FRANCHISE DISCLOSURE DOCUMENT

JOMSOM FRANCHISE COMPANY, LLC
A New Jersey Limited Lability Company
4390 US Highway 1, Suite #203
Princeton, New Jersey 08540
Tel: (866) 435-4050
www.jomsomfranchise.com
franchise_sales@jomsomstaffing.com

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: February 17, 2020

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Jomsom Staffing business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Jomsom Staffing franchisee?	Item 20 or Exhibits E list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

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

2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all your financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouses' marital and personal asserts at risk if your franchise fails.

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

NOTICE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

The Michigan Franchise Law states in Sec. 445.1527, Sec.27 that each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

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

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Antitrust & Franchise
G. Mennen Williams Building, 1st Floor
525 West Ottawa
Lansing, Michigan 48909

Telephone Number: (517) 373-7117

JOMSOM STAFFING

FRANCHISE DISCLOSURE DOCUMENT

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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 Guaranty. 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 single unit Jomsom Staffing Services Businesses. Under a separate disclosure document, we also offer qualified individuals ("Area Representatives") the right to operate an area representative business (the "Area Representative Business") offering, qualifying and supporting individual unit Jomsom Staffing Services Businesses within a defined territory. Depending on the location of your Jomsom Staffing Services Business or designated territory, we may have an existing or future Area Representative that assists us with your 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”). The initial franchise fee is not refundable under any circumstances. The Initial Franchise Fee must be paid in full when you sign the Franchise Agreement and is uniform to all franchisees establishing a Jomsom Staffing Services Business and except that we offer the following discounts which cannot be combined with one another and which must be requested by you in writing at the time of signing the Franchise Agreement:

1. Qualified U.S. Military Veterans - For qualified individuals who were honorably discharged from any branch of the United States Military, the Initial Franchise Fee is discounted by 10%, and we will credit $1,000 each year for the first five (5) years of your Term towards your advertising contributions, provided that you generated Gross Sales

that is in excess of either of the Gross Sales Targets described in Item 6 in the preceding year.

2. Qualified Diversity Candidates. For qualified individuals eligible for a certification as a qualified diversity business (i.e. LGBTQ, minority or woman-owned), the Initial Franchise Fee is discounted by 10%, provided that you will be required to repay the amount of the discount if you fail to obtain a certification as a diversity business from the appropriate government agency.

3. Existing Franchisees - For our existing franchisees who enter into additional Franchise Agreements and who are in good standing with their existing Jomsom Staffing Services Franchise Agreement(s), we offer a discount off of the Initial Franchise Fee that will vary based on the number of additional Franchise Agreements that you wish to enter into.

4. Large Transactions. We may offer discretionary discounts of up the Initial Franchise Fee for new franchisees that previously operated a substantially similar business. We may, in our discretion, offer more significant discounts for larger transactions.

5. Multiple Franchise Agreements. We may offer discounts if you elect to enter into multiple franchise agreements at the same time. The discount will vary based on number of Franchise Agreements and the qualifications of the prospect.

6. Satellite Office. If you wish to open a second satellite office with your Area of Prime Responsibility and we approve your request, you pay a satellite office fee equal to Five Thousand Dollars ($5,000) for the right to open such an office, provided that it must be within your Area of Prime Responsibility and no additional territorial rights will be granted and you will sign an addendum permitted you to operate from its location.

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ITEM 6
OTHER FEES

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
APR Royalty Fee – Temporary Staffing Services	5% of Gross Sales of Temporary Staffing Services; We will rebate 1% of Temporary Staffing Services Gross Sales generated during Measurement Period if Gross Sales Target is met for that Measurement Period.	Payable monthly, by no later than the 5th business day of each month or such due date as upon you agree with our Designated Back Office Provider.	"Gross Sales" includes all revenue derived from all business conducted at or from your Jomsom Staffing Services Business within your Area of Prime Responsibility. "Temporary Staffing Services Gross Sales" refers to Gross Sales generated from services where the position is for a temporary or otherwise limited duration assignment (the "Temporary Staffing Services"). See Note 1. Rebate eligibility will be assessed for each Measurement Period of your franchise agreement. See Note 2.
APR Royalty Fee – Permanent Staffing Services	10% of Gross Sales of Permanent Staffing Services We will rebate 2% of Permanent Staffing Services Gross Sales generated during Measurement Period if Gross Sales Target is met	Payable monthly, by no later than the 5th business day of each month.	"Permanent Staffing Services Gross Sales" refers to Gross Sales generated from services where the position is for a permanent position with no pre-determined end date ("Permanent Staffing Services"). This payment will be debited automatically from your business

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
			bank through ACH. See Note 2.
APR Royalty Fee –Outsourcing and Recruitment Services	20% of Outsourcing and Recruitment Gross Sales generated from Outsourcing and Recruitment Services you perform for a Jomsom franchisee	All payments will be made directly to us and we will remit the APR Royalty Fee for Outsourcing and Recruitment Services to you.	“Outsourcing and Recruitment Gross Sales” means Gross Sales that you obtained by providing outsourced recruitment services (the “Outsourcing and Recruitment Services”) to fulfill a recruitment contract on behalf of a client (e.g another Jomsom office, a client or a third party company). This payment will be debited automatically from your business bank through ACH. See Note 2.
National Account Commission Fee	Originating Legacy Franchisee: 2.5% of Gross Sales from the National Account that they originated Servicing Franchisee: 97.5% of Gross Sales (less our expenses from the originating from a Legacy Franchisee if we provide any services) Originating New Franchisee: 2.5 % of Modified	Payable to you no later than the 5th business day of each month	National Account commissions vary based on when the franchisee that originated the account joined the Jomsom System. National Account commissions due to new franchisees joining the System after March 2020 (“New Franchisees”) will be based equal to 2.5% of the Modified Net Profit which is defined as Gross Sales less fees, costs, and eligible expenses incurred by the Originating Franchisee or us (“Deducted

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
	Net Profit Servicing Franchisee: 97.5% of Modified Net Profit		Expenses") (with an Originating Franchisee's Deducted Expenses capped at a maximum of 10% of Gross Sales from the customer) due ("Modified Net Profit") for sales originating from all other system franchisees. We refer to franchisees who joined the system prior to the issuance date of this FDD as "Legacy Franchisees". See Note 3.
Shared Accounts	If you and any other System Franchisee or company-owned location jointly service a customer you and the other system franchisee(s) will receive an equal portion of the Modified Net Profit from the Shared Account	Payable to you no later than the 5th business day of each month	If you and any other System Franchisee elect to partner to service a customer account (a "Shared Account") you will receive a proportional share of the Gross Sales, less any fees, commissions (including National Account Commissions if applicable), costs, and expenses due to us and/or our designee. If you partner with multiple franchisees for one account, each franchisee will receive an even share. By way of example, if you partner with 4 franchisees, each

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
			franchisee will receive 25% of Gross Sales, less any amounts due to us or our designees.
Referral Fee (non-National Account)	As negotiated between the Jomsom franchisees	Upon referral of a customer	You may negotiate with other System franchisees and pay a fee for the referral of a customer that is located either in your Area of Primary Responsibility or in an Open Area.
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 4
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.
Audit	Our audit costs	Upon	See Note 5

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
		completion of inspection/audit	
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 6
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

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
			expenses we incur.
Indemnification	Amount of loss or damages plus costs	As incurred	See Note 7
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 other payment is returned not paid.
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 determination on the proposed product or supplier. See Item 8.

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Renewal Fee	25% of then current initial franchise fee.	Prior to renewal	See Item 17 for a further explanation of renewal conditions.
Technology Fee	Currently $450 per month. We may charge up to $1,000 per month, starting from your first month of operation; however, we will not increase by more than $100 in any calendar year.	Monthly	The Technology Fee is a general administrative fee and is not connected to any particular service.
Support and Financing Services Fee	As agreed, but generally you will pay a Support and Financing Services Fee equal to up to 2.5% of Gross Sales as per the terms of your agreement with the Designated Back Office Provider	Weekly	Payable to our Designated Back Office Service Provider as our exclusive supplier. You may also be required to pay an initial deposit. Note 8.

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Noncompliance Fee	The greater of $500 or actual costs and expenses, including attorneys' fees assessed as a result of your noncompliance.	Upon a default or use of a noncompliance service or product	If you utilize an unapproved supplier, product, or service we will assess the noncompliance fee for each supplier, product or service that you utilize.
Late Fee	The greater of: (i) $50; or (ii) 5% of the amount of the unpaid fee, and actual costs and expenses incurred by us (such as bank fees)	When a payment is 30 days past due	We will assess this if we cannot process your credit card or ACH payment.
Local Marketing	We suggest spending the lesser of 1.5% of Gross Sales or $500 monthly	As incurred	We suggest, but do not require, that you spend at least $500 on the local marketing and advertising within your Area of Primary Responsibility

Notes:

General: Unless otherwise stated, all fees are paid to us and are non-refundable. All fees are imposed uniformly. You will be required to sign an ACH authorization form (Franchise Agreement, Exhibit 11) permitting us to electronically debit your designated bank account for payment of all fees payable to us (other than those withdrawn by our vendor for back office and financial support services)(See Note 8) as well as any amount owed to us or our affiliated for goods or services. You must deposit all Gross Sales of your Jomsom Staffing Services Business into the designated bank accounts that are subject to our ACH authorization. You must install and use, at your expense, the pre-authorized payment, point of sale, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your Jomsom Staffing Services Business. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account.

1. 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. We will offer a rebate if your Gross Sales for the respective Services Type (e.g Gross Sales from Temporary Staffing Services or Gross Sales from Permanent Staffing Services) exceeds the required level of Gross Sales (the "Gross Sales Target") in a twelve-month period (the "Measurement Period", as further defined in Table 2 below). If your reporting demonstrates that you have exceeded the Gross Sales Target for a Services Type as set forth in Table A below in any Measurement Period during the Term, we will pay you the applicable Rebate Payments within sixty (60) days of receipt of Franchisee's submission of reports demonstrating that your Gross Sales exceeds the Gross Sales Threshold and the Reduced Royalty set forth in Table 1 shall apply for Gross Sales from the respective Services Type for the remainder of the Measurement Period.

Table 1
Gross Sales Targets

Gross Sales Services Type	Gross Sales Target Measurement Period 1 and 10	Gross Sales Targets Measurement Period 2 -8	Rebate Amounts	Reduced Royalty Rate for Services Type
Temporary Staffing Services	$38.461 multiplied by the number of weeks in the Measurement Period	$2,000,000 in any Measurement Period	1% of Gross Sales for Temporary Staffing Services collected during the Measurement Period	4% of Gross Sales from Temporary Staffing Services for remainder of Measurement Period
Permanent Staffing Services	$9,615 multiplied by the number of weeks in the Measurement Period	$500,000 in any Measurement Period	2% of Gross Sales for Permanent Staffing Solutions collected during the Measurement Period	8% of Gross Sales from Permanent Staffing Services for remainder of Measurement Period

Table 2
Measurement Periods

Measurement Period	Period
1	Pro-rated from your opening to December 31
2	January 1 – December 31
3	January 1 – December 31

4	January 1 – December 31
5	January 1 – December 31
6	January 1 – December 31
7	January 1 – December 31
8	January 1 – December 31
9	January 1 – December 31
10	January 1 – December 31
11	January 1 – Expiration of Term

During Measurement Period 1 and 10, the Gross Sales Target will be pro-rated by the number of weeks remaining before June 1 of the respective calendar year (or if you begin operation in June – December, June 1 of the next calendar year).

System franchisees will have the option to designate a client a "National Account." A "National Account" is a customer that possesses and/or maintains centers, stores, outlets, venues, facilities and/or otherwise operates at multiple locations located throughout a region or the nation with which a Jomsom business has entered into an agreement that permits the franchisee to service multiple locations operated by such a customer that fall outside of the area of Prime Responsibility.

3. A "National Account" is a customer that possesses and/or maintains centers, stores, outlets, venues, facilities and/or otherwise operates at multiple locations located throughout a region or the nation with which a Jomsom business has entered into an agreement that permits the franchisee to service multiple locations operated by such a customer that fall outside of the area of Prime Responsibility. The franchisee who introduces the National Account to us, will be the Originating Franchisee. Generally, the Originating Franchisee will enter into an agreement directly with the National Account. If the Originating Franchisee does not wish to contract with the National Account, we or our affiliate will contract with the National Account and any expenses we incur may be deducted from your Gross Sales or Modified Net Profit. 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. 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. If you are not the originating franchisee, we will also deduct the applicable commission fee due to the Originating Franchisee. If the Originating Franchisee is a Legacy Franchisee, you will pay a commission equal to 2.5% of Gross Sales referral fee will be deducted, and if the Originating Franchisee is a New Franchisee, you will pay a commission equal to 2.5% of Modified Net Profit will be deducted for all other System franchisees.

   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 commission fee equal to 2.5% of the Modified Net

Profit.

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.

7. We require you to enter into an agreement with our vendor for back office and financial support services ("Designated Back Office Provider"), whereby the Designated Back Office Provider agrees to provide you with full back office support for your provision of temporary staffing services, including payroll financing and corporate support services, such as payroll processing, performing customer credit checks, invoicing and billing and collections (the "Support and Financing Services").

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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
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 Jomsom 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 and/or operations manual. 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. The low range assumes that you will pay monthly installments and reflects your costs for the first three (3) months of operations, and the high range assumes that you will pre-pay some or all of your payment or that you operate within jurisdiction with additional insurance requirements and/or costs. Your costs may be higher if you operate within an area with unusually high insurance costs or workers' compensation costs.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, local advertising and marketing expenses, bank fees, transportation, lodging and dining expenses, access fees for lead generation services and database (Zoom Info) or third party resume databases (e.g, Monster, Careerbuilder, and Linkedin) rent and miscellaneous costs and expenses, and the cost to purchase additional 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.

You must utilize our background services provider. We may in the future designate an affiliate or other designated provider of recruiting services, legal services and/or outsourcing services.

We have entered into an exclusive agreement with our Designated Back Office Services Provider. You must enter into an agreement with our Designated Back Office Provider whereby the Designated Back Office Provider agrees to provide you with the Support and Financing Services for temporary staffing services, which include back office services such as payroll financing and corporate support services, such as payroll processing, performing customer credit checks, invoicing and billing and collections. The fee for this service is generally two and one-half percent (2.5%) of Gross Sales (but may vary based on your agreement with the Designated Back Office Provider) which will be computed and charged to you by Designated Back Office Provider on a weekly basis. Our Designated Back Office Provider also offers additional services that you can purchase, at your option. Your agreement with the Designated Back Office Provider will authorize it to deduct amounts payable to us (See Item 10 for additional detail). We reserve the right to terminate our agreement with the Designated Back Office Provider, and consequently your agreement with the Designated Back Office Provider, 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 our Designated Back Office Provider based on the Designated Back Office Provider's agreements with franchisees. We may also receive up to a 10% rebate from our background services provider. We reserve the right to receive a vendor from any other vendor.

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.

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 mail outs.

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	$1,000,000 aggregate
(Occurrence Basis)	

(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

(g) Business Interruption insurance

Coverage	Minimum Amounts and Limits
Each Claim	Twelve Month Net Income for your business and continuing expenses including royalty fees

(h) Cyber Insurance:

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

This policy must include Third Party coverage.

(i) Fidelity/Crime Bond:

Coverage	Minimum Amounts and Limits
Theft, disappearance, and destruction off-premise	$5,000
Employee blanket dishonesty	$5,000

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 or 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 our Designated Back Office Provider. You must enter into an agreement with Designated Back Office Provider whereby the Designated Back Office Provider agrees to provide you with back office support, payroll financing for temporary staffing services and corporate support services, such as payroll processing, performing customer credit checks, invoicing and billing and collections. The Support and Financing Services Fee is two and one-half percent (2.5%) of billed revenue which will be computed and charged to you by Designated Back Office Provider on a weekly basis. The Designated Back Office Provider also currently offers additional services that you can purchase, at your option, however, this services are subject to change. Pursuant to your agreement with Designated Back Office Provider , you will authorize them to deduct the following amounts from monies payable to you:

a) All legal and other out-of-pocket collection expenses we (or our affiliate) incur (if applicable);
b) The APR Royalty Fee for Temporary Support Services;
c) The . Support and Financing Services Fee;
d) The Brand Development Fee; and
e) Any National Account Commission due.

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

We reserve the right to terminate our agreement with our Designated Back Office Provider, and consequently your agreement with the Designated Back Office Provider , 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. Pursuant to the agreement with our current Designated Back Office Provider, we will receive rebates from 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 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 traning 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, which is currently $450 per month.

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

SUBJECT	HOURS OF CLASS-ROOM TRAINING	HOURS OF ON SITE TRAINING	LOCATION
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 done by Saurabh Agarwal, who has operated a business similar to the one you will be operarating 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 tutition 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. Generally, your territory may consist of a county, borough or city. If the area that we designate as your APR has less than 10,000 businesses and 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. If you request an APR within a city or county with more than 25,000 business, we will have the right to grant additional franchises or operate additional Jomsom business, provided that we will license or operate no more than one (1) additional Jomsom business for every 10,000 businesses. By way of further example, if there are 30,000 business, we will license or operate no more than three (3) Jomsom businesses within the county or city. You have no right to distribute any products offered in the Jomsom Staffing Services Business through any alternate channels of distribution. However, you are permitted to solicit and service National Accounts so long as the National Accounts are located outside of the area of prime responsibility of any other Jomsom System franchisee (an "Open Area"). You may also service accounts that are not National Accounts that are located in an Open Area (an "Open Area Account"). If an Open Area is designated as part of the Area of Prime Responsibility for any other System franchisee, you may no longer solicit new National Accounts or Open Area Accounts located in this area, but may continue to service any National Accounts or Open Area Accounts with which you had a pre-existing relationship. You may also service customers in another franchisee's Area of Prime Responsibility if the business is a national account or if the franchisee whose Area of Prime Responsibility you would operate in requests that you assist with servicing a Shared Account or otherwise requests that you provide Outsourcing and Recruitment Services.

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; (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); and (iii) permit our affiliates and franchisees to use the Proprietary Marks and System to service National Accounts within your Area Primary Responsibility; and permit our affiliates and franchisees to use the Proprietary Marks and System to service Open Area Accounts (provided that the franchisee or affiliate has had a pre-existing relationship with the Open Area Account). 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. 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 (, then you generally pay a referral fee to the franchisee, which will vary based on the terms of your agreement with the franchisee.

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.

Once a client is designated a National Account, System franchisees are not permitted to execute any new agreements with the client for the same line of services covered by the contract with the Originating Franchisee (e.g if the National Account contract is for staffing services, you may enter into an agreement for non-staffing/consulting services).

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.

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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.

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

	Provision	Section in Franchise Agreement	Summary
			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
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.

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	Provision	Section in Franchise Agreement	Summary
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 Agreemen t	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 located within the United States; (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.

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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 2017 to 2019

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2017	3	4	+1
	2018	4	5	+1
	2019	5		
Company Owned	2017	1	2	+1
	2018	2	2	0
	2019	2	2	0
Total Outlets	2017	4	6	+2
	2018	6	7	+1
	2019	7		

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2017 to 2019

STATE	YEAR	NUMBER OF TRANSFERS
None	2017	0
	2018	0
	2019	0

TABLE NO. 3
STATUS OF FRANCHISED OWNED OUTLETS
FOR YEARS 2017 to 2019

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
California	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
Mississippi	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Nevada	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
New Jersey	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
New York	2017	1	1	0	0	1	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Pennsylvania	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0

	2019	0	1	0	0	0	0	1
Texas	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	1	0	0	0	0	3
Totals	2017	3	2	0	0	1	0	4
	2018	4	1	0	0	0	0	5
	2019	5	4	0	0	0	0	9

TABLE NO. 4
STATUS OF COMPANY OWNED OUTLETS
FOR YEARS 2017 to 2019

State	Year	Outlets at start of year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at end of year
New Jersey	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
Totals	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2018	1	0	0	0	0	1

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TABLE NO. 5
PROJECTED OPENINGS
AS OF JANUARY 1, 2020

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
California	0	1	0
Texas	0	1	0
Total	**0**	**2**	**0**

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit C is our audited financial statement as of December 31, 2019, December 31, 2018 and December 31, 2017.

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
Exhibit G – State Effective Dates

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]

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT A
STATE ADMINISTRATORS AND
AGENT FOR SERVICE OF PROCESS

List of State Administrators

California
Department of Business Oversight
320 West 4th Street Suite 750
Los Angeles, CA 90013

Commissioner of Business Oversight
1515 K Street, Suite 200
Sacramento, CA 95814
1-866-275-2677

Connecticut
Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103

Florida
Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, FL 32399

Hawaii
Franchise & Securities Division
State Department of Commerce
P.O. Box 40
Honolulu, HI 96813

Illinois
Office of the Attorney General
Franchise Bureau
500 South Second Street
Springfield, IL 62706

Indiana
Indiana Secretary of State
Indiana Securities Division
Franchise Section
302 W. Washington Street Room E-111
Indianapolis, IN 46204

Kentucky
Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, KY 40601

Maine
Department of Professional and Financial Regulations
Bureau of Banking
Securities Division
121 Statehouse Station
Augusta, ME 04333

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of the Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
PO Box 30213
Lansing, MI 48909

Minnesota
Minnesota Department of Commerce
Securities Unit
85 7th Place East, Suite 280
St. Paul, MN 55101

Nebraska
Nebraska Department of Banking and Finance
Commerce Court
1230 O Street, Suite 400, Lincoln, NE 68509

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Floor
New York, NY 10005
212-416-8286

North Carolina
Secretary of State
Securities Division
300 North Salisbury Street, Suite 100
Raleigh, NC 27603

North Dakota
Office of Securities Commissioner
600 East Boulevard, 5th Floor
Department 414
Bismarck, ND 58505

Rhode Island
Department of Business Registration
Division of Securities
233 Richmond Street Suite 232
Providence, RI 02903

South Carolina
Office of the Secretary of State
1205 Pendleton Street
Edgar Brown Building, Suite 525
Columbia, SC 29201

South Dakota
Franchise Office
Division of Securities
910 E. Sioux Avenue
Pierre, SD 57501

Texas
Office of the Secretary of State
Statutory Document Section
1019 Brazos Street
Austin, TX 78701

Utah
Utah Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
PO Box 146704
Salt Lake City, UT 84114

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Washington
Department of Financial Institutions
Securities Division
PO Box 9033
Olympia, WA 98507

Wisconsin
Franchise Office
Wisconsin Securities Commission
PO Box 1768
Madison, WI 53701

California
Commissioner of Business Oversight
Department of Business Oversight
320 West 4th Street Suite 750
Los Angeles, CA 90013

Commissioner of Business Oversight
1515 K Street, Suite 200
Sacramento, CA 95814
1-866-275-2677

Connecticut
Banking Commissioner
Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103

Hawaii
Director of Department of Commerce and Consumer Affairs
335 Merchant Street, Suite 203
Honolulu, HI 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Maryland
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202

Michigan
Michigan Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
Lansing, MI 48910

Minnesota
Commissioner of Commerce of Minnesota
Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101

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

North Dakota
North Dakota Securities Commissioner
State Capitol
600 East Boulevard
Bismarck, ND 58505

Rhode Island
Director of Department of Business Regulation
233 Richmond Street, Suite 232
Providence, RI 02903

South Dakota
Director, Division of Securities
Department of Commerce and Regulation
445 East Capitol Avenue
Pierre, SD 57501

Virginia
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Washington
Securities Administrator
Washington Department of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501

Wisconsin
Wisconsin Commissioner of Securities
345 W Washington Avenue
Madison, WI 53703

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT B
FRANCHISE AGREEMENT

EXHIBIT B
JOMSOM FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT

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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 a royalty fee on an ongoing basis for each category of services described below. "Gross Sales" means all revenues derived from all business conducted at or from the Franchised Business. We further define the following categories of Gross Sales and corresponding services types: (i) "Temporary Staffing Services Gross Sales" refers to Gross Sales generated by the Franchised Business from services where the position is for a temporary or otherwise limited duration assignment (the "Temporary Staffing Services"); (ii) "Permanent Staffing Services Gross Sales" refers to Gross Sales generated by the Franchised Business from services where the position is for a permanent position with no pre-determined end date ("Permanent Staffing Services"); and (iii) "Outsourcing and Recruitment Gross Sales" means Gross Sales that Franchisee obtains by providing outsourced recruitment services (the "Outsourcing and Recruitment Services") to fulfill a recruitment contract on behalf of a client (e.g another Jomsom office, a client or a third party company). Franchisee shall pay to Franchisor an ongoing royalty fee (the "Royalty Fee") as follows: (i) a Royalty Fee equal to 5% of all Temporary Staffing Services; (ii) a Royalty Fee equal to 10% of all Permanent Staffing Services Gross Sales; and (iii) a Royalty Fee equal to 20% of Outsourcing and Recruitment Gross Sales. The Royalty Fee for Temporary Staffing Services is payable on the fifth business day of each month by ACH or as otherwise agreed the designated provider of payroll and back office services (the "Designated Back Office Provider") pursuant to Section 5.2.1 below. The Royalty Fee for Permanent Staffing Service is due on the 5^{th} of the month and will be deducted by us by ACH. Any customer payments to you for Outsourcing and Recruitment Services must be paid directly to us and we will remit the Royalty Fee to you on a monthly basis. 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. Franchisee shall execute Franchisor's designated ACH Authorization form and such other authorization agreements, in the form prescribed by Franchisor, for preauthorized payment of royalty fee payments and other fees, reimbursements and amounts due from Franchisee under this Agreement, by electronic transfer of funds from Franchisee's bank account to the bank account that Franchisor designates. Franchisor's current ACH Authorization that must be executed and complied with by Franchisee is attached hereto as Exhibit 6. Franchisor may require Franchisee to pay the royalty fees and other amounts due under this Agreement by means other than ACH and/or automatic debit whenever Franchisor deems appropriate, and Franchisee agrees to comply with Franchisor's payment instructions.

3.2.3 **Rebates.** If Franchisee's reporting demonstrates that Franchisee has exceeded the Gross Sales Target for a Services Type as set forth in Table A below in any Measurement Period during the Term (as defined in Table 2), Franchisor shall pay Franchisee the applicable Rebate Payments within sixty (60) days of receipt of Franchisee's submission of reports demonstrating that Franchisee's Gross Sales exceeds the Gross Sales Threshold and the Discounted Royalty set forth in Table 1 shall apply for Gross Sales from the respective Services Type for the remainder of the Measurement Period. During Measurement Period 1 and 10, the Gross Sales Target will be pro-rated by the number of weeks remaining before June 1 of the respective calendar year (or if Franchisee begins operation in June – December, June 1 of the next calendar year). If Franchisee's Franchise Agreement is terminated or if Franchisee abandons the Jomsom Business prior to the end of any Measurement Period, Franchisee shall not be eligible for any rebate for the last Measurement Period prior to such abandonment or termination.

Table 1
Gross Sales Targets

Services Type	**Gross Sales Target Measurement Period 1 and 10**	**Gross Sales Targets**	**Gross Sales Targets**	**Rebate Amounts**
Temporary Staffing Services	$38.461 multiplied by the number of weeks in the Measurement Period	$2,000,000 in any Measurement Period		1% of Gross Sales for Temporary Staffing Services collected during the previous Measurement Period
Permanent Staffing Services	$9,615 multiplied by the number of weeks in the Measurement Period	$500,000 in any Measurement Period	$500,000 in any Measurement Period	2% of Gross Sales for Permanent Staffing Solutions collected during the previous Measurement Period

Table 2
Measurement Periods

Measurement Period	Period
1	Pro-rated from your opening to Decem ber 31
2	January 1 – December 31
3	January 1 – December 31
4	January 1 – December 31
5	January 1 – December 31
6	January 1 – December 31
7	January 1 – December 31
8	January 1 – December 31
9	January 1 – December 31
10	January 1 – December 31
11	January 1 – Expiration of Term

Upon renewal, the then-current Royalty Fee and if applicable, Gross Sales Targets to qualify for Rebate Amounts, shall apply for the renewal term.

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 for a Legacy Franchisee or 2.5% of the Modified Net Profit for New Franchisee. "Modified Net Profit" is defined as Gross Sales less: (i) cost of labor; and (ii) other fees, costs, and eligible expenses incurred by the Originating Franchisee ("Deducted Expenses") (with Deducted Expenses capped at a maximum of 10% of the total Gross Sales from the National Account customer) due ("Modified Net Profit") for sales originating from all other system franchisees.;

Servicing Franchisee: = 97.5% of the National Account Gross Sales for a National Account where the Originating Franchisee was a Legacy Franchisee or 97.5% of Modified Net Profit for a New Franchisee.

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 that operates businesses within as a "National Account." National Accounts must have offices in more than one franchisee's Area of Prime Responsibility. A "National Account" is a customer that possesses and/or maintains centers, stores, outlets, venues, facilities and/or otherwise operates at multiple locations located throughout a region or the nation with which a Jomsom business has entered into an agreement that permits the franchisee to service multiple locations operated by such a customer that fall outside of the 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% Commission Fee fee, payable to Franchisor on behalf of the Originating Franchisee;

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 **National Accounts Agreements and Open Area Accounts**. Franchisee may not service any account within the Area of Prime Responsibility of any other System franchisee, except for certain National Accounts. Franchisee may also service accounts within an Open Area as provided in this Section. 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. Franchisee shall be permitted to solicit and service National Accounts outside of its Area of Prime Responsibility and new accounts within an Open Area (an "Open Area Account") so long as the Open Area Accounts are located outside of the area of prime responsibility of any other Jomsom System franchisee (an "Open Area"), or in the case of National Accounts, if the Franchisee with the APR has waived its right to service the National Account. If an Open Area is designated by Franchisor as part of the Area of Prime Responsibility for any other System franchisee, Franchisee shall be prohibited from soliciting new National Accounts located in this area, but may continue to service any National Account or any Open Area Account with which it has a pre-existing relationship. If Franchisee elects not to service any National Account located within its APR, Franchisee acknowledges and agrees that Franchisor may permit other Jomsom business to service such a National Account customer, 3.3.3 **Accounts with Competing Staffing Companies; Shared Accounts with Other Jomsom Franchisees.** 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 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.** If your ACH or credit card payment fails on any fee due under this Agreement, Franchisor shall assess a late charge equal to the greater of: (i) Fifty Dollars ($50); or (ii) Five Percent (5%) of the unpaid fee. 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. If you utilize any unapproved supplier, product, or service, Franchisor shall assess a fee equal to the greater of: (i) Five Hundred Dollars ($500); or (ii) Franchisor's actual costs in remedying such default, including any attorneys' fees, and related expenses as described in this section 3.6.

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.

3.10 **Technology Fee**. Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable Technology Fee. The monthly amount of the Technology Fee is subject to increase but shall not exceed One Thousand Dollars ($1,000) per month during the Term. The Technology Fee is a general administrative fee and is not connected to any particular service. The Technology Fee shall be paid to Franchisor in the same manner as the royalty fee each and every month on the 5th of the month. however, we will not increase by more than $100 in any calendar year. The Technology Fee is currently Four Hundred and Fifty Dollars ($450).

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. If a Jomsom franchisee joined the Jomsom system prior to February 2020 (a "Legacy Franchisee") refers Franchisee a National Account whose location is within the Area of Prime Responsibility Franchisee will be required to pay the referring Legacy Franchisee a referral fee equal to Two and Half Percent (2.5%) of the Gross Sales for such client ("Legacy Franchisee Commission Fee"). If Franchisee or a franchisee that joined the System after February 2020 ("New Franchisee") refers a client to Franchisee or if Franchisee is the originating franchisee for a National Account, the Originating Franchisee shall be paid a commission fee ("New Franchisee Commission Fee") equal to Two and a Half Percent of Modified Net Profit.

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 traning 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 the then-current Designated Back Office Provider whereby the Designated Back Office Provider 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 the Designated Back Office Provider on a weekly basis. The Designated Back Office Provider also offers additional services which Franchisee may purchase, at its option. Franchisee will authorize the Designated Back Office Provider to deduct the following amounts from monies payable to Franchisee:

a) All legal and other out-of-pocket collection expenses Franchisor (or its affiliate) incurs (if applicable);

b) The APR Royalty Fee;

d) The Brand Development Fee; and

e) the "Legacy Franchisee Commission Fee" of Two and a Half Percent (2.5%) of Gross Sales or "New Franchisee Commission Fee of Two and Half Percent (2.5%) of Modified Net Profit (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 the Designated Back Office Provider , and consequently Franchisee's agreement with the Designated Back Office Provider, 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**. Franchise 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, décor, fixtures and supplies. Prior to opening the Franchised Business, Franchisee shall obtain the equipment, software, décor, 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, décor, 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, décor, 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, décor, 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 and Fee-Split Programs.** If a franchisee refers a customer to Franchisee's business, or Franchisee refers a customer to another Jomsom franchisee, the franchisees may negotiate a fair referral fee and such fee shall not be subject to any royalty fee. If one or more Jomsom franchisee wishes to partner with a Franchisee to provide services to a customer, the Jomsom Franchisee will evenly split Gross Sales, less any fees or other amounts due and owing under this Agreement, unless an alternative fee-split is agreed upon in writing between the System franchisee and Franchisee.

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 (the "Restricted Activities") located in the United States. In the event a court with valid jurisdiction finds that the geographic scope of this Franchise Agreement is not enforceable the covenant shall prohibit the Restricted Activities within the Territory or a radius of 200 miles or such other distance that is found reasonable by a court of competent jurisdiction 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 or 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 Sales 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**), Executive Order 13224 (currently available at **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.

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:

FRANCHISEE:

Witness

(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 mangers 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? Write One: ____ _____________ Yes/No. If no, please comment:

   ____

2. Have **YOU** studied and reviewed carefully **Jomsom's** Franchise Disclosure Document and Franchise Agreement? Write 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? Write One: _________________ Yes/No. If no, please comment:

   ____

4. Did **YOU** understand all the information contained in both the Franchise Disclosure Document and Franchise Agreement? Write 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? Write One: _____________ Yes/No. 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? Write One: _________________

Yes/No. If yes, please state in detail the oral, written or visual claim or representation:

____

7. 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? Write 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? Write 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 6
AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name Business No.

Franchisee Mailing Address (street) Franchisee Phone No.

Franchisee Mailing Address (city, state, zip)

Contact Name, Address and Phone Number (if different from above)

Franchisee Fax No. Franchisee Email Address

Bank Account Information:

Bank Name

Bank Mailing Address (street, city, state, zip)

[ ] Checking [ ] Savings

Bank Account No. (check one) Bank Routing No.

Bank Phone No.

Authorization:

Franchisee hereby authorizes Jomsom Franchise Company, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: ____________________________ Date: ________________________________

Name: ______________________________ Federal Tax TD No.: ___________________

Its: __________________________________

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C
FINANCIAL STATEMENTS

A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

CONSENT OF THE INDEPENDENT AUDITOR

A. Andrew Gianiodis, CPA hereby consent to the use in the Franchise Disclosure Document issued by Jomsom Franchise Company LLC ("Franchisor") on February 17, 2020, as it may be amended, of our report dated February 14, 2020, the financial statements of Franchisor for the year ending December 31, 2019.

AAG CPA

A. Andrew Gianiodis, CPA

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

JOMSOM FRANCHISE COMPANY LLC

DECEMBER 31, 2019

FINANCIAL STATEMENTS

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

JOMSOM FRANCHISE COMPANY LLC

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A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

February 14, 2020

INDEPENDENT AUDITORS' REPORT

Board of Directors and Member of
Jomsom Franchise Company LLC:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying balance sheets of Jomsom Franchise Company LLC as of December 31, 2019 and the related statements of operations, changes in member's equity and cash flows for the year then ended, respectively. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these statements based on my audits.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion.

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jomsom Franchise Company LLC as of December 31, 2019 and the related statements of operations, changes in member's equity and cash flows for the year then ended, respective, in conformity with accounting principles generally accepted in the United States of America.

A. Andrew Gianiodis

Certified Public Accountant

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

Jomsom Franchise Company LLC

Balance Sheet

December 31, 2019

ASSETS

CURRENT ASSETS		
Cash	$	112,623
Accounts receivable		40,400
Brand development fee receivable		3,927
Due from affiliates		114,853
Prepaid commissions - current		7,000
TOTAL CURRENT ASSETS		278,803
OTHER ASSETS		
Prepaid commissions - long term		56,000
		56,000
TOTAL ASSETS	$	334,803

LIABILITIES & EQUITY

CURRENT LIABILITIES		
Accounts Payable	$	84
Deferred revenue - current		15,500
Franchise deposit		75,000
TOTAL CURRENT LIABILITIES		90,584
Deferred revenue - long term		124,000
TOTAL LIABILITIES		214,584
EQUITY		
Member's equity		120,219
TOTAL EQUITY		120,219
TOTAL LIABILITIES & EQUITY	$	334,803

See accompanying notes

Jomsom Franchise Company LLC

Statement of Operations

Year ending December 31, 2019

Revenues		
Franchise fees	$	15,500
Royalties		34,859
Total revenue		50,359
Cost of sales		-
Gross margin.		50,359
Expenses		
Bank charges		-
Commissions		7,200
Computer		4,861
Miscellaneous		327
Office expenses		831
Professional Fees		8,453
Rent		1,800
Telephone		2,185
Travel and trade show expense		1,978
Total expenses		27,635
Net Income	$	22,724

See accompanying notes

Jomsom Franchise Company LLC

Statement of Changes in Members' Equity
Year ending December 31, 2019

		Total Equity
Equity at January 1, 2019	$	101,266
Member draws		(3,771)
Net Income		22,724
Equity at December 31, 2019	$	120,219

See accompanying notes

Jomsom Franchise Company LLC

Statement of Changes in Members' Equity

Year ending December 31, 2019

		Total Equity
Equity at January 1, 2019	$	101,266
Member draws		(3,771)
Net Income		22,724
Equity at December 31, 2019	$	120,219

See accompanying notes

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Jomsom Franchise Company LLC is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the State of New Jersey for the purpose of offering opportunities to entrepreneurs who want to own and operate their own Jomsom Staffing Services operation, as a franchise.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents.

REVENUE RECOGNITION

The Company accounts for revenue using the accounting method prescribed under Accounting Standards Codification ("ASC") Topic Franchisors.

Deferred revenue consists of fees paid to the Company when a franchise agreement is signed. This revenue is deferred until all material services or conditions relating to the sale have been substantially performed or satisfied by the Company. In 2019, $139.5k of franchise fees collected were deferred ($15.5k current and $124k in long-term); while, $15.5k was recognized as franchisee fees.

The Company pays commissions for certain franchise sales. In 2019, $70k was paid in commissions relating to the sales of franchise sales. Prepaid commissions total $63k ($7k current and $56k in long-term).

Royalty fees and other revenues are reported as earned.

COMPANY INCOME TAXES

The Company, with the consent of its stockholder, has elected to be an LLC. In lieu of corporation income taxes, the member of LLC is taxed based on its proportionate share of the Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

USE OF ESTIMATES

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

NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments December 31, 2019, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

NOTE 3 COMMITMENTS AND CONTINGENCIES

The Company does not carry general liability or worker's compensation coverage, nor is it self-insured.

NOTE 4 FRANCHISE AGREEMENT

The terms of the Company's franchise agreement will be as follows:

A. The Company will grant the right to use the Company name, trademark and system in the franchisee's franchise development business.
B. The franchisee is obligated to pay a non-refundable initial franchise fee.
C. The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

NOTE 5 SUBSEQUENT EVENTS

Subsequent events have been evaluated through February 14, 2020, the date that the financial statements were available to be issued.

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

JOMSOM FRANCHISE COMPANY, LLC

FINANCIAL STATEMENTS

Period Ending December 31, 2018

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

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Michael J Hadzipanajotis, CPA
CPA & Consulting Services

INDEPENDENT AUDITOR REPORT

To the Board of Jomsom Franchise Company, LLC

We have audited the accompanying financial statements of Jomsom Franchise Company, LLC which comprise the balance sheets as of December 31, 2018, and the related statements of operations for the period then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jomsom Franchise Company, LLC as of December 31, 2018, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Michael J Hadzipanajotis, CPA

MICHAEL J HADZIPANAJOTIS, CPA

Belmont, MA
March 6, 2019

JOMSOM FRANCHISE COMPANY, LLC

BALANCE SHEET
DECEMBER 31, 2018

	December 31, 2018	December 31, 2017
ASSETS		
Current Assets		
Cash & Cash Equivalents	7,275	15,555
Brand Development Fee Receivable	4,061	1,587
Accounts Receivable	6,650	-
Due From Shareholders	2,000	5,000
Due From Affiliate	127,853	101,693
Other Current Assets	3,700	3,700
Total Current Assets	**151,539**	**127,535**
Property & Equipment		
Furniture & Fixtures	-	-
Accumulated Depreciation	-	-
Total Property & Equipment	**-**	**-**
Long Term Assets	-	-
Other Assets	**-**	**-**
TOTAL ASSETS	**$ 151,539**	**$ 127,535**
LIABILITIES & MEMBERS EQUITY		
Accounts Payable	-	-
Credit Cards	273	1,039
Deferred Revenue	50,000	101,205
Other Liabilities	-	-
Total Liabilities	**$ 50,273**	**$ 102,244**
Members Equity		
Members Equity	101,266	25,291
Total Members Equity	**$ 101,266**	**$ 25,291**
TOTAL LIABILITIES & MEMBERS EQUITY	**$ 151,539**	**$ 127,535**

JOMSOM FRANCHISE COMPANY, LLC

STATEMENT OF OPERATIONS

DECEMBER 31, 2018

	2018	2017
Revenue		
Franchise Revenue	56,205	39,795
Royalty Income	28,020	31,071
Technology Revenue	12,018	13,300
Total Revenue	$ **96,244**	$ **84,166**
Cost of Goods Sold	520	-
Gross Profit	$ **95,724**	$ **84,166**
Operating Expenses		
Bank Fees	30	-
Licenses & Fees	521	2,478
Travel	773	1,212
Legal & Professional	8,107	43,504
Computer & Internet	1,818	2,099
Insurance	858	4,716
Auto Expense	1,685	-
Occupancy Expense	3,600	9,900
Marketing & Advertising	558	
Office Expenses	2,168	1,246
Meals & Entertainment	108	6,533
Other Business Expenses	3,140	1,047
Total Operating Expenses	$ **23,366**	$ **72,735**
Net Income Before Taxes	$ **72,358**	$ **11,431**
Income Taxes	-	-
Net Income After Tax	$ **72,358**	$ **11,431**

JOMSOM FRANCHISE COMPANY, LLC

STMT OF EQUITY

DECEMBER 31, 2018

	Opening Equity Balance	Yearly Changes	Total
Balance, December 31, 2017	**$ 25,291**	**$ -**	**$ 25,291**
Net Profit for the period ending December 31, 2018	-	72,358	**72,358**
Equity Contributions/ Adjustments	-	3,617	**3,617**
Balance, December 31, 2018	**$ 25,291**	**$ 75,975**	**$ 101,266**

JOMSOM FRANCHISE COMPANY, LLC
STATEMENT OF CASH FLOWS
DECEMBER 31, 2018

	December 31, 2018	December 31, 2017
OPERATING ACTIVITIES		
Net Income	**72,358**	**11,431**
Adjustments Needed To Reconcile To Net Cash Provided By Operations:		
Brand Development Receivable	(2,474)	(1,587)
Accounts Payable	-	(1,825)
Deferred Revenue	(51,205)	(7,335)
Other	(4,416)	-
Net Cash Provided By Operations	**14,263**	**684**
INVESTING ACTIVITIES		
Depreciation	-	-
Purchase of Fixed Assets	-	-
Net Cash Used By Investing Activities	**-**	**-**
FINANCING ACTIVITIES		
Due From Shareholders	3,000	(5,000)
Credit Card Payable	(766)	457
Other Financing/ Affiliate Payments	(22,543)	(34,407)
Net Cash Provided By Financing	**(22,543)**	**(38,950)**
Net Cash Change For Period	**(8,280)**	**(38,266)**
Cash Beginning Of Period	**15,555**	**53,821**
Cash End Of Period	**7,275**	**15,555**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Jomsom Franchise Company, LLC (the Company) was formed on March 12, 2012 to offer and sell franchises for the operation of Jomsom Staffing Services businesses, which offers temporary, temporary to permanent, permanent staffing services, and other products and services. Operations began September 2012. The Jomsom System includes proprietary marks, know-how, trade secrets, sales techniques, marketing, advertising, and procedures for the operation and management of Jomsom Staffing Services businesses.

Basis of Accounting

The financial statements of the Company have been prepared on the accrual basis and as a result, the Company records revenue when earned and expenses when incurred.

Cash and Cash Equivalents

For purposes of the Balance Sheets, the Company considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Property and Depreciation

The Company capitalizes significant purchases of property and equipment expected to be utilized over more than one fiscal year. Purchased property and equipment are stated on the basis of cost and donated items are recorded at their current estimated fair market value at date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Income Taxes

No provision has been made for federal income taxes since the Company elected to file as a partnership for tax filing purposes with distributable partnership interests, whereby the income is taxed directly to the members. The same tax status is maintained for state income tax purposes. The tax periods open for examination are 2015 through 2018.

Fixed assets

The Company records its fixed assets at cost. Depreciation is computed using either the straight-line method or an accelerated method over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to operations as incurred. Renewals and betterments are capitalized. Estimated useful lives are five years for computers and equipment and three years for software.

Revenue Recognition

The Company recognizes its franchise fee revenue in accordance with F ASB ASC 952-605-25, whereby franchise fee revenue shall be recognized when all material services or conditions relating to the sale have been substantially performed or satisfied by the franchisor. The Company recognizes its area representative fee when all material service or conditions relating to the sale have been substantially performed or satisfied by the franchisor. Franchise fees and area representative fees are payable in full upon execution of the Franchise Agreement and Area Representation Agreement as stated in the Franchise Disclosure Document and are non-refundable.

The Company charges a regular monthly service fee (royalty) of a percentage of the gross sales of the franchisee, less any amounts to be collected as sales tax, and is payable monthly. In addition to the service fee, the Company charges regular monthly technology fees as stated in the Franchise Disclosure Document. The Company also requires a franchisee to pay a renewal fee of 25% of the then current franchise fee when franchisees sign successor Franchise Agreements as stated in the Franchise Disclosure Document.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the results of operations of the period in which those differences are determined, with an offsetting entry to a valuation allowance for trade accounts receivable. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts. There is no valuation allowance recorded as of and for the years ended December 31, 2017 and 2016.

Recent Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board (FASB) issued an amendment to the accounting guidance related to revenue recognition. The amendment serves to clarify the principals for recognizing revenue and to develop common revenue standards for US GAAP. To meet those objectives, the F ASB amended the F ASB Accounting Standards Codification and added a new Topic 606, Revenue from Contracts with Customers. The guidance is effective for the non-public companies for annual reporting periods beginning after December 15, 2018, and early adoption is permitted. The Company is evaluating the impact of adopting this guidance to its financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at interim period end consist of the following:

Checking and money market accounts:

	December 31, 2018	December 31, 2017
Cash	$ 7,275	$ 15,555
Total	**$ 7,275**	**$ 15,555**

NOTE 3 – CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially expose the Company to concentrations of credit and market risk consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained at financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. At December 31, 2018, the Company had $0 of uninsured balances at these institutions.

NOTE 4 – BRAND DEVELOPMENT FUND

The Company collects funds from franchisees and manages the franchise advertising and marketing program to promote the Jomsom Service brand. The fee is based on a percentage of the gross sales less any amount paid towards sales tax, payable monthly. The balance of the brand development fund at December 31, 2017 and 2018 was $1,587, and $4,061, respectively.

NOTE 5 – RELATED PARTY TRANSACTIONS

An affiliate, IM Practices, Inc. has common members with the Company and operates a staffing business similar to the type offered by the Company. The Company provided funds to IM Practices to support operations with no formal repayment tenns. The amount due from IM Practices as of the years ended December 31, 2017 and 2018 was $101,693 and $127,853, respectively. IM Practices, Inc. has not offered franchises in any line of business.

NOTE 6 – DUE FROM SHAREHOLDERS

During the year, the Company occasionally loans funds to the Shareholders. The loans are non-interest bearing and there are no formal repayment terms. The balances as of December 31, 2018 and 2017 were $2,000 and $5,000, respectively.

NOTE 7 – COMMITTMENTS

The Company leases office space along with their affiliate on a month-to-month basis. Rent expense was $3,600 for the year ended December 31, 2018.

NOTE 8 – FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2018 are as follows:

	FMV	Quoted Prices in Active markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash-2018:				
Cash	$7,275	NONE	NONE	NONE

NOTE 9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 6, 2019, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT D
OPERATIONS MANUAL TABLE OF CONTENTS

Jomsom Staffing Services Franchise Operations Manual

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SECTION A: INTRODUCTION

SECTION B: PRE-OPENING PROCEDURES

SECTION C: PERSONNEL

Jomsom Staffing Services Franchise Operations Manual

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SECTION D: BUSINESS DEVELOPMENT PROCEDURES

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SECTION F: CANDIDATE RECRUITMENT AND MANAGEMENT PROCEDURES

SECTION G: MARKETING

Jomsom Staffing Services Franchise Operations Manual

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APPENDICES:

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E
LIST OF FRANCHISEES AND LIST OF FRANCHISEES WHO LEFT THE SYSTEM

LIST OF FRANCHISEES			
State	**Business Address**	**Franchisee**	**Phone Number**
California	552 E. Carson Street, #104-192, Carson, CA 90745	John Davis	(562) 794-7125
Mississippi	104B W Franklin Street Tupelo, MS 388804	Gloria Holliday	(662) 276-1049
Nevada	Clark County, Nevada	Ebrahim Leonard and Faith Leonard	(702) 353-6419
New Jersey	558 Lawrie Street Perth Amboy, NJ 08861	Estafani Acosta	(609) 480-0290
New York	39 W 29th Street New York, NY 10001	Adam Banks Clinic Logic Corp.	
Pennsylvania	3411 Chestnut Street, Apt 727, Phladelphia PA 19104	William and Michael Tam	(610) 823-3529
Texas	6200 Savory Drive, Suite 1202 Houston, TX 77036	Kola Komolafe Zackson Solutions, LLC	
	1830 Round Rock Avenue Suite 300 Round Rock, TX 78681	Jana Korapala	(512) 956-3479
	1315 Rockport Canyon Court, Missouri City, Texas 77459	Brian Booker	(917) 617-1945

LIST OF FRANCHISEES WHO LEFT THE SYSTEM			
State	**Business Address**	**Franchisee**	**Phone Number**
None to disclose			

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT F
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. 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 INFORMTION. 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.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT G
STATE EFFECTIVE DATES

State Effective Dates

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

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

Effective Dates	
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT H
RECEIPT

JOMSOM FRANCHISE COMPANY, LLC
RECEIPT

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

If Jomsom Franchise Company, LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements 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 signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time of if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state administrator identified Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

Issuance Date of this Disclosure Document: February 17, 2020

Our sales agents for this offering are:
Name(s): Saurabh Agarwal
Address: 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540
Telephone Number: (866) 435-4050

The following individual and/or individuals are also sales agents for this offering:

- ☐ [Other:]____

I have received a disclosure document dated February 17, 2020 that contained the following Exhibits:

A. State Administrators/Agents for Service of Process	E. List of Franchisees
B. Form Franchise Agreement	F. State Specific Addenda
C. Financial Statements	G. State Effective Dates
D. Table of Contents-Operations Manual	H. Receipts

PROSPECTIVE FRANCHISEE:

____
DATE RECEIVED (Must be Completed)

____
Authorized Signature

____
Name and Title (please print)

JOMSOM FRANCHISE COMPANY, LLC

RECEIPT

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

If Jomsom Franchise Company, LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements 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 signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time of if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state administrator identified Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

Issuance Date of this Disclosure Document: February 17, 2020

Our sales agents for this offering are:
Name(s): Saurabh Agarwal
Address: 4390 US Highway 1, Suite # 203, Princeton, New Jersey 08540
Telephone Number: (866) 435-4050

The following individual and/or individuals are also sales agents for this offering:

- ☐ [Other:]______________________________

I have received a disclosure document dated February 17, 2020 that contained the following Exhibits:

A. State Administrators/Agents for Service of Process	E. List of Franchisees
B. Form Franchise Agreement	F. State Specific Addenda
C. Financial Statements	G. State Effective Dates
D. Table of Contents-Operations Manual	H. Receipts

PROSPECTIVE FRANCHISEE:

______________________________	______________________________
DATE RECEIVED (Must be Completed)	Authorized Signature
	______________________________
	Name and Title (please print)