within the Territory or contiguous territories

ITEM 13 TRADEMARKS

The following is a list of all of the principal trademarks that we will currently license to you (the "Proprietary Marks")

Mark	Registration Number	Registration Date
JOMSOM STAFFING SERVICES	4331369	May 7, 2013

The Proprietary Marks are owned by our affiliate, IM Practices, Inc. Pursuant to a trademark license agreement, we have been granted the right to use and sub-license the Proprietary Marks

There are no agreements currently in effect that significantly limit our right to use or license the use of the Proprietary Marks in any manner material to the franchise

Your rights to the Proprietary Marks are derived solely from your Franchise Agreement. You may not use the Proprietary Marks with any unauthorized product or service or in any way not explicitly authorized by the Franchise Agreement or that we may otherwise approve. You may have the right to potentially use future trademarks that we may subsequently license to you. You will only use the Proprietary Marks as we authorize. In using the Proprietary Marks, you must strictly follow our rules, standards, specifications, requirements and instructions which may be modified by us in our discretion. All goodwill associated with the Proprietary Marks remains our exclusive property. When your Franchise Agreement expires or terminates, all rights for you to use the Proprietary Marks shall cease and you shall not maintain any rights to use any Proprietary Mark.

You cannot use the Proprietary Marks (or any variation of the Proprietary Marks) as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our registered name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. You may not apply for any trademark.

In the event of any infringement of, or challenge to, your use of any of the Proprietary Marks, you must immediately notify us, and we will have sole discretion to take such action as deemed appropriate. We will indemnify and hold you harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state trademark law arising solely from your use of the Proprietary Marks in accordance with the Franchise Agreement or as otherwise set forth by us in writing, if you have notified us promptly of the claim. We reserve the right, under the Franchise Agreement, to substitute different Proprietary Marks for use in identifying the System and the businesses operating under the System if the current Proprietary Marks no longer can be used, or if we, in our sole discretion, determine that substitution of different Proprietary Marks will be beneficial to the System. If we substitute any of the Proprietary Marks, you must bear the cost and expense of all substitutions at your Jomsom Staffing Services Business (for example, changing signage, business cards, etc.).

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any registered copyrights or patents which are material to the franchise, but claim common law protection for many aspects of our business including, without limitation, our Operations Manual and other manuals, advertising and promotional material, and training materials and programs.

You do not acquire any interest in our confidential information, other than the right to utilize it in the operation of your Jomsom Staffing Services Business during the term of the franchise agreement. You may never during the term, including any renewal, of the Franchise Agreement, or after the Franchise Agreement expires or is terminated, reveal any of our confidential information to another person or entity, or use our confidential information for the benefit of any other person or entity. You may not copy, record or otherwise reproduce any of our confidential information except as we may authorize. All persons affiliated with you including your officers, directors, partners, shareholders, members, managers and employees and the members of those persons' immediate families, must execute a Confidentiality Agreement in the form attached as Exhibit C to the Franchise Agreement.

Our confidential information includes, but is not limited to System specifications, checklists, techniques, merchandising, marketing, and pricing for any of the products or services sold or offered through the System. It also includes our methods of business practices and management, Operations Manual and other manuals, advertising and promotional material, and training materials and programs.

All new products, services and other developments, whether they be of our original design or variations of existing services or techniques or your original design or variations of existing services or techniques, will be deemed works made for hire and we will own all rights in them. If they do not qualify as works made for hire, you will assign ownership to us under the Franchise Agreement. You will not receive any payment or adjustment in connection with any new products, services or developments.

We will own all business records with respect to customers of your Jomsom Staffing Services Business, including any databases (whether in print, electronic or other form), including all names, addresses, telephone numbers, e-mail addresses, customer staffing records, and all other similar records that you create and maintain in connection with the operation of your Jomsom Staffing Services Business. At all times during and after the termination or expiration of your franchise agreement, we may access such business records and may utilize, transfer or analyze such records as we determine, in our sole discretion, to be in the best interest of the Jomsom System.

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

We require that you personally participate in the operation of your Jomsom Staffing Services Business. The Jomsom Staffing Services Business must be operated by either yourself (if an individual) or a designated manager. In the case of an entity franchisee, the Jomsom Staffing Services Business must be operated by a designated manager. Both the franchisee (in the case of an individual) and the designated manager must satisfactorily attend and complete our training program. Personal attention by you and/or the designated manager is critical to the success of your Jomsom Staffing Services Business. Your designated manager need not have any equity interest in the franchise. Either you or your designated manager must furnish full-time attention and best efforts to the management of the Jomsom Staffing Services Business and personally supervise the Jomsom Staffing Services Business.

You may not change or otherwise replace the designated manager of your Jomsom Staffing Services Business without our prior written approval. If your relationship with your designated manager terminates or materially changes, you will be required to promptly designate a new designated manager. Any replacement designated manager is subject to our prior written approval, and he or she must successfully complete our initial training program before being responsible for the day to day management of your Jomsom Staffing Services Business. You must pay the charges that we establish for training programs furnished to any individual who replaces a previously trained designated manager.

You will disclose to your designated manager only the information needed to operate the Jomsom Staffing Services Business and the designated manager will be advised that any confidential information is our trade secret.

In addition, your designated manager and all persons affiliated with you, including your officers, directors, partners, shareholders, members, managers and employees and the members of those persons' immediate families to execute a Confidentiality Agreement in the form attached as Exhibit C to the Franchise Agreement

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to limit your business to the operation of a Jomsom Staffing Services Business. You may not conduct any other business or activity in connection without our written permission. You may only offer the products and services authorized by your Franchise Agreement.

You must maintain regular business hours we establish. You are not permitted to sell or offer any services to customers outside your Area of Prime Responsibility without our prior written consent.

You may only offer or sell products that are approved by us and must offer for sale certain products as designated by us. We may add, delete or alter approved products that you are required or allowed to offer in our reasonable discretion. There are no limits on our right to do so. You must discontinue selling and offering any products, services or items that we, in our sole discretion, disapprove in writing at any time.

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ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

	Provision	Section in Franchise Agreement	Summary
a	Term of franchise	2.1	10 years
b	Renewal or extension of the term	2.2	You have the right to renew the franchise for two additional 5-year terms
c	Requirements for you to renew or extend	2.2	You may renew if you (i) have notified us of your election to renew, (ii) are not in default of any agreement between you and us or our affiliates and have substantially complied with all agreements during their term, (iii) have satisfied all monetary obligations owed to us and/or our affiliates, (iv) have executed our then-current form of Franchise Agreement, (v) have satisfied our then-current training requirements for new franchisees, (vi) have executed a release of any and all claims against us, our affiliates, and our shareholders, officers, directors, agents, employees, attorneys and accountants arising out of or related to the Franchise Agreement or any related agreement, and (vii) paid the renewal fee. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d	Termination by you	8.1	You must give us 90 days written notice to cure any default within 60 days of the event or circumstances giving rise to the breach. You must be in material compliance. If we fail to cure any material breach within the 90 day cure period, you may terminate for that reason by written notice, except if the breach is not susceptible to cure within 90 days, but we take action within 90 days to begin curing the breach and acts diligently to complete the corrective action within a reasonable time, we will be deemed to have timely cured the breach.
e	Termination by Franchisor without cause	No provision	Not applicable

	Provision	Section in Franchise Agreement	Summary
f	Termination by Franchisor with cause	8 2	We have the right to terminate the Franchise Agreement with cause. Depending upon the reason for termination, we do not have to provide you an opportunity to cure. See this Item 17(g) and (h) for further description.
g	Cause defined – default which can be cured	8 2 1	We have the right to terminate the Franchise Agreement, (i) after a 7 day cure period if your failure to comply with the Franchise Agreement relates to the Proprietary Marks or Confidential Information, (ii) after a 7-day cure period or time permitted by an agency citation if shorter, if a threat or danger to public safety exists, except you must correct violation immediately if it is possible to do so, (iii) after a 15-day cure period upon your failure to pay any sums owed to us or our affiliate, or (iv) after a 30 day cure period upon your failure to pay any sums owed to a third party other than us or our affiliates or upon your failure to comply with any other provision not listed above or listed below as a non-curable default, except if the breach is not susceptible to cure within the applicable cure period, but you take action within the cure period to begin curing the breach and act diligently to complete the corrective action within a reasonable time, you will be deemed to have timely cured the breach.
h	Cause defined – default which cannot be cured	8 2 2	We have the right to terminate the Franchise Agreement without providing you an opportunity to cure if (i) you commit any criminal acts, (ii) you file for bankruptcy or are adjudicated a bankrupt, (iii) if insolvency proceedings are commenced against you, (iv) if you are the subject of a lien, (v) you become insolvent, (vi) we send you 2 or more written notices to cure within one 12-month period, (vii) you misrepresent yourself in any way in connection with your franchise application, (viii) you or your principals materially breach any other agreements with us or our affiliates, (ix) you commit fraud in the operation of your Jomsom Staffing Services Business, (x) you intentionally underreport or misstate any information required to be reported to us, or (xi) you voluntarily or otherwise abandon the franchise.
i	Your obligations on termination/non-renewal	9 1	You must cease operation of the Jomsom Staffing Services Business, pay all unpaid fees, discontinue using the Proprietary Marks, return the Operations Manual and all other confidential information to, transfer your business telephone numbers to us or our designee, surrender all stationery, printed matter, signs, advertising materials and other items containing the Proprietary Marks and all items which are part of the System. You must also assign to us all active staffing contracts.
j	Assignment of contract by Franchisor	7 6	We have the unrestricted right to sell, transfer, assign and/or encumber all or any part of our interest in the Franchise Agreement or ourselves.

	Provision	Section in Franchise Agreement	Summary
k	"Transfer" by you – definition	7 3	A sale, transfer or assignment is deemed to occur if (i) you are a corporation, upon any assignment, sale, pledge or transfer or increase of 20% or more of your voting stock which results in a change of ownership of 20% or more of your total voting stock, or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of your voting stock, (ii) if you are a partnership, upon the assignment, sale, pledge or transfer of 20% or more of any partnership ownership interest or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of the partnership interest, or (iii) you are a limited liability company, upon the assignment, sale, pledge or transfer of any interest in the limited liability company
l	Franchisor's approval of transfer by franchisee	7 1	You may not sell, transfer, assign or encumber your interest in the Jomsom Staffing Services Business or your rights under the Franchise Agreement without our prior written consent
m	Condition for Franchisor's approval of transfer	7 3 2	Approval to sell or transfer your franchise may be conditioned upon the following (i) satisfaction of all monetary obligations to us, our affiliates, or suppliers, (ii) the timely cure of all existing defaults under the Franchise Agreement, (iii) execution of a general release, and (iv) providing us with a copy of the executed purchase agreement relating to the proposed transfer. The proposed transferee must have demonstrated to us that he or she meets our standards, possesses good moral character, business reputation and credit rating, has the aptitude to operate the Jomsom Staffing Services Business and has adequate financial resources to conduct the business. The transferee must have executed our then-current Franchise Agreement, you or the transferee have paid to us the transfer fee, and the transferee and its designated manager must have completed our initial training program.
n	Franchisor's right of first refusal to acquire your business	7 3 1	If you propose to transfer or assign 20% or more of your interest in the Franchise Agreement or the Jomsom Staffing Services Business to a third party, you must first offer us the option to purchase your Jomsom Staffing Services Business upon the same terms as those offered by the third party.
o	Franchisor's option to purchase your business	9 1 7	If the Franchise Agreement is terminated, we have the limited right to purchase usable inventory and any items containing the Proprietary Marks at the lesser of cost or its then-current value.
p	Your death or disability	7 2	If you die or become disabled or incapacitated, your executor, heir or legal representative must obtain approval to continue as the franchisee within 180 days from the date of your death, disability or incapacity.

	Provision	Section in Franchise Agreement	Summary
q	Non-competition covenants during the term of the franchise	6 4 1	Neither you nor your partners, shareholders, members or managers, nor immediate family members may have any interest in any other business which principally provides staffing services (a "Competing Business")
r	Non-competition covenants after the franchise is terminated or expires	6 4 2	The Franchise Agreement limits your right and the rights of your partners, shareholders, members, managers and immediate family members, for 2 years following the date of the expiration and non-renewal, transfer or termination of the Franchise Agreement (i) to own, engage in, be employed or have any interest in any Competing Business within 50 miles of your Area of Prime Responsibility or other Jomsom Staffing Services Businesses, (ii) to solicit business from former customers of your Jomsom Staffing Services Business for any competitive business purpose or to solicit employees of us, our affiliates or other System franchisees, or (iii) to own, maintain, engage in, be employed by, or have any interest in any company which grants franchises or licenses for any business competing with us
s	Modification of this agreement	11 1	The Franchise Agreement may only be modified by written amendment signed by both parties
t	Integration/merger clauses	11 1	The Franchise Agreement is the entire agreement between the parties
u	Dispute resolution by arbitration or mediation	No Provision	Not applicable
v	Choice of forum	11 2, 11 3	All actions must be commenced in the county and state in which we are located (currently the Courts of Mercer County, New Jersey, or the United States District Court, District of New Jersey)
w	Choice of law	11 2	New Jersey law applies

ITEM 18 PUBLIC FIGURES

We do not currently use any public figure to promote our franchise

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jomsom Franchise Company, LLC, Attn: Saurabh Agarwal, President, 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540, (866) 435-4050.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2016 to 2018

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2016	3	3	0
	2017	3	4	+1
	2018	4	5	+1
Company Owned	2016	0	1	+1
	2017	1	2	+1
	2018	2	2	0
Total Outlets	2016	3	4	+1
	2017	4	6	+2
	2018	6	7	+1

TABLE NO 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2016 to 2018

STATE	YEAR	NUMBER OF TRANSFERS
None	2016	0
	2017	0
	2018	0

TABLE NO 3
STATUS OF FRANCHISED OWNED OUTLETS
FOR YEARS 2016 to 2018

State	Year	Outlets at start of year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at end of year
Mississippi	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
New York	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	1	0	1
	2018	1	0	0	0	0	0	1
Nevada	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
Texas	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Totals	2016	3	0	0	0	0	0	3
	2017	3	2	0	0	1	0	5
	2018	5	1	0	0	0	0	6

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TABLE NO 4
STATUS OF COMPANY OWNED OUTLETS
FOR YEARS 2016 to 2018

State	Year	Outlets at start of year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at end of year
New Jersey	2016	0	1	0	0	0	0	+1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Totals	2016	0	1	0	0	0	0	+1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1

** Our affiliate, IM Practices, Inc has operated a staffing business since January, 2008 In January, 2016, our affiliate began operating its staffing business under the trade named Jomsom Staffing Services

TABLE NO 5
PROJECTED OPENINGS
AS OF JANUARY 1, 2019

State	Franchise Agreement Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
New Jersey	0	1	0
North Carolina	0	1	0
Total	0	2	0

ITEM 2
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit C is our audited financial statement as of December 31, 2018, December 31, 2017 and December 31, 2016

ITEM 22
CONTRACTS

Included in this Disclosure Document are the following contracts or agreements

Exhibit B - Franchise Agreement

Exhibit 1 – Individual Franchise Location and Territory
Exhibit 2 – Personal Guaranty
Exhibit 3 – Form of Confidentiality and Agreement
Exhibit 4 – Form of General Release
Exhibit 5 – Franchise Disclosure Questionnaire

Exhibit F – State Addenda

ITEM 23
RECEIPT

Attached to the end of this Disclosure Document are duplicate copies of a receipt page. You should sign both copies of the Receipt and return one signed copy to us at Jomsom Franchise Company, LLC, Attn: Franchise Department, 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540

[The disclosure document ends here]

EXHIBIT A
STATE ADMINISTRATORS/
DESIGNATION OF AGENT FOR SERVICE OF PROCESS

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

<u>CALIFORNIA</u> Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (866) 275-2677 Agent: California Commissioner of Business Oversight	<u>NORTH DAKOTA</u> North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712 Agent: North Dakota Securities Commissioner
<u>HAWAII</u> Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 Agent: Commissioner of Securities of the State of Hawaii	<u>OREGON</u> Department of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4387 Agent: Director of Oregon Department of Insurance and Finance
<u>ILLINOIS</u> Franchise Division Office of Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465 Agent: Illinois Attorney General	<u>RHODE ISLAND</u> Department of Business Regulation Division of Securities 1511 Pontiac Ave John O. Pastore Complex Building 69-1 Cranston, RI 02920 (401) 462-9500 Agent: Director of Rhode Island Department of Business Regulation of Financial Institutions
<u>INDIANA</u> Franchise Section Indiana Securities Division Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681 Agent: Indiana Secretary of State Indiana Securities Division 201 State House Indianapolis, IN 46204	<u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4823 Agent: Director of South Dakota Division Securities

<u>MARYLAND</u> Office of the Attorney General Securities Division 200 St Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Agent Maryland Securities Commissioner 200 St Paul Place Baltimore, Maryland 21202-2020	<u>VIRGINIA</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 Agent Clerk of the State Corporation Commission 1300 E Main St, 1st Fl Richmond, VA 23219 Tel (804) 371-9733
<u>MICHIGAN</u> Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, Michigan 48913 (517) 373-7177 Agent Michigan Department of Commerce Corporations and Securities Bureau 6546 Mercantile Way Lansing, MI 48910	<u>WASHINGTON</u> Director Washington Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760 Agent Securities Administrator, Director of Department
<u>MINNESOTA</u> Minnesota Department of Commerce 85 7th Place East, Suite 500 St Paul, Minnesota 55101-2198 (651) 539-1600 Agent Minnesota Commissioner of Commerce	<u>WISCONSIN</u> Securities Division of the Wisconsin Department of Financial Institutions 345 W Washington Ave, 4th Floor Madison, Wisconsin 53703 (608) 266-8559 Agent Wisconsin Commissioner of Securities
<u>NEW YORK</u> Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236 Phone (212) 416-6042 Fax Agent for service New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492	! ! ! ! !

EXHIBIT B
JOMSOM FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT

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Exhibits

Exhibit 1	-	Individual Franchise Location and Territory
Exhibit 2	-	Form of Personal Guaranty
Exhibit 3	-	Form of Confidentiality Agreement
Exhibit 4	-	Form of General Release
Exhibit 5	-	Franchisee Disclosure Questionnaire

JOMSOM FRANCHISE COMPANY, LLC

FRANCHISE AGREEMENT

THIS AGREEMENT is entered into and made effective this _____ day of _____, 201____, by and between Jomsom Franchise Company, LLC, a New Jersey limited liability company with its principal business address at 4390 US Highway 1, Suite #203, Princeton, New Jersey 08540 ("Franchisor") and _____, whose address is _____ ("Franchisee")

BACKGROUND

A Franchisor and/or its predecessor or affiliate, through the expenditure of considerable money, time and effort, has developed a business system (the "Jomsom System" or the "System") for the operation of businesses which provide temporary, temporary to permanent and permanent staffing services, through a uniform system, which includes high standards of services, products, know-how and trade secrets, uniform specifications of products and services, sales techniques, and merchandising, marketing, advertising, and management systems, quality control procedures, and procedures for operation and management of Jomsom businesses pursuant to the Operations Manual provided by Franchisor and modified from time to time and other standards and specifications Franchisor otherwise provides

B The System is identified by various trade names, trademarks and service marks used by Franchisor and its franchisees including, without limitation, the service mark "Jomsom™" and other identifying marks and symbols that Franchisor uses now or may later use as part of the System (the "Proprietary Marks") The rights to all the Proprietary Marks shall be owned exclusively by Franchisor or its affiliate

C Franchisor is engaged in the business of granting franchises to qualified individuals and business entities to use the System to operate Jomsom franchises

D Franchisee has applied to Franchisor for a franchise to operate a Jomsom business using the System and Proprietary Marks and to receive the training, confidential information and other assistance Franchisor provides Franchisor has approved Franchisee's application in reliance upon all of the representations made in the application

E By executing this Agreement, Franchisee acknowledges the importance of Franchisor's quality and service standards and agrees to operate Franchisee's business in accordance with those standards and as described in the System Franchisee also acknowledges that adhering to the terms of this Agreement and implementing the System as Franchisor directs are essential to the operation of Franchisee's business, to the System and to all Franchisor's franchisees

In consideration of the mutual promises and commitments contained in this Agreement, together with other valuable consideration, the receipt and sufficiency of which is acknowledged, Franchisor and Franchisee agree as follows

1 GRANT OF FRANCHISE

1 1 Grant and Acceptance Franchisor grants to Franchisee, and Franchisee accepts, all subject to the terms of this Agreement, a franchise to establish and operate one Jomsom business using the Jomsom System and the Proprietary Marks pursuant to this Agreement (the "Franchised Business") Franchisee shall use the Proprietary Marks, participate in the promotional, advertising and marketing programs that are made available to Franchisee, and have access to certain proprietary trade secrets, marketing and business expertise of Franchisor, as they may be modified from time to time, in connection with the Franchised Business

1 2 Territory Franchisee shall establish and operate the Franchised Business within the Area of Responsibility identified in Exhibit A to this Agreement (the "APR") Franchisee must operate the Franchised Business from an office location (or virtual office location) with access to a suitable conference room, within the APR Failure to do so may result in termination of this Agreement Provided Franchisee complies with the terms of this Agreement, Franchisor shall not own, operate, franchise or license any other Jomsom business within the APR Franchisor and/or Franchisor's affiliates, however, retain all other rights, including without limitation, the unrestricted rights (i) to own, operate, franchise or license, both within and outside the Territory, businesses of any type, operating under names other than the Proprietary Marks, regardless of whether or not these other concepts offer products and services which are similar to or compete with those offered by the Franchised Business, and (ii) to use and to license others to use, the System for the operation and licensing of other Jomsom businesses at any location outside of the Territory Franchisee may face competition from other franchisees, from outlets Franchisor controls, or from other channels of distribution or competitive brands that Franchisor controls

2 TERM AND RENEWAL

2 1 Term This Agreement grants rights to Franchisee for a period of 10 years and is effective when signed by Franchisor

2 2 Renewal Franchisee shall have the right to renew this Agreement for two additional period of 5 years if the following conditions have been met

2 2 1 Franchisee has given Franchisor written notice of its election to renew the franchise not less than 6 months nor more than 12 months prior to the expiration of the current term,

2 2 2 Franchisee is not in default of any provision of this Agreement or any other related agreement between Franchisee and Franchisor or its affiliates, either at the time Franchisee gives notice of its intent to renew or at any time after, through the last day of the then current term, and Franchisee has substantially complied with all these agreements during their respective terms,

2 2 3 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and/or its affiliates or otherwise pursuant to the Franchise Agreement,

2 2 4 Franchisee has executed, at the time of such renewal, Franchisor's then-current form of franchise agreement, the terms of which may vary materially from the terms of this Agreement and may include, without limitation, higher royalty and advertising fees The renewal franchise agreement, when executed, shall supersede this Agreement in all respects,

2 2 5 Franchisee has executed a release of any and all claims against Franchisor and its affiliates, and their equity owners, officers, directors, agents, employees, attorneys and accountants arising out of or related to this Agreement or any related agreement. The release shall contain language and be of the form chosen by Franchisor, except the release shall not release any liability specifically provided for by any applicable state statute regulating franchising. Our current form of release is attached to this Agreement as Exhibit "4"

2 2 6 Franchisee has paid Franchisor a renewal fee equal to 25% of Franchisor's then current initial franchise fee

3 FEES AND COSTS

3 1 **Initial Franchise Fee** Franchisee shall pay Franchisor in cash or by certified check, at the time of execution of this Agreement, an initial franchise fee of \$40,000. The initial franchise fee is deemed fully earned by Franchisor upon execution of this Agreement and is nonrefundable under any circumstances.

3 2 Royalty Fee

3 2 1 **Royalty** Franchisee shall pay to Franchisor a royalty fee equal to 5% of all Gross Sales of the Franchised Business from temporary staffing services and a royalty fee equal to 10% of all Gross Sales of the Franchised Business from permanent staffing services. The royalty fee is payable on the fifth business day of each month or as otherwise deducted by Madison Resource Funding Corporation pursuant to Section 5 2 1 below. "Gross Sales" means all revenues derived from all business conducted at or from the Franchised Business. In the event Franchisee is required to reimburse or otherwise return any monies to a payroll funding/ factoring company, Franchisee shall receive a royalty credit equal to 5% of the amount returned to the payroll funding/ factoring company. The credit shall be calculated on January 15th and July 15th of each calendar year and will be subject to Franchisor's receipt of sufficient documentation documenting the return of such monies.

3 2 2 **Payment, Reporting** Franchisee must provide monthly summaries showing results of the Franchised Business's operations no later than the 5th day following the close of the prior month, or other day Franchisor specifies, in the manner Franchisor specifies. Franchisor may charge Franchisee a late fee for each week a monthly summary is delayed.

3 3 National Account Commission Fee

3 3 1 **Commission Fee** National Accounts Commission Fee shall be payable by Franchisor to Franchisee as follows:

Originating Franchisee 2 5% of the National Account Gross Sales;

Servicing Franchisee 95% of the National Account Gross Sales

Franchisor shall pay the Commission Fee to the Originating Franchisee and Servicing Franchisee on the fifth business day of each month. Franchisee will have the option to designate a client as a "National

Account” National Accounts must have offices in more than one franchisee’s Area of Prime Responsibility. The franchisee who introduces the National Account to the System will be the “Originating Franchisee”. The Originating Franchisee will only receive commission hereunder on accounts designated as National Accounts. The franchisee who is responsible for the placement of candidates (based on the Area of Prime Responsibility) will be the “Servicing Franchisee” for such particular placement. If there is no franchisee in the Area of Prime Responsibility, the Franchisor will designate either itself, its affiliate, or another Jomsom franchisee as the Servicing Franchisee. Once a client becomes a National Account, System franchisees are not permitted to execute any new agreements with the client.

“National Account Gross Sales” means the revenues received by Franchisor (or its affiliate) during the prior calendar month for a placement from any National Account, less the following amounts:

- a) 2.5% servicing fee, payable to Franchisor,
- b) All legal and other out-of-pocket collection expenses Franchisor (or its affiliate) incurs,
- c) The portion of all insurance policy premiums allocated to the National Account,
- d) The APR Royalty Fee,
- e) The Brand Development Fee, and
- f) Any costs incurred by Franchisor (or its affiliate) as a result of any license, permit(s) or bond requirements.

In the event that Franchisor (or its affiliate) is required to hire any temporary employees pursuant to a National Account contract, then all payroll and related expenses will be deducted from “Gross Sales” prior to calculating the commission payments to the Originating Franchisee and Servicing Franchisee.

3.3.2 Franchisor Servicing Fee (National Accounts) National Accounts will be required to execute a contract directly with Franchisor or its affiliate. Franchisor (or its affiliate), will be responsible for the billing and collecting of all amounts owed by the National Account. Franchisor shall receive a monthly Servicing Fee equal to 2.5% of the National Account Gross Sales.

3.3.3 Accounts with Competing Staffing Companies In the event Franchisee works in cooperation with a competing staffing company for an end client that has offices in more than one franchisee’s Area of Prime Responsibility, that account shall not be deemed a National Account. However, Franchisee has the option of working with the franchisee who services the Area of Prime Responsibility where the client is seeking a placement and Franchisee will receive a 2.5% referral fee. Any agreements with competing staffing companies may not contain any non-compete, non-solicitations or any other restrictions that binds Franchisor, its affiliates or other System franchisees. Franchisee may not execute an agreement with a competing staffing company without Franchisor’s prior written approval.

3.4 Advertising Franchisee agrees to actively promote the Franchised Business and to abide by all of Franchisor’s advertising requirements. Franchisee is required to spend 1.5% of its monthly Gross Sales and commissions on local advertising within the Area of Prime Responsibility (the “Minimum Local Advertising Requirement”). Franchisee shall comply with each of its advertising obligations provided in

this Agreement notwithstanding the payment by other Jomsom System franchisees of greater or lesser advertising obligations or default of these obligations by any other franchisees

3 4 1 Generally With regard to advertising generally for the Franchised Business, Franchisee shall use only such signs, emblems, lettering, logos and display and advertising materials as Franchisor approves in writing from time to time All advertising, marketing and promotion by Franchisee of any type shall be conducted in a dignified manner, shall coordinate and be consistent with Franchisor's marketing plans and strategies and shall conform to the standards and requirements Franchisor prescribes

3 4 2 Brand Development Fund

3 4 2 1 Franchisor shall have the right to establish administer and control the System's Advertising Fund (the "Fund") If established, Franchisee agrees to contribute to the Fund as determined by the Franchisor (which in no event will exceed more than 5% of Franchisee's monthly Gross Sales) at the same time and in the same manner Franchisee makes payment of royalties or as otherwise directed by Franchisor All contributions to the Fund will be credited towards Franchisee's Minimum Local Advertising Requirement Franchisor may maintain contributions to the Fund in a separate bank account or hold them in Franchisor's general account and account for them separately, or Franchisor may establish separate entities to administer the Fund and the Fund contributions Although once established, Franchisor would intend the Fund to be of perpetual duration, Franchisor maintains the right to terminate the Fund or to create new Fund accounts or merge accounts Franchisor shall not terminate the Fund until all money in the Fund has been expended for advertising and/or marketing purposes or returned to contributors on the basis of their respective contributions The money contributed to the Fund shall not be considered to be trust funds Franchisor and any designee shall not have to maintain the money in the Fund in interest bearing accounts or obtain any level of interest on the money In the event Franchisor operates any company owned locations, such locations will not be obligated to contribute to the Fund

3 4 2 2 Advertising contributions may be used at Franchisor's discretion in the development, production and distribution of national, regional and/or local advertising, and in the creation of advertising materials and public relations which, in Franchisor's sole judgment, promote the products and services offered by Jomsom System franchisees, including development and production of advertising and marketing programs and materials, purchase of media, field marketing programs and activities, promotion, new product research and development, quality control, market research, talent fees, utilizing networking media sites, such as Facebook, Twitter, LinkedIn, and on-line blogs and forums, developing, maintaining, and updating a World Wide Web or Internet site for the System, direct mail advertising, deploying social networking promotional initiatives through online media channels, marketing surveys, employing advertising and/or public relations agencies to provide assistance, purchasing promotional items, conducting and administering promotions and "mystery shopper" program(s), and providing promotional and other marketing materials and services to the businesses operating under the System, and for administrative, travel, debt service and operating costs and overhead Franchisor's decisions in all aspects related to the Fund shall be final and binding Franchisor may charge the Fund for the costs and overhead, if any, Franchisor incurs in activities reasonably related to the creation and implementation of the Fund and the advertising and marketing programs for franchisees These costs and overhead include the proportionate compensation of Franchisor's employees who devote time and render services in the conduct, formulation, development and production of advertising, marketing and promotion programs or who administer the Fund At Franchisee's request, Franchisor shall provide fiscal year end unaudited financial statements and an accounting of the applicable Fund expenditures when available Franchisee

may have to purchase advertising materials produced by the Fund or by Franchisor and Franchisor may make a profit on the sale

3 4 2 3 The advertising and promotion Franchisor conducts is intended to maximize general public recognition and patronage of the Jomsom System businesses generally in the manner that Franchisor determines to be most effective. Franchisor is not obligated to insure that the expenditures from the Fund are proportionate or equivalent to Franchisee's contributions or that the Franchised Business or any Facilities shall benefit directly or pro rata or in any amount from the placement of advertising

3 4 3 **Special Promotional Programs** From time to time, Franchisor may, in its sole discretion, establish special promotional campaigns applicable to the Jomsom System as a whole or to specific advertising market areas. If Franchisee participates in any special promotional programs, Franchisee shall be required to pay for the development, purchase, lease, installation and/or erection of all materials necessary to such promotional campaigns, including but not limited to counter cards, posters, banners, signs, photography or give-away items

3 4 4 **Website Requirements** Franchisee shall not develop, own or operate any website using the Proprietary Marks or otherwise referring to the Franchised Business or the products or services sold under the Jomsom System (the "Website") without Franchisor's prior written approval. All content of the Website is deemed to be advertising and must comply with the requirements Franchisor establishes for websites in the Operations Manual or otherwise. If Franchisor requires, Franchisee shall establish the Website as part of the website(s) Franchisor or the Fund or Franchisor's designee establishes. In such event, Franchisee shall establish electronic links to Franchisor's website(s) or any other website Franchisor designates

3 5 **Software Fee** In the event Franchisor develops proprietary software for the System, Franchisee shall be required to enter into Franchisor's form of software license agreement. Franchisor reserves the right to charge Franchisee license support fees in connection with any proprietary software developed for the System

3 6 **Collection Costs, Attorneys' Fees, Interest** Any late payment or underpayment of the royalty fee, Fund contributions and any other charges or fees due Franchisor or its affiliates from Franchisee, shall bear interest from the due date until paid at the lesser of 18% interest per year or the highest lawful interest rate which may be charged for commercial transactions in the state in which the Franchised Business is located. If Franchisor engages an attorney to collect any unpaid amounts under this Agreement or any related agreement (whether or not formal judicial proceedings are initiated), Franchisee shall pay all reasonable attorneys' fees, court costs and collection expenses incurred by Franchisor. If Franchisee is in breach or default of any non-monetary material obligation under this Agreement or any related agreement, and Franchisor engages an attorney to enforce its rights (whether or not formal judicial proceedings are initiated), Franchisee shall pay all reasonable attorneys' fees, court costs and litigation expenses incurred by Franchisor. If Franchisee institutes any legal action to interpret or enforce the terms of this Agreement, and the claim of Franchisee in such action resolved in favor of Franchisor or the action is dismissed, Franchisor shall be entitled to recover its reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending the action, and may have the amount awarded as part of the judgment in the proceeding

3 7 Audit Franchisee shall maintain accurate business records, reports, correspondence, accounts, books and data relating to Franchisee's operation of the Franchised Business. At any time during normal business hours, Franchisor or its designee may enter the premises where these materials are maintained and inspect and/or audit Franchisee's business records and make copies to determine if Franchisee is accurately maintaining same. Alternatively, Franchisee shall deliver these materials to Franchisor or its designee if Franchisor requests. If any audit reveals that Franchisee has understated its revenues by 3% or more during any applicable reporting period, or if Franchisee has failed to submit complete reports and/or remittances to Franchisor for any 2 reporting periods, or Franchisee does not make these materials available, Franchisee shall pay the reasonable cost of the audit and/or inspection, including the cost of auditors and attorneys, incurred by Franchisor, together with amounts due for royalty and other fees as a result of such understated revenues, including interest from the date when the revenues should have been reported.

3 8 Financial Records and Reports Franchisee shall maintain for at least 5 fiscal years from their production, or any longer period required by law, complete financial and accounting records for the operation of the Franchised Business in accordance with generally accepted accounting principles and shall provide Franchisor with (i) sales information in the form specified by Franchisor for sales and services rendered during the preceding month, indicating all monies received or accrued, sales or other services performed during the relevant period, and such other additional information as may be required by any such report forms furnished by Franchisor which Franchisor deems necessary to properly evaluate the progress of Franchisee, which Franchisor may access on a regular basis, (ii) unaudited annual financial reports and operating statements in the form specified by Franchisor, prepared by a certified public accountant or state licensed public accountant, within 60 days after the close of each fiscal year of Franchisee, (iii) state and local sales tax returns or reports within 15 days after their timely completion, (iv) federal, state and local income tax returns for each year in which the Franchised Business is operated within 60 days after their timely completion, and (v) such other reports as Franchisor may from time to time require, in the form and at the time prescribed by Franchisor. To assist Franchisee in recording and keeping accurate and detailed financial records for reports and tax returns, Franchisor, at its discretion, may specify the form in which the business records are to be maintained, provide a uniform set of business records to be used by Franchisee, and specify the type of equipment and software to be used in connection with the recording of revenues. Franchisor may obtain revenues and other information from Franchisee by modem or other similar means, from a remote location, without the need for consent, at the times and in the manner as Franchisor specifies, in Franchisor's sole discretion.

3 9 Taxes on Payments to Franchisor In the event any taxing authority, wherever located, shall impose any tax, levy or assessment on any payment made by Franchisee to Franchisor, Franchisee shall, in addition to all payments due to Franchisor, pay such tax, levy or assessment.

4 FRANCHISOR SERVICES

4 1 Training

4 1 1 Initial Training Franchisor shall provide, either itself or through its designee, an initial training program to be held at Franchisor's corporate training facility in Princeton, New Jersey or another place, at the times and places Franchisor shall designate. Franchisor shall schedule an initial training program, at Franchisor's convenience, between the time Franchisee signs this Agreement and the time Franchisee is scheduled to open the Franchised Business. Franchisee, or if Franchisee is a business

entity, designated equity owners of Franchisee owning a minimum of the equity interests in Franchisee specified by Franchisor, and Franchisee's designated manager, shall attend and complete the initial training program to Franchisor's satisfaction prior to the opening of the Franchised Business. Franchisee shall be responsible for the personal expenses, including transportation to and from the training site and lodging, meals, and salaries during training, for individuals attending training. Franchisor shall provide tuition-free training initially for 3 persons including Franchisee (or its equity owners) and its designated manager before the Franchised Business opens for business. If initial training is otherwise required for Franchisee or any equity owner, manager or other employee, Franchisee shall pay Franchisor's then-current tuition for each person to attend the additional initial training program. Each of Franchisee's additional and/or replacement managers shall attend and complete to Franchisor's satisfaction Franchisor's initial training program prior to assuming management responsibility.

4.1.2 Refresher Courses, Supplemental Training Franchisor reserves the right to offer refresher courses and supplemental training programs, which may be optional or mandatory, from time to time, to Franchisee, its equity owners if Franchisee is a business entity, its manager and/or its employees. Franchisee shall be responsible for the personal expenses, including transportation to and from the training site and lodging, meals, and salaries during training, for individuals attending any refresher or supplemental training. Franchisee shall pay Franchisor's then-current tuition for any individual attending refresher courses or supplemental training.

4.1.3 Conferences Franchisor may, but is not obligated to, hold annual conferences to discuss sales techniques, personnel training, bookkeeping, accounting, inventory control, performance standards, advertising programs and merchandising procedures. Franchisor reserves the right to charge a fee for such conference. Franchisee must pay all its travel and living expenses related to Franchisee's attendance at the conference. These conferences are held at a location chosen by Franchisor. Attendance is mandatory for at least one of Franchisee's previous trainees.

4.1.4 Administration of Brand Development Fund Franchisor shall administer the advertising contributions to the Fund paid by Franchisor under this Agreement.

4.2 Continuing Consultation and Advice In addition to the assistance rendered Franchisee prior to opening, Franchisor shall provide Franchisee continuing consultation and advice as Franchisor deems advisable during the term of this Agreement regarding the provision of services, marketing, sales techniques, personnel development and other business, operational and advertising matters that directly relate to the franchise operation. Such assistance may be provided by telephone, facsimile, email, postings to Franchisor's intranet, periodically through on-site assistance by appropriate personnel of Franchisor, and/or other methods.

4.3 Operations Manual, Proprietary Software Franchisor shall loan or otherwise provide Franchisee access to one copy of a specifications, operations and procedures manual, and one copy of other books, binders, videos or other electronic media, intranet postings and other materials, and appropriate revisions as may be made from time to time, referred to collectively as the "Operations Manual". Franchisee shall operate the Franchised Business in strict compliance with the Operations Manual. From time to time Franchisor may, through changes in the Operations Manual or by other notice to Franchisee, change any standard or specification or any of the Proprietary Marks applicable to the operation of the Franchised Business or change all or any part of the System, and Franchisee shall take all actions, at Franchisee's expense, to implement these changes. Franchisor may vary the standards and specifications to take into

account unique features of specific locations or types of locations, special requirements and other factors Franchisor considers relevant in its sole discretion. The Operations Manual shall be confidential and at all times remain the property of Franchisor. Franchisee shall not make any disclosure, duplication or other unauthorized use of any portion of the Operations Manual. The provisions of the Operations Manual constitute provisions of this Agreement as if fully set forth in this Agreement. Franchisee shall insure that its copy of the Operations Manual is current and up-to-date. If there is a dispute relating to the contents of the Operations Manual, the master copy maintained by Franchisor at its principal office shall be controlling. Franchisor may elect to provide the Operations Manual solely through Franchisor's website(s) and/or intranets or other electronic means without any need to provide Franchisee with a paper copy or other physical format.

4.4 National Accounts Franchisor (or its affiliate) will be responsible for billing and collecting amounts owed by National Accounts.

4.5 Area Representative Franchisor reserves the right, in its sole discretion, to delegate some or all of its obligations under this to provide services under this Franchise Agreement to an Area Representative.

5 FRANCHISE SYSTEM STANDARDS

5.1 Opening for Business Franchisee shall not open the Franchised Business for business until Franchisee has complied with Franchisor's requirements for opening and has granted permission to open, unless Franchisor otherwise provides in writing. Franchisee may not open the Jomsom Staffing Services Business for business until Franchisor provides Franchisee with written notice that (i) the Jomsom Staffing Services Business complies with our standards and specifications, (ii) Franchisee and any required personnel have completed pre-opening training requirements, and (iii) Franchisee has provided Franchisor with copies of all insurance policies and evidence of coverage and premium payment.

If the Jomsom Staffing Services Business is not opened for business within 180 days from the date of this Franchise Agreement, Franchisor has the right to terminate the Franchise Agreement.

5.2 Compliance with Standards Franchisee acknowledges that its obligations under this Agreement and the requirements of Franchisor's Operations Manual are reasonable, necessary and desirable for the operation of the Franchised Business and the Jomsom System. Franchisee shall adhere to Franchisor's standards and specifications as set forth in this Agreement and the Operations Manual, including, but not limited to, standards, specifications of product and service quality and uniformity and equipment and software compatibility among individual Jomsom System franchises, and any revisions or amendments. Franchisee shall purchase and use only products and services, including equipment, fixtures, software, signs, branded products or services, inventory, supplies, and logo-imprinted products, which Franchisor approves, including purchasing from approved suppliers or a designated sole supplier for any items. Franchisor and its affiliates may be an approved supplier or designated sole supplier for any purchases of products or services. Franchisee may purchase or obtain these products and services through Franchisor or a supplier approved by Franchisor. If Franchisor has not designated an approved supplier for a particular product or service, Franchisee shall purchase these products or services only from suppliers that meet Franchisor's standards and specifications. Franchisee may request approval of a supplier, which may, at Franchisor's option, include inspection of the proposed supplier's facilities and testing of product.

samples Franchisor or the independent testing facility Franchisor designates may charge a fee for the testing Franchisee or the proposed supplier shall pay the test fees Franchisor may also charge a fee for Franchisor's services in making a determination on the proposed supplier, including the costs of inspection of the supplier's facilities, evaluation of the test results, and a background check of the supplier Franchisor reserves the right, at its option, to re-inspect the facilities and products of any approved supplier, and to revoke approval if the supplier fails to continue to meet any of Franchisor's criteria Franchisor may receive fees and other payments from suppliers and others in connection with Franchisee's purchases and may use the fees for Franchisor's own purposes Franchisor shall provide Franchisee a standard price list for items which it sells to franchisees, including a description of each item and applicable price or lease terms, prepayment discounts (if any) and shipping charges

5 2 1 Franchisee will be required to enter into an agreement with Madison Resource Funding Corporation ("Madison") whereby Madison will provide Franchisee with payroll financing for temporary staffing services and corporate support services, such as payroll processing, performing customer credit checks, invoicing, billing and collections The fee for this service is currently two and one-half percent (2 5%) of billed revenue, which will be computed and charged to Franchisee by Madison on a weekly basis Madison also offers additional services which Franchisee may purchase, at its option Franchisee will authorize Madison to deduct the following amounts from monies payable to Franchisee

- a) 2 5% servicing fee, payable to Franchisor (if applicable),
- b) All legal and other out-of-pocket collection expenses Franchisor (or its affiliate) incurs (if applicable),
- c) The APR Royalty Fee,
- d) The Brand Development Fee, and
- e) 2 5% referral fee (if applicable), on Accounts referred by another Jomsom franchisee The referral fee (if any) will be paid directly to the referring franchisee

Franchisor reserves the right to terminate or change its agreement with Madison, and consequently Franchisee's agreement with Madison, in its sole discretion

5 3 Operations

5 3 1 Franchisee shall operate the Franchised Business for at least those hours and days specified by Franchisor in the Operations Manual

5 3 2 Franchisee shall not place any candidates with clients located outside of Franchisee's Area of Prime Responsibility without the prior written consent of Franchisee

5 3 3 Franchisee shall at all times maintain and employ working capital as Franchisor may reasonably deem necessary to enable Franchisee to properly and fully carry out and perform all of its duties, obligations and responsibilities under this Agreement and to operate the business in a businesslike, proper and efficient manner

5 3 4 Franchisee shall operate the Franchised Business in conformity with the highest ethical standards and sound business practices and in a manner which shall enhance the Jomsom Proprietary Marks and the Jomsom System. Franchisee shall be solely responsible for all employment decisions and functions, including hiring, firing, discipline, supervision, setting terms of employment and compensation and implementing a training program for employees of the Franchised Business in accordance with training standards and procedures Franchisor specifies in order for Franchisee to conduct the business of the Franchised Business at all times in compliance with Franchisor's requirements. Franchisee shall never represent or imply to prospective employees and employees that they shall be or are employed by Franchisor.

5 3 5 Franchisee or, if Franchisee operates the Franchised Business principally through a manager, Franchisee's manager who has completed the initial training course, shall furnish its personal full-time attention and best efforts to the management and operation of the Franchised Business. Franchisee or its manager, as applicable, shall not engage in or be connected with any other business or activity that interferes with the business under this Agreement.

5 4 **Applicable Laws** Franchisee shall investigate, keep informed of and comply with all applicable federal, state and local laws, ordinances and regulations regarding the operation of the Franchised Business, including employment, licensing, zoning, and bond requirements. If these legal requirements impose a greater standard or duty than Franchisor requires in the Operations Manual or elsewhere, Franchisee must comply with the greater standard or duty and notify Franchisor in writing promptly after Franchisee becomes aware of the discrepancy.

5 5 **Trade Secrets and Confidential Information** The System is unique and the Operations Manual, Franchisor's trade secrets, proprietary computer software and copyrighted materials, methods and other techniques and know-how are the sole, exclusive and confidential property of Franchisor, and are provided or revealed to Franchisee in confidence ("Confidential Information"). Franchisee shall use the Confidential Information only for the purposes and in the manner authorized in writing by Franchisor, and its use shall inure to the benefit of Franchisor. Franchisor's trade secrets consist of, without limitation, proprietary computer software, sales techniques, advertising formats, accounting systems, operations systems, policies, procedures, systems, compilations of information, records, specifications, manuals, data and other confidential information which have been developed by Franchisor or its affiliates for use in the operation of Jomsom System franchises. Franchisee shall inform all employees before communicating or divulging any Confidential Information to them of their obligation of confidence. In addition, subject to applicable law, Franchisee shall obtain a written agreement in the form attached as Exhibit "3", from Franchisee's employees and any other person having access to the Operations Manual or to whom Franchisee wishes to disclose any Confidential Information that they shall maintain the confidentiality of the Confidential Information and they shall recognize Franchisor as a third-party beneficiary with the independent right to enforce the covenants either directly in Franchisor's own name as beneficiary or acting as agent. Franchisee hereby appoints Franchisor as its agent with respect to the enforcement of these covenants. Franchisee shall retain all written Confidentiality Agreements with Franchisee's business records for the time period specified in the Operations Manual. Franchisee shall enforce all covenants and shall give Franchisor notice of any breach or suspected breach of which Franchisee has knowledge.

Franchisee shall not contest, directly or indirectly, Franchisor's ownership of or right, title or interest in Franchisor's trade secrets, proprietary computer software, copyrighted materials, methods or procedures or contest Franchisor's right to register, use or license others to use any of such trade secrets,

proprietary computer software, copyrighted materials, methods and procedures. Franchisee, including its officers, directors, equity owners, and employees, and any of their immediate family, heirs, successors and assigns, is prohibited from using and/or disclosing any Confidential Information in any manner other than as permitted by Franchisor in writing. Any development used by or in connection with the Jomsom System is part of the System and Franchisor's Confidential Information, whether the development is developed by Franchisor, its affiliates, Franchisee, or any other present, former or future Jomsom System franchisee.

5.6 Proprietary Marks

5.6.1 Ownership Nothing in this Agreement assigns or grants to Franchisee any right, title or interest in or to the Proprietary Marks, it being understood that all rights relating to the Proprietary Marks are reserved by Franchisor and the owner of the Proprietary Marks who has licensed the Proprietary Marks to Franchisor ("Licensor"), except for Franchisee's license to use the Proprietary Marks only as specifically and expressly provided in this Agreement. Franchisee's use of the Proprietary Marks shall inure to the benefit of Franchisor and its affiliates and Licensor, and Franchisee shall not at any time acquire any rights in the Proprietary Marks. Franchisee shall not challenge the title or rights of Franchisor or its affiliates or Licensor in and to the Proprietary Marks, or do any act to jeopardize or diminish the value of the Proprietary Marks. All goodwill associated with the Proprietary Marks and Franchisor's, its affiliates' and Licensor's copyrighted material, including any goodwill that might be deemed to have arisen through Franchisee's activities, inures directly and exclusively to the benefit of Franchisor, its affiliates and Licensor. Franchisee shall execute from time to time any and all other or further necessary papers, documents, and assurances to effectuate the intent of this Section and shall fully cooperate with Franchisor, its affiliates and Licensor or any other franchisee of Franchisor in securing all necessary and required consents of any state agency or legal authority to the use of any of the Proprietary Marks. Franchisor reserves the right to substitute different Proprietary Marks for use in identifying the System and the businesses operating under its System if the current Proprietary Marks no longer can be used, or if Franchisor, in its sole discretion, determines that substitution of different Proprietary Marks shall be beneficial to the System. Franchisee shall bear the cost and expense of all substitutions.

5.6.2 Protection Franchisee shall promptly notify Franchisor of any infringement of, or challenge to, the Proprietary Marks, and Franchisor or Licensor, shall in its discretion take the action it deems appropriate. Franchisor shall indemnify and hold Franchisee harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state trademark law arising solely from Franchisee's use of the Proprietary Marks in accordance with this Agreement or as otherwise set forth by Franchisor in writing if Franchisee has promptly notified Franchisor of such claim and cooperated in the defense of any claim. If Franchisor or Licensor undertakes the defense or prosecution of any litigation pertaining to any of the Proprietary Marks, Franchisee agrees to execute any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor or Licensor, be necessary to carry out such defense or prosecution.

5.6.3 Advertising With regard to advertising generally for the Franchised Business, Franchisee shall use only such signs, emblems, lettering, logos and display and advertising materials as Franchisor approves in writing from time to time. All advertising, marketing and promotion by Franchisee of any type shall be conducted in a dignified manner, shall coordinate and be consistent with Franchisor's marketing plans and strategies and shall conform to the standards and requirements Franchisor prescribes. Franchisee shall submit to Franchisor or its designee, at least 30 days prior to their use, samples of all sales promotional materials and advertising desired to be used by Franchisee including, without limitation,

newspaper, radio and television advertising, specialty and novelty items, signs, boxes, bags and other packaging which have not been previously approved by Franchisor or which were approved by Franchisor more than 12 months before the proposed use. Franchisor has the right to condition its approval of any proposed advertising upon Franchisee's agreement to provide other System franchisees, whose franchised businesses are located within the circulation area of the proposed advertising, the opportunity to contribute to and to participate in such advertising. Franchisee shall not use any advertising or promotional materials which Franchisor has not approved in writing and Franchisee shall promptly discontinue use of any advertising or promotional materials previously approved, upon notice from Franchisor.

5 6 4 Franchisee's Name Franchisee agrees not to use the Proprietary Marks or any part of a Proprietary Mark in its corporate name. The corporate and all fictitious names under which Franchisee proposes to do business must be approved in writing by Franchisor before use. Franchisee shall use its corporate name either alone or followed by the initials "D/B/A" and the business name of Jomsom. Franchisee shall register at the office of the county in which the Franchised Business is located or such other public office as provided for by the laws of the state in which the Franchised Business is located as doing business under such assumed business name.

5 6 5 Independent Status All stationery, business cards and contractual agreements into which Franchisee enters shall contain Franchisee's corporate or fictitious name and a conspicuously displayed notice that Franchisee operates the Franchised Business as an independently owned and operated franchise of Franchisor.

5 6 6 Authorized and Unauthorized Use At Franchisor's direction, Franchisee shall use the Proprietary Marks in conjunction with the symbol "SM," "TM" or "@", as applicable, in order to indicate the registered or unregistered status of the Proprietary Marks. Franchisee shall not use any of the Proprietary Marks in connection with the offer or sale of any unauthorized products or services or in any other manner not explicitly authorized in writing by Franchisor.

5 6 7 Franchisor's Use of Marks Franchisor, its affiliates and Licensor may use and register the Proprietary Marks as they deem advisable in their discretion including without limitation, developing and establishing other systems using the same or similar Proprietary Marks alone or in conjunction with other marks and granting licenses and/or franchises in connection with the same or similar Proprietary Marks without providing any rights to Franchisee.

5 6 8 Electronic Mail and Domain Names Franchisee shall not use the Proprietary Marks, or any abbreviation, variation or other name associated with the Jomsom System or JOMSOM as part of any e-mail address, domain name, and/or other identification in any electronic medium.

5 7 Inspection During normal business hours and without prior notice, Franchisor or its representatives or agents shall have the right to inspect Franchisee's records, interview Franchisee's candidates and clients and observe the manner in which Franchisee operates the Franchised Business.

5 8 Changes to the System Franchisor may, from time to time, change the standards and specifications applicable to operation of the Franchise, including standards and specifications for services, computer software, inventory, products, supplies, signs, fixtures, furnishings and equipment, by written notice to Franchisee or through changes in the Operations Manual. Franchisor also may from time to time eliminate and introduce services or merchandise or change the services. Franchisee shall cease offering

services and merchandise discontinued by Franchisor immediately, and immediately revise any changed services. Franchisee shall commence offering and selling any new services and merchandise within 15 days of notification from Franchisor. Franchisee may incur an increased cost to comply with such changes, and Franchisee shall accept and implement such changes at its own expense as if they were part of the Jomsom System when this Agreement was executed, including discontinuing or modifying the use of or substituting any of the Proprietary Marks or computer software, provided, however, that any such change shall not materially alter Franchisee's fundamental rights under this Agreement.

5.9 Authorized Services, Products, Supplies and Equipment

5.9.1 Franchisee shall offer and sell all services, merchandise and related products and services that Franchisor prescribes and only those services, merchandise and related products and services that Franchisor prescribes. Franchisee shall comply with all rules and regulations prescribed by federal, state and local agencies. Franchisee shall have the right to suggest new services or other developments to Franchisor for use in Franchisee's and other franchisees' Franchised Businesses. Franchisee shall have no right to offer new services to the Franchised Business customers or use any new developments until Franchisor has had the opportunity to test the new services or developments and provide Franchisee written approval for their use and standards and specifications with respect to their use. All new services and developments, whether they be of Franchisee's original design or variations of existing services or techniques, shall be deemed works made for hire and Franchisor shall own all rights in them. If these services and developments do not qualify as works made for hire, by signing this Agreement Franchisee assigns to Franchisor ownership of any and all rights in these services and developments and the goodwill associated with them. Franchisee shall receive no payment or adjustment from Franchisor in connection with any new services or developments.

5.9.2 Franchisee shall use in the operation of the Franchised Business and in the performance of services only the methods, procedures, services, supplies, equipment and computer software as are specified by Franchisor in the Operations Manual or otherwise in writing. Franchisee acknowledges and agrees that these may be changed periodically by Franchisor and that Franchisee is obligated to conform to the requirements as so changed.

5.9.3 Franchisor shall have the exclusive right in its sole discretion to vary from the authorized services or merchandise in establishing the services and merchandise to be offered by the Franchised Business. Complete and detailed uniformity under many varying conditions may not always be possible or practical and Franchisor reserves the right and privilege, at its sole discretion, to vary not only the services and merchandise but other standards for any Jomsom System franchisee based upon the customs or circumstances of a particular site or location, density of population, business potential, population of trade area, existing business practices, or any condition which Franchisor deems to be of importance to the operation of that franchisee's business.

5.9.4 Franchisee shall obtain and at all times use the items of equipment, software, fixtures and supplies as Franchisor specifies, and only these items of equipment, software, decor, fixtures and supplies. Prior to opening the Franchised Business, Franchisee shall obtain the equipment, software, decor, fixtures and supplies as Franchisor specifies. As an item of equipment, software, fixtures and supplies may become obsolete or inoperable, Franchisee shall replace the item with the types and kinds of equipment, software, decor, fixtures and supplies then being used by new Jomsom System franchises at the time of replacement. If Franchisor determines that additional or substitute equipment, software, decor,

fixtures and supplies are needed because of a change in services or merchandise offered or method of providing services, Franchisee shall install the new equipment, software, decor, fixtures and supplies within a reasonable time

5 9 5 Franchisee acknowledges that Franchisor reserves the right to develop proprietary software and/or a backroom computer system for use in connection with the Jomsom System Franchisee shall acquire computer hardware equipment, computer software, telecommunications infrastructure products and credit card processing equipment and support services as Franchisor reasonably requires in connection with the operation of the Franchised Business and all additions, substitutions and upgrades Franchisor shall specify Franchisee's computer system must be able to send and receive email and attachments on the Internet and provide access to the World Wide Web and otherwise support Franchisor's then-current information technology system

5 9 6 All services must be provided and all merchandise offered in accordance with the standards and specifications contained in the Operations Manual or otherwise

5 10 **Referral Program** If a Jomsom franchisee refers Franchisee a client whose location is within the Area of Prime Responsibility, Franchisee will be required to pay the referring franchisee a referral fee equal to 2 5% of the Gross Sales for such client If Franchisee refers a client to another System franchisee (and such client is not a National Account), the System franchisee will be required to pay Franchisee a referral fee equal to 2 5% of the Gross Sales for such client

5 11 **Pending Actions** Franchisee shall notify Franchisor, in writing, within 5 days of the commencement of any action, suit or proceeding and of the issuance of any order, suit or proceeding of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of Franchisee or the Franchised Business

5 12 **Proprietary Computer Software**

5 12 1 During the Term of this Agreement, Franchisee is authorized to access and use any proprietary computer software Franchisor designates for Franchisee's use in the Operations Manual or otherwise, solely at the Franchised Business, and in accordance with the Operations Manual Franchisee shall not sublicense or distribute the proprietary computer software, whether for profit or otherwise, or authorize any other individual or entity to use the proprietary computer software without Franchisor's express written consent Franchisee shall not use the proprietary computer software or allow it to be used, directly or indirectly, to (a) engage in unlawful conduct, (b) infringe any proprietary rights, whether protected by copyright, trademark, trade secret, or otherwise, (c) defame, threaten, or otherwise violate the rights of others, (d) publish any inappropriate, profane, obscene, indecent, or unlawful material or information, (e) engage in commercial conduct other than with regard to the Franchised Business, (f) attempt to decipher, decompile, disassemble or reverse engineer any of the proprietary computer software, or (g) violate any guidelines relating to the use of the proprietary computer software The preceding is a non-exhaustive listing of prohibited uses of the proprietary computer software Franchisee shall sign a license agreement for the proprietary computer software if Franchisor requests

5 12 2 **FRANCHISEE'S USE OF ANY PROPRIETARY COMPUTER SOFTWARE PROVIDED BY FRANCHISOR OR FRANCHISOR'S DESIGNATED SUPPLIERS, INCLUDING ANY INSTALLATION SERVICES, IS AT FRANCHISEE'S OWN RISK**

FRANCHISOR MAKES NO REPRESENTATIONS ABOUT THE SUITABILITY, RELIABILITY, USABILITY, AVAILABILITY, TIMELINESS, AND ACCURACY OF THE PROPRIETARY COMPUTER SOFTWARE FOR ANY PURPOSE. FRANCHISOR DOES NOT WARRANT THAT ACCESS TO OR USE OF THE PROPRIETARY COMPUTER SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE, THAT USERS WILL BE ABLE TO ACCESS THE PROPRIETARY COMPUTER SOFTWARE AT ANY TIME, OR THAT THE PROPRIETARY COMPUTER SOFTWARE OR RELATED EQUIPMENT WILL MEET ANY PARTICULAR CRITERIA OF PERFORMANCE OR QUALITY. FRANCHISOR DISCLAIMS ALL WARRANTIES AND CONDITIONS WITH REGARD TO THE PROPRIETARY COMPUTER SOFTWARE AND ALL RELATED EQUIPMENT, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OF ACCURACY OR COMPLETENESS OF RESPONSES, OF RESULTS, OF WORKMANLIKE EFFORT, OF LACK OF VIRUSES, AND OF NEGLIGENCE AND THE PROVISION OF OR FAILURE TO PROVIDE SUPPORT SERVICES, TITLE, AND NON-INFRINGEMENT.

6 ACKNOWLEDGMENTS OF FRANCHISEE

6.1 Independent Contractor Status Franchisee is an independent contractor, responsible for full control over the management and daily operation of the Franchised Business, and neither Franchisor nor Franchisee is the agent, principal, partner, employee, employer or joint venturer of the other. Franchisee shall not act or represent itself, directly or by implication, as an agent, partner, employee or joint venturer of Franchisor, nor shall Franchisee incur any obligation on behalf of or in the name of Franchisor.

6.2 Indemnification Franchisee shall defend, indemnify and hold Franchisor and its affiliates, and their respective officers, directors, managers, equity owners, independent contractors and employees (the "Indemnified Parties") harmless from all fines, suits, proceedings, claims, demands, liabilities, injuries, damages, expenses, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising in whole or in part from Franchisee's ownership, operation or occupation of the Franchised Business, performance or breach of its obligations under this Agreement, breach of any warranty or representation in this Agreement or from the acts or omissions of Franchisee, its employees or agents, including its advertising, of the Franchised Business, except as otherwise provided in this Agreement. Franchisor and any Indemnified Party shall promptly give Franchisee written notice of any claim for indemnification under this Section 6.2. Any failure to give the notice shall not relieve Franchisee of any liability under this Agreement except to the extent the failure or delay causes actual material prejudice. Franchisor shall have the right to control all litigation, and defend and/or settle any claim against Franchisor or other Indemnified Parties affecting Franchisor's interests, in any manner Franchisor deems appropriate. Franchisor may also retain its own counsel to represent Franchisor or other Indemnified Parties and Franchisee shall advance or reimburse Franchisor's costs. Franchisor's exercise of this control over the litigation shall not affect its rights to indemnification under this Section 6.2. Franchisee may not consent to the entry of judgment with respect to, or otherwise settle, an indemnified claim without the prior written consent of the applicable Indemnified Parties. Franchisor and the other Indemnified Parties do not have to seek recovery from third parties or otherwise attempt to mitigate losses to maintain a claim to indemnification under this Section 6.2. The provisions of this Section 6.2 shall survive the termination or expiration of this Agreement.

6 3 Payment of Debts Franchisee understands and agrees that it alone, and not Franchisor, is responsible for selecting, retaining and paying its employees, the payment of all invoices for the purchase of inventory and goods and services for use in the franchise business, and determining whether, and on what terms, to obtain any financing or credit which Franchisee deems advisable or necessary for the conduct of the franchise business

6 4 Noncompetition

6 4 1 During the Term of This Agreement During the term of this Agreement, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or equity owner shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any other business which offers or receives revenues from temporary, temporary to permanent and permanent staffing services (a "Competing Business")

During the term of this Agreement, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation solicit business from customers of Franchisee's former Franchised Business for any competitive business purpose nor solicit any employee of Franchisor or any other Jomsom System franchisee to discontinue his or her employment

During the term of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any company which grants franchises or licenses for any business competing in whole or in part with Franchisor

6 4 2 After the Term of This Agreement For a period of 2 years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any other Competing Business within the Territory or a radius of 50 miles from the Territory or any other Jomsom company owned or franchised business in operation or of any territory which is being considered or for which discussions are under way for a Jomsom franchise, as of the date of expiration and nonrenewal, transfer or termination of this Agreement, provided, however, Franchisee may continue to operate any other Jomsom franchises for which Franchisee and Franchisor have a current franchise agreement

For a period of 2 years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation solicit business from customers of Franchisee's former Franchised Business for any competitive business purpose nor solicit any employee of Franchisor or any other Jomsom System franchisee to discontinue his or her employment

For a period of 2 years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate

family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any company which grants franchises or licenses for any business competing in whole or in part with Franchisor

6 4 3 Intent and Enforcement It is the intent of the parties that the provisions of this Section 6 4 shall, to the fullest extent permissible under applicable law, be judicially enforced, accordingly, any reduction in scope or modification of any part of the noncompetition provisions contained in this Agreement shall not render any other part unenforceable In the event of the actual or threatened breach of this Section 6 4 by Franchisee, any of its equity owners or any member of the immediate family of Franchisee or any of its equity owners, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach In the event of the actual or threatened breach of this Section 6 4, Franchisor's harm shall be irreparable and Franchisor shall have no adequate remedy at law to prevent the harm Franchisee acknowledges and agrees on its own behalf and on behalf of the persons who are liable under Section 6 4 2 that each has previously worked or been gainfully employed in other fields and that the provisions of Section 6 4 2 in no way prevent any of these persons from earning a living Franchisee further acknowledges and agrees that the provisions of Section 6 4 2 shall be tolled during any default of this Agreement

6 4 4 Employees Franchisee shall require its officers, directors, equity owners, employees (to the extent the employee has received Franchisor's initial training) and members of the immediate family of Franchisee, its officers, directors and equity owners to execute a confidentiality agreement containing provisions similar to those set forth in this Agreement Our current form of confidentiality agreement is attached to this Agreement as Exhibit "3"

6 4 5 Publicly-Owned Entity This Section 6 4 shall not apply to any ownership by Franchisee or any other person subject to Section 6 4 of a beneficial interest of less than 5% in the outstanding securities or partnership interests in any publicly-held entity

6 5 Telephone Franchisee shall obtain at its own expense a new telephone number and listing, to be listed under the Jomsom name and not under Franchisee's corporate, partnership, or individual name, to be used exclusively in connection with Franchisee's operation of the Franchised Business Upon the expiration and nonrenewal, transfer or termination of this Agreement for any reason, Franchisee shall terminate its use of such telephone number and listing and assign same to Franchisor or its designee The Franchised Business shall be serviced by a suitable telephone system approved by Franchisor Franchisee shall answer the telephone in the manner set forth by Franchisor in the Operations Manual

6 6 Insurance At all times during the term of this Agreement and at its own expense, Franchisee shall obtain and keep in force at a minimum the insurance required by Franchisor in the Operations Manual or otherwise All insurance policies shall contain a separate endorsement naming Franchisor, its officers, directors, managers, equity owners, independent contractors and employees as additional insureds, and shall expressly provide that any interest of an additional insured shall not be affected by Franchisee's breach of any policy provisions or any negligence on the part of an additional insured All policies shall also include a waiver of subrogation in favor of the additional insureds All policies shall be written by an insurance carrier accepted in writing by Franchisor Franchisor's acceptance of an insurance carrier does not constitute Franchisor's representation or guarantee that the insurance carrier shall remain a going concern or capable of meeting claim demands during the term of the insurance policy

No insurance policy shall be subject to cancellation, termination, nonrenewal or material modification, except upon at least 30 days' prior written notice from the insurance carrier to Franchisor. Upon Franchisor's request, Franchisee shall provide Franchisor with a currently issued certificate of insurance evidencing coverage in conformity with the provisions of this Section. If Franchisee fails to comply with at least the minimum insurance requirements set forth by Franchisor, Franchisor may either terminate this Agreement, or obtain the insurance and keep the insurance in force and effect and Franchisee shall pay Franchisor, on demand, the cost of the premium cost and the administrative costs to Franchisor in connection with obtaining the insurance. Franchisor may increase or otherwise modify the minimum insurance requirements upon 30 days' prior written notice to Franchisee, and Franchisee shall comply with any such modification. Franchisee's obligation to obtain the required policies in the amounts specified is not limited in any way by any insurance Franchisor maintains. Franchisee's obligation to maintain the insurance does not relieve Franchisee of any liability under the indemnity provisions of Section 6.2. If Franchisee enters into a lease agreement which requires Franchisee to purchase insurance with higher limits than those required by Franchisor, the lease insurance requirements will control. If a client requires that Franchisee purchase insurance with higher limits than those required by Franchisor, the client insurance requirements will control.

6.7 Distribution Franchisor or its affiliates may distribute products identified by the Proprietary Marks or other marks owned or licensed by Franchisor or its affiliates through any distribution method which periodically may be established or licensed by Franchisor or its affiliates and may franchise or license others to do so, except as otherwise set forth in this Agreement.

6.8 Image The Jomsom System has been developed to deliver products and services which establish the Franchised Business as a service provider of distinction. Therefore, Franchisor requires Franchisee to offer products and services and conduct the Franchised Business in such a manner which shall serve to emulate and enhance the image intended by Franchisor for the Jomsom System. Each aspect of the Jomsom System is important not only to Franchisee but also Franchisor, its affiliates, licensor and other franchisees of Franchisor in order to maintain the highest operating standards, achieve system wide uniformity and increase the demand for the products sold and services rendered by Jomsom System franchisees, Franchisor and its affiliates. Franchisee shall comply with the standards, specifications and requirements set forth by Franchisor in order to uniformly convey the distinctive image of a Franchised Business.

7 SALE OR TRANSFER

7.1 Consent to Transfer Franchisee's rights under this Agreement are personal, and Franchisee shall not sell, transfer, assign or encumber its interest in the Franchised Business without the prior written consent of Franchisor. Any unauthorized transfer by Franchisee shall constitute a material breach of the Agreement and shall be voidable by Franchisor.

7.2 Death or Disability In the event of the death, disability or incapacity of any individual Franchisee or officer or director or member of an incorporated Franchisee or limited liability company or partner of a partnership Franchisee, should the decedent's or disabled or incapacitated person's executor, heir or legal representative, or the business entity, as the case may be, wish to continue as Franchisee under this Agreement, such person shall apply for Franchisor's consent, execute the then-current franchise agreement, and complete the training program to Franchisor's satisfaction, as applicable, as in any other case of a proposed transfer of Franchisee's interest in this Agreement. Such assignment by operation of law

shall not be deemed in violation of this Agreement, provided the heirs or legatees or business entity meet the conditions imposed by this Agreement and are acceptable to Franchisor

If Franchisee is a business entity, this Agreement shall continue in effect upon the death of the largest equity owner, provided that the active management of the business entity shall remain stable and reasonably satisfactory to Franchisor in its sole discretion

Franchisee's executor, heir or legal representative shall have 180 days from the date of death, disability or incapacity to execute Franchisor's then-current franchise agreement or transfer the franchise rights and business upon the terms and conditions set forth in this Agreement (except that the term shall be the balance of Franchisee's term) At the conclusion of the balance of the term, the new franchisee may exercise any or all of the then applicable renewal rights

Franchisor reserves the right to operate or oversee the operation of the Franchised Business if Franchisor believes, in Franchisor's sole judgment, that the Franchised Business is not being operated in a manner consistent with Franchisor's System or specifications

7 3 Ownership Changes A sale, transfer or assignment requiring the prior written consent of Franchisor shall be deemed to occur (i) if Franchisee is a corporation or limited liability company, upon any assignment, sale, pledge or transfer of 20% or more of the voting stock or membership interests of Franchisee, any increase in the number of outstanding shares of voting stock or membership interests of Franchisee which results in a change of ownership of 20% or more of its total voting stock or membership interests, or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of the voting stock or membership interests of Franchisee, or (ii) if Franchisee is a partnership, upon the assignment, sale, pledge or transfer of 20% or more of any partnership ownership interest or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of the partnership ownership interest Franchisee shall notify Franchisor of any change in stock ownership, membership interests or partnership ownership interests in Franchisee while this Agreement is in effect which shall result in a sale, transfer or assignment within the meaning of this Section A transfer to an existing partner, shareholder or member, or a transfer as a result of the death, disability or incapacity of a partner, shareholder or member in accordance with Section 7 2, or a transfer to an inter vivos trust where the transferring Franchisee, partner, shareholder or member is the only grantor beneficiary other than a spouse, shall not be a violation of this Agreement or a ground for termination, any such ownership change shall not be subject to Franchisor's right of first refusal under Section 7 3 1

7 3 1 Right of First Refusal If Franchisee or its equity owners propose to transfer or assign 20% or more of Franchisee's interest in this Agreement or in the business conducted under this Agreement or in Franchisee if Franchisee is a business entity, to any third party (other than a business entity as set forth in Section 7 4 and except as otherwise set forth in Section 7 3) in connection with a bona fide offer from such third party, Franchisee or its equity owners shall first offer to sell to Franchisor, Franchisee's or its equity owners' offered interest Franchisee or its equity owner shall obtain from the third party offeror an earnest money deposit (of at least 15% of the offering price) and deliver to Franchisor a statement in writing, signed by the offer or and by Franchisee, of the terms of the offer In the event of Franchisee's insolvency or the filing of any petition by or against Franchisee under any provisions of any bankruptcy or insolvency law, an amount and terms of purchase shall be established by an appraiser chosen by the bankruptcy court or by the chief judge of the federal district court of Franchisee's district and Franchisee or Franchisee's legal representative shall deliver to Franchisor a statement in writing incorporating the appraiser's report

Franchisor shall then have 45 days from its receipt of either statement to accept the offer by delivering written notice of acceptance by Franchisor or its nominee to Franchisee or its equity owner. The acceptance shall be on the same terms as stated in the statement delivered to Franchisor, provided, however, Franchisor or its nominee shall have the right to substitute equivalent cash for any noncash consideration included in the offer. If the parties cannot agree within a reasonable time on the equivalent cash for any noncash consideration, Franchisor shall designate an independent appraiser and the appraiser's determination shall be binding. If Franchisor or its nominee elects not to accept the offer within the 45 day period, Franchisee or its equity owner shall be free for 90 days after such period to complete the transfer described in the statement delivered to Franchisor, but only with the prior written consent of Franchisor and subject to the conditions for approval set forth in Section 7.3.2. Franchisee and its equity owners shall effect no other sale or transfer of this Agreement or Franchisee's interest in this Agreement or the business conducted under this Agreement or the interest in Franchisee, without first offering or reoffering the same to Franchisor in accordance with this Section 7. If in Franchisor's opinion there is a material change in the terms of the offer, the offer shall be deemed a new proposal and Franchisee or its equity owner shall be required to grant Franchisor or its nominee a right of first refusal with respect to such offer.

7.3.2 Conditions for Approval Franchisor may condition its approval of any proposed sale or transfer of the franchise business or of Franchisee's interest in this Agreement or of the interest in Franchisee upon satisfaction of the following requirements:

7.3.2.1 All of Franchisee's accrued monetary obligations to Franchisor, its affiliates and any supplier for the Franchised Business have been satisfied,

7.3.2.2 All existing defaults under the Franchise Agreement have been cured within the period permitted for cure,

7.3.2.3 Franchisee and its equity owners if Franchisee is a business entity, has executed a general release under seal, in a form satisfactory to Franchisor of any and all claims against Franchisor and its affiliates and their officers, directors, equity owners, agents, employees, attorneys and accountants in their corporate and individual capacities, provided, however, the release shall not release any liability specifically provided for by any applicable state statute regulating franchising. Our current form of release is attached to this Agreement as Exhibit "4",

7.3.2.4 Franchisee has provided Franchisor a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of and agreement to discharge all of Franchisee's obligations under this Agreement,

7.3.2.5 The transferee has demonstrated to Franchisor's satisfaction that transferee or its designated manager meets Franchisor's managerial and business standards, possesses a good moral character, business reputation and credit rating, has the aptitude and ability to conduct the business to be transferred, and has adequate financial resources and capital to meet the performance obligations of this Agreement, however, transferee shall not be in the same business as Franchisor either as licensor, franchisor, independent operator or licensee of any other business, chain or network which is similar in nature or in competition with Franchisor or Jomsom System franchisees, except that the transferee may be an existing franchisee of Franchisor,

7 3 2 6 The transferee has executed Franchisor's then-current Franchise Agreement for the remainder of the term of the current franchise agreement,

7 3 2 7 Franchisee or transferee has paid Franchisor a transfer fee equal to 50% of Franchisor's then current initial franchise fee,

7 3 2 8 The transferee and its manager shall complete Franchisor's training program to Franchisor's satisfaction at the transferee's own expense within the time frame set forth by Franchisor, and

7 3 2 9 Franchisee acknowledges and agrees that the post-termination provisions of this Agreement including, without limitation, the noncompetition provisions, shall survive the transfer of the Franchise

7 4 Transfer to a Corporation or Limited Liability Company If Franchisee is one or more individuals or a partnership, Franchisee may assign its rights under this Agreement to a corporation or limited liability company for convenience of ownership, provided

7 4 1 The corporation or limited liability corporation is newly organized and its activities are confined to operating the franchise business,

7 4 2 Franchisee is, and at all times remains, the owner of at least 51% of the outstanding shares of the corporation or owns a controlling interest in the limited liability company,

7 4 3 The corporation or limited liability company agrees in writing to assume all of Franchisee's obligations under this Agreement,

7 4 4 All stockholders of the corporation, or members and managers of the limited liability company, personally guarantee prompt payment and performance by the corporation or limited liability company, as applicable, of all its obligations to Franchisor under the Agreement and execute a noncompetition agreement in the form reasonably acceptable to Franchisor

7 4 5 Each stock certificate of the corporate franchisee shall have conspicuously endorsed upon its face a statement, in a form satisfactory to Franchisor, that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement, the operating agreement of any limited liability company and any membership certificates shall contain a similar limitation, and

7 4 6 Franchisee shall promptly provide Franchisor a copy of, as applicable (i) the transferee corporation's Articles of Incorporation, Bylaws, resolutions including, without limitation, the resolutions of the Board of Directors authorizing entry into this Agreement, or (ii) the limited liability company's certificate of organization, and all other governing documents

Franchisee is not required to pay Franchisor a transfer fee with respect to a transfer in accordance with this Section 7 4 However, Franchisee shall pay Franchisor's expenses in connection with a transfer under this Section 7 4 if Franchisee has not completed the transfer, including complying with this Section 7, as applicable, within 60 days following the execution of this Agreement but in no event later than the opening of the Franchised Business

7 5 Secured Interests and Securities

7 5 1 Franchisee shall not grant, and shall not permit a transfer in the nature of a grant of, a security interest in this Agreement

7 5 2 If Franchisee is a corporation, it shall maintain stop transfer instructions against the transfer on its records of any securities with voting rights subject to the restrictions of this Section 7 and shall issue no such securities upon the face of which the following printed legend does not legibly and conspicuously appear

The transfer of this stock is subject to the terms and conditions of a Franchise Agreement between Franchisor and the corporation dated _____, 20____. Reference is made to the Franchise Agreement and to the Articles of Incorporation and Bylaws of this corporation

7 6 **Transfer by Franchisor** Franchisor may sell, transfer, assign and/or encumber all or any part of its interest in itself or the Franchise Agreement

8 BREACH AND TERMINATION

8 1 **Termination by Franchisee** Franchisee may terminate this Agreement for cause if Franchisor is in breach of any material provision of this Agreement, by giving Franchisor written notice within 60 days of the event or circumstances giving rise to the breach. Franchisee must be in material compliance with this Agreement. The notice shall state specifically the nature of the breach and allow Franchisor 90 days after receipt of the notice to correct the breach. Franchisee's failure to give timely written notice of any breach shall be deemed to be a waiver of Franchisee's right to complain of that breach. If Franchisor fails to cure any material breach within the 90 day cure period, Franchisee may terminate this Agreement for that reason by providing written notice to Franchisor, except if the breach is not susceptible to cure within 90 days, but Franchisor takes action within 90 days to begin curing the breach and acts diligently to complete the corrective action within a reasonable time, Franchisor shall be deemed to have timely cured the breach. Franchisee's termination will be effective only if Franchisee signs all documentation that Franchisor requires, including a release. Notice shall be either hand delivered or sent U S Mail, postage prepaid, certified mail, return receipt requested or sent by prepaid overnight courier.

8 2 **Termination by Franchisor** Franchisor may terminate this Agreement under the following circumstances

8 2 1 **With Cause and With Opportunity to Cure** If Franchisee is in breach of any material provision of this Agreement not listed in Section 8 2 2, by giving Franchisee written notice of the event or circumstances giving rise to the breach. The notice will state specifically the nature of the breach and allow Franchisee the following amount of time to correct the breach after receipt of notice

(a) 7 days if the failure relates to the use of the Proprietary Marks or the Confidential Information,

(b) 15 days if the failure relates to Franchisee's failure to make any payment of money to Franchisor, and

(c) 30 days if the failure relates to any other breach not listed in this Section 8 2 1 or in Section 8 2 2

If Franchisee fails to cure any material breach within the applicable cure period, Franchisor may terminate this Agreement for that reason by providing written notice to Franchisee, except if the breach is not susceptible to cure within the time permitted; but Franchisee takes action within the time permitted to begin curing the breach and acts diligently to complete the corrective action within a reasonable time, Franchisee shall be deemed to have timely cured the breach. For purposes of this Agreement, Franchisee's alleged breach of this Agreement shall be deemed cured if both Franchisor and Franchisee agree in writing that the alleged breach has been corrected. Notice shall be either hand delivered or sent U S Mail, postage prepaid, certified mail, return receipt requested or sent by prepaid overnight courier.

If Franchisee receives more than one default notice within a twelve month period, then Franchisee shall be required to meet with Franchisor at its corporate headquarters, or in Franchisor's sole discretion, via telephone conference. Such meeting shall occur within thirty days of Franchisee's receipt of written notice of the second (or any subsequent) default notice. If Franchisee fails to meet with Franchisor within such thirty day period, Franchisor may terminate this Agreement (even if such defaults have been cured), by providing written notice to Franchisee.

8 2 2 With Cause and Without Opportunity to Cure Franchisor may terminate this Agreement upon written notice without giving Franchisee opportunity to cure for any of the following breaches or defaults

(a) **Criminal Acts** If Franchisee is convicted of or pleads guilty or no contest to a felony or takes part in any criminal misconduct related to the operation of the Franchised Business

(b) **Voluntary Bankruptcy** If Franchisee makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated a bankrupt or insolvent, files or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consents to or acquiesces in the appointment of a trustee or receiver for Franchisee or the franchise business

(c) **Involuntary Bankruptcy** If proceedings are commenced to have Franchisee adjudicated as bankrupt or to seek a reorganization of Franchisee under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for Franchisee or the franchise business without Franchisee's consent, and the appointment is not vacated within 60 days

(d) **Liens** If a levy or writ of attachment or execution or any other lien is placed against Franchisee, any partner of Franchisee if Franchisee is a partnership, or any guarantor of Franchisee under Section 15 or any of their assets which is not released or bonded against within 60 days

(e) **Insolvency** If Franchisee, any partner of Franchisee, or the majority equity owner of Franchisee is insolvent

(f) **Repeated Breaches** If Franchisor sends Franchisee 3 or more written notices to cure pursuant to Section 8.2.1 in any 12 month period

(g) **Misrepresentation** If Franchisee makes any misrepresentation or omission in connection with Franchisee's franchise application

(h) **Breach of Other Agreements** If Franchisee or any partner, director, officer, shareholder or member of Franchisee materially breaches any other agreement with Franchisor or any of its affiliates, or any lease for the premises of the Franchised Business, and does not cure the breach within any permitted period for cure,

(i) **Fraud** If Franchisee commits fraud in the operation of the Franchised Business

(j) **Intentional Underreporting or Misstatement** If Franchisee intentionally underreports or misstates any information required to be reported to Franchisor under this Agreement, including but not limited to Gross Revenues required to be reported under this Agreement, or failure, in whole or in part, to provide Franchisor with information required to be reported

(k) **Insurance** If Franchisee fails to maintain any insurance required by this Agreement

Notice shall be either hand delivered or sent U.S. Mail, postage prepaid, certified mail, return receipt requested or sent by prepaid overnight courier

8.3 **Nonwaiver** Franchisor's delay in exercising or failure to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due under this Agreement or any other agreement between Franchisor and Franchisee or Franchisor's consent to a transfer of any interest in Franchisee shall not constitute a waiver of any of Franchisor's rights or remedies against Franchisee

9 RIGHTS AND DUTIES UPON TERMINATION OR EXPIRATION

9.1 **Franchisee's Obligations** Upon termination of this Agreement by either Franchisor or Franchisee, regardless of the cause, and upon expiration and nonrenewal or transfer of this Agreement, Franchisee shall

9.1.1 Cease immediately all operations under this Agreement,

9.1.2 Pay immediately to Franchisor all unpaid fees and pay Franchisor, its affiliates and any supplier for the Franchised Business all other monies owed them,

9.1.3 Discontinue immediately the use of the Proprietary Marks and the proprietary computer software,

9.1.4 Immediately return the Operations Manual to Franchisor and all other manuals and Confidential Information loaned to Franchisee by Franchisor and immediately cease to use the Confidential

Information,

9 1 5 Immediately cease using all telephone numbers and listings used in connection with the operation of the franchise business and direct the telephone company to transfer all such numbers and listings to Franchisor or its designee or, if Franchisor so directs, to disconnect the numbers,

9 1 6 Promptly surrender all stationery, printed matter, signs, advertising materials and other items containing the Proprietary Marks as directed by Franchisor and all items which are a part of the trade dress of the Jomsom System,

9 1 7 Sell to Franchisor or its designee, at Franchisor's option, all inventory in useable form bearing the Proprietary Marks at the original purchase price thereof or at its then-current value if less than the original purchase price, in Franchisor's judgment, within 15 days following the date of termination or expiration,

9 1 8 Assign to Franchisor or its designee, at Franchisor's option, all client contracts related to the Franchised Business

9 1 9 Cease to hold itself out as a franchisee of Franchisor,

9 1 10 Take action necessary to amend or cancel any assumed name, business name or equivalent registration which contains any trade name or other Proprietary Mark licensed by Franchisor and furnish Franchisor evidence satisfactory to Franchisor of compliance with this obligation within 30 calendar days after the termination, expiration or transfer of this Agreement,

9 1 11 Permit Franchisor to make final inspection of Franchisee's financial records, books, and other accounting records within 6 months of the effective date of termination, expiration, or transfer, and

9 1 12 Comply with the post-termination covenants set forth in Section 6 4 2, all of which shall survive the transfer, termination or expiration of this Agreement

9 2 **Power of Attorney** Franchisor is hereby irrevocably appointed as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the Proprietary Marks and the Confidential Information

10 NOTICES

All notices, requests and reports to be given under this Agreement are to be in writing, and delivered by either hand, overnight courier, telegram or certified or registered mail (except that regular monthly and other reports from Franchisee may be sent by regular mail), prepaid, to the following addresses (which may be changed by written notice)

Franchisee - The address of the Franchised Business

Franchisor The address of its then current principal place of business

Notices sent by regular mail shall be deemed delivered on the third business day following mailing

11 INTERPRETATION

11.1 Amendments THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND CAN NOT BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. NOTHING IN THIS AGREEMENT IS INTENDED TO DISCLAIM ANY INFORMATION CONTAINED IN THE FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT.

11.2 Choice of Law and Selection of Venue This Agreement shall be governed by the laws of the State of New Jersey. Except as set forth in Section 11.3, any action at law or equity instituted against either party to this Agreement shall be commenced in the state and county courts of Franchisor's principal place of business, currently the courts of Mercer County, New Jersey or the United States District Court, District of New Jersey. Franchisee acknowledges that this Agreement has been entered into in the State of New Jersey, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's headquarters in New Jersey including but not limited to assistance, support and the development of the Jomsom System. In recognition of these services and their origin, Franchisee hereby irrevocably consents to the personal jurisdiction of the state and federal courts of New Jersey as set forth above.

11.3 Injunctive Relief Nothing in this Agreement shall prevent Franchisor from obtaining injunctive relief against actual or threatened conduct that shall cause it loss or damages, in any appropriate forum under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions.

11.4 Construction of Language The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one (1) party or person is referred to as Franchisee, their obligations and liabilities shall be joint and several. Headings are for reference purposes and do not control interpretation. Reference to Franchisee's "immediate family" means the spouse, parent, children and siblings of Franchisee and the parents, children and siblings of Franchisee's spouse. The BACKGROUND Section at the beginning of this Agreement contains contractual terms that are not mere recitals.

11.5 Successors References to Franchisor or Franchisee include their successors, assigns or transferees, subject to the limitations of this Agreement.

11.6 Severability If any provision of this Agreement is deemed invalid or inoperative for any reason, that provision shall be deemed modified to the extent necessary to make it valid and operative or, if it cannot be so modified, it shall then be severed, and the remainder of that provision shall continue in full force and effect as if this Agreement had been signed with the invalid portion so modified or eliminated, provided, however, that if any part of this Agreement relating to payments to Franchisor or any of its affiliates or protection of the Proprietary Marks, or the Confidential Information, including the Operations Manual and Franchisor's other trade secrets, is declared invalid or unenforceable, then Franchisor at its option may terminate this Agreement immediately upon written notice to Franchisee.

11.7 No Right to Offset Franchisee shall not withhold all or any part of any payment to

Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Franchisee under this Agreement or any related agreements

11 8 Force Majeure Neither Franchisor, its affiliates nor Franchisee shall be liable for loss or damage or deemed to be in breach of this Agreement or any related agreement if its failure to perform its obligations is not the fault nor within the reasonable control of the person due to perform but results from, without limitation, fire, flood, natural disasters, acts of God, governmental acts or orders, or civil disorders. The parties agree that lack of funds or economic hardship shall not constitute a Force Majeure event. Any delay resulting from any such cause shall extend the time of performance for the period of such delay or for such other reasonable period of time as the parties agree in writing or shall excuse performance, in whole or in part, as Franchisor deems reasonable.

11 9 Rights Cumulative No right or remedy under this Agreement shall be deemed to be exclusive of any other right or remedy under this Agreement or of any right or remedy otherwise provided by law or and equity. Each right and remedy will be cumulative.

11 10 Parties The sole entity against which Franchisee may seek damages or any remedy under law or equity for any claim is Franchisor or its successors or assigns. The equity owners, directors, officers, employees, agents and representatives of Franchisor and of its affiliates shall not be named as a party in any litigation, arbitration or other proceedings commenced by Franchisee if the claim arises out of or relates to this Agreement.

11 11 LIMITATION OF LIABILITY TO THE EXTENT PERMITTED BY LAW, IN NO EVENT SHALL FRANCHISOR BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR ANY OTHER DAMAGES THAT ARE NOT DIRECT DAMAGES, REGARDLESS OF THE NATURE OF THE CLAIM FOR DAMAGES

11 12 JURY TRIAL WAIVER FRANCHISOR AND FRANCHISEE, RESPECTIVELY, WAIVE ANY RIGHT EITHER MIGHT HAVE TO TRIAL BY JURY ON ANY AND ALL CLAIMS ASSERTED AGAINST THE OTHER. FRANCHISOR AND FRANCHISEE, RESPECTIVELY, EACH ACKNOWLEDGE THAT THEY HAVE HAD A FULL OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL CONCERNING THIS WAIVER, AND THAT THIS WAIVER IS INFORMED, VOLUNTARY, INTENTIONAL AND NOT THE RESULT OF UNEQUAL BARGAINING POWER.

11 13 FRANCHISOR AND FRANCHISEE AGREE THAT LITIGATION WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE, BASIS AND THAT FRANCHISOR AND FRANCHISEE SHALL BE THE ONLY PARTIES IN ANY JUDICIAL PROCEEDING DESCRIBED IN SECTION 11 2 OR SECTION 11 3, AND THAT NO SUCH PROCEEDINGS MAY BE CONSOLIDATED WITH ANY OTHER LITIGATION OR ARBITRATION PROCEEDING, NOR SHALL ANY OTHER PERSON BE JOINED AS A PARTY TO SUCH PROCEEDING

11 14 FRANCHISOR APPROVAL AND DISCRETION TO THE EXTENT THAT FRANCHISOR'S CONSENT OR APPROVAL IS REQUIRED OR ANY DECISION IS SUBJECT

TO THE DISCRETION OF THE FRANCHISOR, AND WHENEVER FRANCHISOR EXERCISES A RIGHT, PRESCRIBES AN ACT OR THING, OR OTHERWISE MAKES A CHOICE OR USES DISCRETION, THE PARTIES AGREE THAT FRANCHISOR HAS THE WHOLLY UNRESTRICTED RIGHT TO MAKE DECISIONS AND/OR TAKE (OR REFRAIN FROM TAKING) ACTIONS, EXCEPT THAT FRANCHISOR WILL NOT ACT ARBITRARILY OR UNREASONABLY HOWEVER, FRANCHISOR WILL NOT BE REQUIRED TO CONSIDER FRANCHISEE'S INDIVIDUAL INTERESTS OR THE INTERESTS OF ANY OTHER PARTICULAR FRANCHISEE(S), EVEN IF A PARTICULAR DECISION/ACTION MAY HAVE NEGATIVE CONSEQUENCES FOR FRANCHISEE, A PARTICULAR FRANCHISEE OR GROUP OF FRANCHISEES

FRANCHISEE ACKNOWLEDGES AND AGREES THAT THE ULTIMATE DECISION-MAKING RESPONSIBILITY WITH RESPECT TO THE SYSTEM (AMONG OTHER THINGS) MUST BE, AS A PRACTICAL BUSINESS MATTER, VESTED SOLELY IN FRANCHISOR, SINCE FRANCHISEE, FRANCHISOR AND ALL OTHER FRANCHISEES HAVE A COLLECTIVE INTEREST IN WORKING WITHIN A FRANCHISE SYSTEM WITH THE UNRESTRICTED FLEXIBILITY TO QUICKLY ADJUST TO CHANGING BUSINESS CONDITIONS, INCLUDING COMPETITIVE CHALLENGES, NEW REGULATORY DEVELOPMENTS AND EMERGING BUSINESS OPPORTUNITIES FRANCHISEE UNDERSTANDS AND AGREES THAT FRANCHISOR HAVING SUCH RIGHTS ARE CRITICAL TO ITS ROLE AS FRANCHISOR AND TO OBTAIN THE PARTIES GOALS FOR CONTINUING IMPROVEMENT OF THE SYSTEM

12 REPRESENTATIONS

12.1 No Authority NO SALESPERSON, REPRESENTATIVE OR OTHER PERSON HAS THE AUTHORITY TO BIND OR OBLIGATE FRANCHISOR EXCEPT AN AUTHORIZED OFFICER OF FRANCHISOR BY A WRITTEN DOCUMENT FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS, PROMISES, INDUCEMENTS, GUARANTEES OR WARRANTIES OF ANY KIND WERE MADE BY OR ON BEHALF OF FRANCHISOR WHICH HAVE LED FRANCHISEE TO ENTER INTO THIS AGREEMENT

12.2 Receipt THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF THIS AGREEMENT, WITH ALL BLANKS COMPLETED AND WITH ANY AMENDMENTS AND EXHIBITS, AT LEAST 7 CALENDAR DAYS PRIOR TO EXECUTION OF THIS AGREEMENT IN ADDITION, THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT AT LEAST 14 CALENDAR DAYS PRIOR TO THE EXECUTION OF THIS AGREEMENT OR FRANCHISEE'S PAYMENT OF ANY MONIES TO FRANCHISOR, REFUNDABLE OR OTHERWISE

12.3 FRANCHISEE UNDERSTANDS THAT WHETHER IT, HE OR SHE SUCCEEDS AS A FRANCHISEE IS DEPENDENT UPON FRANCHISEE'S EFFORTS, BUSINESS JUDGMENTS, THE PERFORMANCE OF FRANCHISEE'S EMPLOYEES, MARKET CONDITIONS AND VARIABLE FACTORS BEYOND THE CONTROL OR INFLUENCE OF FRANCHISOR FRANCHISEE FURTHER UNDERSTANDS THAT SOME FRANCHISEES ARE MORE, OR LESS, SUCCESSFUL THAN OTHER FRANCHISEES AND THAT FRANCHISOR HAS MADE NO REPRESENTATION THAT FRANCHISEE SHALL DO AS WELL AS ANY OTHER FRANCHISEE

FRANCHISEE SPECIFICALLY ACKNOWLEDGES THAT IT, HE OR SHE HAS NOT RECEIVED OR RELIED ON (NOR HAS FRANCHISOR OR ANYONE ELSE PROVIDED) ANY STATEMENTS, PROMISES OR REPRESENTATIONS THAT FRANCHISEE WILL SUCCEED IN THE FRANCHISE BUSINESS, ACHIEVE ANY PARTICULAR SALES, INCOME OR OTHER LEVELS OF PERFORMANCE, EARN ANY PARTICULAR AMOUNT, INCLUDING ANY AMOUNT IN EXCESS OF YOUR INITIAL FRANCHISE FEE OR OTHER PAYMENTS TO FRANCHISOR, OR RECEIVE ANY RIGHTS, GOODS, OR SERVICE NOT EXPRESSLY SET FORTH IN THIS AGREEMENT ANY STATEMENTS REGARDING ACTUAL, POTENTIAL OR PROBABLE REVENUES OR PROFITS OF ANY FRANCHISE BUSINESS NOT CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNAUTHORIZED, UNWARRANTED AND UNRELIABLE, FRANCHISOR WILL NOT BE RESPONSIBLE FOR IT AND IT SHOULD BE REPORTED TO FRANCHISOR IMMEDIATELY

FRANCHISEE ACKNOWLEDGES AND UNDERSTAND THAT FRANCHISOR IS RELYING ON FRANCHISEE TO BRING FORWARD IN WRITING AT THIS TIME ANY MATTERS INCONSISTENT WITH THE REPRESENTATIONS CONTAINED IN THIS ARTICLE 12.3 FRANCHISEE AGREES THAT IF ANY OF THE STATEMENTS OR MATTERS SET FORTH IN THIS ARTICLE 12.3 ARE NOT TRUE, CORRECT AND COMPLETE THAT FRANCHISEE WILL MAKE A WRITTEN STATEMENT REGARDING SUCH NEXT TO FRANCHISEE'S SIGNATURE BELOW SO THAT FRANCHISOR CAN ADDRESS AND RESOLVE ANY SUCH ISSUE(S) AT THIS TIME

12.4 Opportunity for Review by Franchisee's Advisors FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS RECOMMENDED, AND THAT FRANCHISEE HAS HAD THE OPPORTUNITY TO OBTAIN, REVIEW OF THIS AGREEMENT AND FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT BY FRANCHISEE'S LAWYER, ACCOUNTANT OR OTHER BUSINESS ADVISOR PRIOR TO ITS EXECUTION

12.5 Execution Of Agreement EACH OF THE UNDERSIGNED PARTIES WARRANTS THAT IT HAS THE FULL AUTHORITY TO SIGN AND EXECUTE THIS AGREEMENT IF FRANCHISEE IS A PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY, THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF THE BUSINESS ENTITY WARRANTS TO FRANCHISOR, BOTH INDIVIDUALLY AND IN HIS CAPACITY AS PARTNER, OFFICER, MEMBER OR MANAGER, THAT ALL OF THE EQUITY OWNERS OF FRANCHISEE, AS APPLICABLE, HAVE READ AND APPROVED THIS AGREEMENT, INCLUDING ANY RESTRICTIONS WHICH THIS AGREEMENT PLACES UPON RIGHTS TO TRANSFER THEIR INTEREST IN THE BUSINESS ENTITY

12.6 Anti-Terrorism Law Compliance Neither Franchisee, any equity owner of Franchisee, nor any of its officers, directors, managers, members or employees, is, or at any time shall be named, either directly or by an alias or nickname, on the list of Specially Designated Nationals or Blocked Persons, which includes the names of suspected terrorists, as designated by the United States Department of the Treasury's Office of Foreign Assets Control, currently available at <http://www.ustreas.gov/offices/eotffc/ofac/sdn/index.html> Franchisee acknowledges that Franchisor intends to comply, and Franchisee must comply, with all prohibitions against corrupt business practices, money laundering and support of terrorist activities, including those contained in the United States Patriot

Act (currently available at [http //www epic org/privacy/terrorism/hr3162 html](http://www.epic.org/privacy/terrorism/hr3162.html)), Executive Order 13224 (currently available at [http //www ustreass gov/terrorism html](http://www.ustreas.gov/terrorism.html)), and related United States Treasury regulations and any similar law ("*Anti-Terrorism Law*") Franchisee shall immediately notify Franchisor of any misrepresentation or breach of this Section 12 6 Franchisor may terminate this Agreement without any opportunity for Franchisee to cure under Section 8 2 2 upon any misrepresentation or breach by Franchisee of this Section 12 6

13 PERSONAL GUARANTEES

If Franchisee is a corporation, general partnership or limited liability company, or subsequent to execution of this Agreement, Franchisee assigns this Agreement to a corporation, general partnership or limited liability company, all shareholders, all general partners or all members and managers respectively, hereby personally and unconditionally guarantee without notice, demand or presentment the payment of all of Franchisee's monetary and non-monetary obligations under this Agreement as if each were an original party to this Agreement in his or her individual capacity In addition, all personal guarantors further agree to be bound by the restrictions upon Franchisee's activities upon transfer, termination or expiration and nonrenewal of this Agreement as if each were an original party to this Agreement in his or her individual capacity All personal guarantors shall execute a continuing personal guarantee in the form attached as Exhibit 2

The next page is the signature page

FRANCHISEE ACKNOWLEDGES TO FRANCHISOR THAT FRANCHISEE HAS READ THIS FRANCHISE AGREEMENT AND UNDERSTANDS ITS TERMS AND FRANCHISEE WOULD NOT SIGN THIS FRANCHISE AGREEMENT IF FRANCHISEE DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS

INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE

FRANCHISEE

(Individual, Partnership, Corporation or LLC Name)

By _____

Title _____

FRANCHISOR

JOMSOM FRANCHISE COMPANY, LLC

Witness _____

By _____

Title _____

EXHIBIT 1

INDIVIDUAL FRANCHISE LOCATION

The Location for the Franchised Business is as follows

TERRITORY

Franchisee's Area of Prime Responsibility is as follows

||
||
||
||

Witness

FRANCHISEE

(Individual, Partnership, Corporation or LLC Name)

By _____

Title _____

FRANCHISOR

JOMSOM FRANCHISE COMPANY, LLC

By _____

Title _____

||
||
||
||

EXHIBIT 2

PERSONAL GUARANTEE

NOTE IF FRANCHISEE IS A CORPORATION, EACH OF ITS SHAREHOLDERS WITH A TWENTY PERCENT (20%) OR GREATER OWNERSHIP INTEREST IN FRANCHISEE MUST EXECUTE THE FOLLOWING UNDERTAKING IF FRANCHISEE IS A PARTNERSHIP, EACH OF ITS GENERAL PARTNERS MUST EXECUTE THE FOLLOWING UNDERTAKING IF FRANCHISEE IS A LIMITED LIABILITY CORPORATION, ALL OF ITS MEMBERS AND MANAGERS MUST EXECUTE THE FOLLOWING UNDERTAKING

The undersigned persons hereby represent to Jomsom Franchise Company, LLC (the "Franchisor"), that they are all of the shareholders of Franchisee with a twenty percent (20%) or greater interest in Franchisee, or all of the general partners of Franchisee, or all of the members and managers of Franchisee, as the case may be. In consideration of the grant by Franchisor to Franchisee as provided under the Franchise Agreement between _____ ("Franchisee") and Franchisor, dated _____ 20__ (the "Franchise Agreement"), each of the undersigned agrees, in consideration of benefits received and to be received by each of them, jointly and severally, and for themselves, their heirs, legal representatives and assigns that they, and each of them, shall be firmly bound by all of the terms, provisions and conditions of the foregoing Franchise Agreement, that they and each of them do unconditionally guarantee the full and timely performance by Franchisee of each and every obligation of Franchisee under the Franchise Agreement, including, without limitation, any indebtedness of Franchisee arising under or by virtue of the Franchise Agreement and that they and each of them shall not permit or cause any change in the percentage of Franchisee owned, directly or indirectly, by any person, without first notifying Franchisor, of said proposed transfer and obtaining the prior written consent of Franchisor and without first paying or causing to be paid to Franchisor, the transfer fee provided for in the Franchise Agreement, and without otherwise complying with the transfer provisions of the Franchise Agreement. The undersigned further agree to be bound by the in-term and post-termination covenants of the Franchise Agreement including, without limitation, those relating to confidentiality and noncompetition. The undersigned agree that the governing law and methods for resolution of disputes which govern this Guarantee shall be the same as those outlined in the Franchise Agreement.

EACH GUARANTOR ACKNOWLEDGES TO FRANCHISOR THAT GUARANTOR HAS READ THIS PERSONAL GUARANTEE AND UNDERSTANDS ITS TERMS AND GUARANTOR WOULD NOT SIGN THIS PERSONAL GUARANTEE IF GUARANTOR DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS

Dated _____

Print Name

Print Name

Print Name

EXHIBIT 3

FORM OF CONFIDENTIALITY AGREEMENT

1 Pursuant to a Franchise Agreement dated _____, 20____ (the "Franchise Agreement"), _____ (the "Franchisee") has acquired the right and franchise from Jomsom Franchise Company, LLC (the "Company") to establish and operate a staffing services business (the "Franchised Business") and the right to use in the operation of the Franchised Business the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only within the following authorized and approved Area of Prime Responsibility _____ (the "Approved Location")

2 The Company, as the result of the expenditure of time, skill, effort and resources, has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Franchised Businesses. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information")

3 In consideration for my position as _____ of the Franchisee and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree to the terms of this Confidentiality Agreement (the "Agreement")

4 Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement

5 The Company and Franchisee may disclose the Confidential Information to me via training programs, the Company's Confidential Operations Manuals (the "Manuals"), and other general assistance

6 I will not acquire any interest in the Confidential Information, other than the right to utilize it in performing my duties for the Franchised Business and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition. I covenant that I will not forward or provide the Confidential Information to any third party, nor store it on any personal or third party electronic device, disk, drive, or otherwise, unless expressly authorized to do so by the Company

7 Any work performed by me with the Franchisee and any derivative works created by me using the Confidential Information or any proprietary information of the Company are considered "works made for hire" and I will have no ownership interest in the items created

8 The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as

confidential Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my association with the Franchisee, and will continue not to disclose or use any such information even after I cease to be associated with the Franchisee, unless I can demonstrate that such information has become generally known to the public or easily accessible other than by the breach of an obligation of the Franchisee under the Franchise Agreement, a breach of the employees or associates of the Franchisee, or a breach of my own duties or the duties hereunder

9 I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement In the event any provision of this Agreement is ever deemed to exceed the limits permitted by any applicable law, the provisions set forth herein will be reformed to the extent necessary to make them reasonable and enforceable The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of the remaining provisions, all of which are severable and will be given full force and effect

10 I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof, and I agree to comply forthwith with any covenant as so modified

11 The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm, therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, in addition to any other remedies available to them, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement

12 This is not a contract for employment and does not guaranty my employment for any set period of time I agree and understand that I have no employment relationship with the Company

13 Subject to the rights of the Franchisee and the Company in Section 11, if a dispute arises under this Agreement, it is agreed that all disputes, controversies, or claims shall be submitted to binding arbitration before the American Arbitration Association It is acknowledged, understood and agreed that any such arbitration will be final and binding and that by agreeing to arbitration, the parties are waiving their respective rights to seek remedies in court, including the right to a jury trial The parties waive, to the fullest extent permitted by law, any right they may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement, whether based in contract, tort, statute (including any federal or state statute, law, ordinance or regulation), or any other legal theory **It is expressly acknowledged, understood and agreed that arbitration is final and binding, the parties are waiving their right to seek legal remedies in court including the right to a trial by jury, pre-arbitration discovery generally is more limited than and different from that available in court proceedings, the arbitrator's award is not required to include factual findings or legal reasoning, and any party's right to appeal or vacate, or seek modification of, the arbitration award, is strictly limited by law** It is understood, acknowledged and agreed that in any such arbitration, each party will be solely responsible for payment of his/her/its own counsel fees, with the costs of arbitration borne equally by the parties Any

such arbitration shall be governed by, and construed in accordance with, the law of the state of New Jersey and shall take place in New Jersey

Any dispute in the meaning, understanding, effect, interpretation or validity of this Agreement will be resolved in accordance only with the laws of the State of New Jersey. The only way this Agreement can be changed is in writing signed by the Company, Franchisee and me

This Agreement will be binding upon and inure to the benefit of all parties including my heirs, personal representatives, successors and assigns and Franchisee's and Company's officers, directors, executives, employees, representatives, successors, agents and assigns

I understand that this Agreement may and will be assigned or transferred to, and will be binding upon and will inure to the benefit of, any successor of the Company, and any successor will be deemed substituted, for all purposes, as the "Company" under the terms of this Agreement. As used in this Agreement the term "successor" will mean any person, firm, corporation, or business entity which at any time, whether by merger, purchase or otherwise, acquires all or substantially all of the assets of the business of the Company. I acknowledge that the services to be rendered by me in my employment are unique and personal. Accordingly, I may not assign any of my rights nor delegate any of my duties or obligations under this Agreement

Dated _____

Signature _____

Name _____

Address _____

Title _____

ACKNOWLEDGED BY FRANCHISEE

By _____

Name _____

ACKNOWLEDGED BY COMPANY

By _____

Name _____

EXHIBIT 4

FORM OF GENERAL RELEASE (Subject to Change)

FOR AND IN CONSIDERATION of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the parties agree and covenant to fully and mutually release the other as follows

1 The undersigned _____ (the "Franchisee") and its shareholders, officers, and directors does hereby release and forever discharge Jomsom Franchise Company, LLC (the "Franchisor"), its, successors, agents, assigns, officers, directors, shareholders, employees, representatives, and any and all other persons, firms and corporations whatsoever, from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, both known and unknown, breach of contract, defamation, and any claims whatsoever This Full and Final General Release (the "Release") shall apply to all agreements or contracts heretofore existing or entered into by and between Franchisee and Franchisor

2 The consideration expressly mentioned herein is the only consideration paid or to be paid by said parties hereby released The parties acknowledge that no other party, or agent, or attorney of any other party, has made any promise, or representation or warranty to induce this Release, not herein expressly set forth, and no such promises, representations or warranties are relied upon as a consideration for this Release, or otherwise, but any and all of the parties' respective claims, of whatever nature are hereby fully and forever released, compromised and settled Full and complete compromise, settlement, and accord and satisfaction are hereby acknowledged, and it is expressly agreed by the undersigned parties never to sue any of the other parties hereby released on any alleged promise, representation or warranty for this Release not herein expressly set forth

3 This Agreement contains the entire agreement and understanding between the parties as to the matters specified herein and supersedes and replaces all agreements on this subject matter, whether written or oral The terms contained herein may not be modified or amended except in writing signed by the parties The terms of this Release are contractual and not a mere recital

4 The undersigned further state that they have carefully read the foregoing instrument, that they know the contents thereof, that they understand and agree to each and every term and condition contained herein, that they signed the same as their own free act and deed, and that they have not assigned any rights released hereunder to any person or organization, private or governmental

5 The terms of this Release arose from discussions between the parties Accordingly, no claimed ambiguity in this Release shall be construed against any party claimed to have drafted or proposed the language in question

6 This Release shall be governed by and construed pursuant to the laws of the State of New Jersey

7 This Release may be executed in two copies, each of which shall be deemed an original

8 All releases given by the Franchisee is intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. The Parties represent and warrant that they have made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document as the Releasing Parties, in the Releasing Parties independent judgment, believe necessary or appropriate.

WITNESS OUR SIGNATURES, this the _____ day of _____, 20__

By _____

FRANCHISEE (Printed Name) _____

EXHIBIT 5

DISCLOSURE QUESTIONNAIRE

As **YOU** know, **YOU** and **JOMSOM FRANCHISE COMPANY, LLC, a New Jersey limited liability company ("Jomsom")** are entering into a Franchise Agreement for the operation of a Jomsom Staffing Services business. The purpose of this Disclosure Questionnaire is to determine whether any statements or promises were made to **YOU** that **Jomsom** has not authorized or that may be untrue, inaccurate or misleading, and to be certain that **YOU** understand the limitations on claims that may be made by **YOU** by reason of the offer and sale of the franchise and operation of **YOUR** business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations*

- 1 Did **YOU** receive a copy of **Jomsom's** Franchise Disclosure Document (and all exhibits and attachments) at least 14 calendar days prior to signing the Franchise Agreement? Check one ☐ Yes ☐ No If no, please comment

- 2 Have **YOU** studied and reviewed carefully **Jomsom's** Franchise Disclosure Document and Franchise Agreement? Check one ☐ Yes ☐ No If no, please comment

- 3 Did **YOU** receive a copy of the Franchise Agreement at least seven calendar days prior to the date on which the Franchise Agreement was executed? Check one ☐ Yes ☐ No If no, please comment

- 4 Did **YOU** understand all the information contained in both the Franchise Disclosure Document and Franchise Agreement? Check one ☐ Yes ☐ No If no, please comment

- 5 Was any oral, written or visual claim or representation made to **YOU** which contradicted the disclosures in the Franchise Disclosure Document? Check one ☐ No ☐ Yes If yes, please state in detail the oral, written or visual claim or representation

- 6 Did any employee or other person speaking on behalf of **Jomsom** make any oral, written or visual claim, statement, promise or representation to **YOU** that stated, suggested, predicted, or projected sales, revenues, expenses, earnings, income or profit levels at any other Jomsom business, or the likelihood of success of your business? Check one ☐ No ☐ Yes If yes, please

state in detail the oral, written or visual claim or representation

- 7 Do you understand that the Franchise Agreement contains the entire agreement between **YOU** and **Jomsom** concerning **YOUR** Jomsom Staffing Services business, meaning that any prior oral or written statements not set out in the Franchise Agreement or Franchise Disclosure Document will not be binding? Check one ☐ Yes ☐ No If no, please comment
-

- 8 Do you understand that the success or failure of **YOUR** Jomsom Staffing Services business will depend in large part upon **YOUR** skills and experience, **YOUR** business acumen, **YOUR** location, the local market for products and services, interest rates, the economy, inflation, the number of employees **YOU** hire and their compensation, competition and other economic and business factors? Further, do **YOU** understand that the economic and business factors that exist at the time you open **YOUR** business may change? Check one ☐ Yes ☐ No If no, please comment
-

YOU UNDERSTAND THAT **YOUR** ANSWERS ARE IMPORTANT TO **JOMSOM** AND THAT **JOMSOM** WILL RELY ON THEM BY SIGNING THIS ADDENDUM, **YOU** ARE REPRESENTING THAT **YOU** HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH,

NOTE IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT

Signed _____

Print Name _____

Date _____

EXHIBIT C
JOMSOM FRANCHISE COMPANY, LLC
FINANCIAL STATEMENTS

Jomsom Franchise Company

BALANCE SHEET

As of August 13, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1-0001 Cash	0 00
1-1000 Jomsom Franchise Company LLC	44,510 36
1-1999 Cash Clearing Account	0 00
Total 1-0001 Cash	44,510 36
Total Bank Accounts	\$44,510 36
Accounts Receivable	
1-1300 Accounts Receivable	6,650 00
1-1305 Accounts Receivable	0 00
Total 1-1300 Accounts Receivable	6,650 00
Total Accounts Receivable	\$6,650 00
Other Current Assets	
1-1400 Loan to Shareholder	2,000 00
12000 Undeposited Funds	0 00
Total Other Current Assets	\$2,000 00
Total Current Assets	\$53,160 36
Other Assets	
1 6000 Other Assets	0 00
1-6020 Prepaid Expenses	0 00
Total 1-6000 Other Assets	0 00
Total Other Assets	\$0 00
TOTAL ASSETS	\$53,160 36
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2-0000 Liabilities	0 00
2-0001 Accounts Payable	0 00
Total 2-0000 Liabilities	0 00
Total Accounts Payable	\$0 00
Credit Cards	
2-4000 Credit Card	0 00
CHASE	0 00
Total Credit Cards	\$0 00
Other Current Liabilities	
2-3000 Accrued Expenses	0 00
2-3005 Accrued Expenses	0 00
Total 2-3000 Accrued Expenses	0 00

	TOTAL
2-6000 Deferred Franchise Fees	0 00
2-6005 Deferred Nat Brand Dev Fees	-4,061 35
2-6010 Deferred Franchise Fees	0 00
2-6020 Deferred Royalty Fees	147 58
Total 2-6000 Deferred Franchise Fees	-3,913 77
2-6500 Intercompany Loan	0 00
2-6505 Loan to/from IM Practices	127,975 12
Total 2-6500 Intercompany Loan	-127,975 12
Total Other Current Liabilities	\$ -131,888 89
Total Current Liabilities	\$ -131,888 89
Long-Term Liabilities	
27010 Deferred Area Representative	49,999 66
Total Long-Term Liabilities	\$49,999 66
Total Liabilities	\$ -81,889 23
Equity	
3-0000 Equity	0 00
3-0005 Owner's Distributions	-59,970 56
3-3010 Paid In Capital	15 000 00
3-8000 Retained Earnings	0 00
Total 3-0000 Equity	-44,970 56
31300 Contributed Capital	0 47
32000 Retained Earnings	19,022 63
33000 Saurabh Equity	68,728 00
33500 Vidhi Equity	69,786 00
Net Income	22,483 05
Total Equity	\$135,049 59
TOTAL LIABILITIES AND EQUITY	\$53,160 36

Jomsom Franchise Company

PROFIT AND LOSS

January 1 - August 13, 2019

	TOTAL
Income	
4-0000 Income	0 00
4 1000 Franchising Revenue	0 00
4-1005 Royalty Fees	14,601 34
4-1010 Technology Fees	3,724 45
4-1020 Franchise Fees	36,600 00
Total 4-1000 Franchising Revenue	54,925 79
Total 4-0000 Income	54,925 79
Total Income	\$54,925 79
GROSS PROFIT	\$54,925 79
Expenses	
6-0000 Operating Expenses	0 00
6 1000 Auto Expenses	0 00
6 1010 Fuel Expenses	114 46
Total 6-1000 Auto Expenses	114 46
6 1500 Bank and Credit Card Fees	0 00
6 1510 Merchant Fees	39 00
Total 6-1500 Bank and Credit Card Fees	-39 00
6 2000 Business Development Expenses	0 00
6-2005 Advertising and Marketing	69 92
6-2015 Meals and Entertainment	13 09
Total 6-2000 Business Development	83 01
Expenses	
6-4000 Dues and Subscriptions	95 00
6 5000 General Travel Expenses	0 00
6-5005 Hotel / Lodging	1,102 98
6-5010 Airfare	390 60
6-5030 Parking Expenses	68 08
Total 6-5000 General Travel Expenses	1,561 66
6-6030 Meals and Entertainment	147 10
6-6500 Office Expenses	0 00
6-6505 Office Supplies	894 17
6 6515 Rent	1,800 00
6-6520 Repairs and Maintenance	7 56
6 6525 Telephone Expense	1,326 56
6 6530 Computer and Internet Expenses	752 22
Total 6-6500 Office Expenses	4,780 51
6-7500 Professional Fees	0 00
6 7510 Consulting Expense	21,700 00
6 7515 Legal Expenses	4 000 00
Total 6-7500 Professional Fees	25,700 00
Total 6-0000 Operating Expenses	32,442 74

	TOTAL
Total Expenses	\$32,442 74
NET OPERATING INCOME	\$22,483 05
NET INCOME	\$22,483 05



56 White Street
Belmont, MA 02478

Michael J Hadzipanajotis, CPA
CPA & Consulting Services

508 648 9502

CONSENT

Michael J Hadzipanajotis, CPA consents to the use in the Franchise Disclosure Document issued by Jomson Franchise Company, LLC ("Franchisor") on March 6, 2019, as it may be amended, of our report dated March 6, 2019, relating to the financial statements of Franchisor for the period ending December 31, 2018

Michael J Hadzipanajotis, CPA

EXHIBIT D
JOMSOM FRANCHISE COMPANY, LLC
TABLE OF CONTENTS OF OPERATIONS MANUAL

EXHIBIT E
JOMSOM FRANCHISE COMPANY, LLC
LIST OF FRANCHISEES

LIST OF FRANCHISEES

Gloria Holliday
104B W Franklin Street
Tupelo, MS 388804
Tel (662) 276-1049

Jana Korapala
1830 Round Rock Avenue, Suite 300
Round Rock, TX 78681
Tel (512) 956-3479

Kola Komolafe
Zackson Solutions, LLC
6200 Savory Drive, Suite 1202
Houston, TX 77036

Adam Banks
Clinic Logic Corp
39 W 29th Street
New York, NY 10001

Ebrahim Leonard and Faith Leonard
Specibase, LLC
Clark County, Nevada

LIST OF FRANCHISEES WHO LEFT THE SYSTEM

All State Staffing
Devika Patel
182-33 Hillside Avenue
Jamaica, NY 11432

EXHIBIT F
JOMSOM FRANCHISE COMPANY, LLC
STATE ADDENDUMS

**ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO
THE CALIFORNIA FRANCHISE INVESTMENT LAW**

**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**

California Business and Professions Code Sections 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.

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

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

The Franchise Agreement requires application of the laws of New Jersey. This provision may not be enforceable under California law.

Section 31125 of the Franchise Investment Law requires us to give to you a disclosure document approved by the Commissioner of Business Oversight before we ask you to consider a material modification of your Franchise Agreement.

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

Neither the Franchisor nor any person listed in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

We will comply with all appropriate laws governing any direct financing offered by us to you including, if applicable, the California Finance Lenders Law.

The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. Any restrictions on pricing may not be enforceable under California law.

You may be required to pay interest on overdue amounts owed to us. The maximum interest rate allowed in California is 10%.

Franchisee _____ Date _____

Franchisor _____ Date _____

MARYLAND

The Disclosure document and Franchise Agreement hereto are hereby modified and/or clarified as follows for franchisors and prospective franchisees in Maryland

The Franchise Agreement and Item 5 of the Disclosure Document are amended to provide "Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement"

Disclosure document (Numbers 1-4 amends Item 17 of the FDD)

- 1 Item 17 h, Termination for bankruptcy filing might not be enforceable under the U S Bankruptcy Act, but we intend to enforce it to the extent enforceable
- 2 Items 17(c) and 17(m) are revised to provide that we cannot, as a condition to renewal or consent to assignment, require you to release any claims under the Maryland Franchise Registration and Disclosure Law
- 3 Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise
- 4 Item 17 (v) and 17(w) are revised to state that a franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law
- 5 Each provision of this Addendum to the Disclosure document shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum

Franchise Agreement

- 1 The Franchise Agreement is revised to provide that termination upon bankruptcy might not be enforceable under the U S Bankruptcy Act, but we intend to enforce it to the extent enforceable
- 2 The Franchise Agreement is revised to include the following

"Notwithstanding the provisions of this Agreement, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Nothing herein is intended to, nor shall it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise
- 3 The Franchise Agreement is revised to state that we cannot, as a condition to renewal or consent to an assignment, require you to release any claims under the Maryland Franchise Registration and Disclosure Law

- 4 Each provision of this Addendum to the Franchise Agreement shall be effective only to the extent that, with respect to such provisions, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Act are met independently without reference to this Addendum

Franchisee _____ Date _____

Franchisor _____ Date _____

**ADDENDUM PURSUANT TO
THE NEW YORK FRANCHISE LAW**

1

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THE FRANCHISE DISCLOSURE DOCUMENT IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271 THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FOR IN THIS FRANCHISE DISCLOSURE DOCUMENT

2 The following is added at the end of Item 3

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

- A No such party has an administrative, criminal or civil action pending against that person alleging a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations
- B No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations
- C No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations
- D No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange, or is subject to a

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

3 The following is added to the end of Item 4

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, (b) obtained a discharge of its debts under the bankruptcy code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership

4 The following is added to the end of Item 5

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion

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

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

6 The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee"**

You may terminate the agreement on any grounds available by law

7 The following is added to the end of the "Summary" section of Item 17(j), titled **"Assignment of contract by franchisor"**

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the franchise agreement

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

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20____

Franchisee _____ Date _____

Franchisor _____ Date _____

VIRGINIA

- 1 Item 17 of the Franchise Disclosure Document is amended by adding the following the provision in the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U S C § 101, et seq)

- 2 Item 17(h) of the Franchise Disclosure Document is amended by adding the following

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause", as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

RECEIPT
(KEEP THIS COPY FOR YOUR RECORDS)

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

If Jomsom Franchise Company, LLC ("Franchisor") offers you a franchise, Franchisor must provide this Disclosure Document to you 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.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Franchisor does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate State agency identified in Exhibit A.

The Franchisor is Jomsom Franchise Company, LLC, 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540, (866) 435-4050.

Issuance Date: March 6, 2019

The name, principal business address and telephone number of the franchise sellers offering the franchise are:

Saurabh Agarwal, 4390 US Highway 1, Ste #203, Princeton, NJ 08540, (866) 435-4050

Franchisor authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

I have received a Franchise Disclosure Document dated March 6, 2019 that included the following Exhibits:

- Exhibit A - List of State Administrators/ Agents for Service of Process
- Exhibit B - Form of Franchise Agreement
- Exhibit C - Financial Statements
- Exhibit D - Table of Contents – Operations Manual
- Exhibit E - List of Franchisees
- Exhibit F - State Addenda

Dated _____

Prospective Franchisee

(Print Name)

Please execute and return this document immediately via the method prescribed by the Franchisor.

RECEIPT
(RETURN THIS COPY TO US)

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

If Jomsom Franchise Company, LLC ("Franchisor") offers you a franchise, Franchisor must provide this Disclosure Document to you 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.

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- Exhibit D - Table of Contents – Operations Manual
- Exhibit E - List of Franchisees
- Exhibit F - State Addenda

Dated: _____

Prospective Franchisee

(Print Name)

Please execute and return this document immediately via the method prescribed by the Franchisor.

Jomsom Staffing Services FDD