FRANCHISE DISCLOSURE DOCUMENT – UNIT FRANCHISE

KeyGlee™ Franchise	**KeyGlee Franchise, Inc.** **1050 W. Washington Street,** **Suite 133** **Tempe, AZ 85281** **Telephone: (480) 579-3913** **franchise@keyglee.com**

KeyGlee Franchise, Inc. ("KeyGlee") grants single-unit franchises that will license directly from us the right to operate a business under the name "KeyGlee" ("Unit Franchise(s)"). KeyGlee franchises specialize in sourcing undervalued real estate and selling it at a profit within a defined territory. We may also grant in the future KeyGlee area representation franchises ("Area Representation Franchise(s)" or "AR Franchise(s)") that recruit prospective Unit Franchises in designated representation areas, provide certain sales and support services to Unit Franchises located in their representation area, and must establish and operate at least one Unit Franchise as a Pilot Franchise in their representation area. However, the information contained in this Franchise Disclosure Document relates to the offer for sale of a Unit Franchise.

The total estimated investment necessary to begin operation of an Associate Unit Franchise ranges from $67,300 to $256,950. This includes $45,000 per Associate Unit Franchise that must be paid to the franchisor or its designee. The total estimated investment necessary to begin operation of a Partner Unit Franchise ranges from $122,300 to $311,950. This includes $100,000 per Partner Unit Franchise. that must be paid to the franchisor or its designee.

This franchise disclosure document ("Disclosure Document" or "FDD") 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 and sign the FDD receipt at least fourteen (14) calendar days before you sign a binding agreement with, or make any payment to, us or an affiliate in connection with the proposed franchise sale. **Note, however that no government agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact KeyGlee Franchise, Inc., 1050 W. Washington Street, Suite 133, Tempe, Arizona 85281, (480) 579-3913, or franchise@keyglee.com.

The terms of your contract will govern your franchise relationship. Don't rely on the FDD alone to understand your contract. Read your entire contract carefully. Show your contract and this FDD 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 "Buying a Franchise: A Consumer's Guide" which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: October 18, 2024

How to Use This Franchise Disclosure Document

Here are some frequently asked questions about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit G.
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 D 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 KeyGlee 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 KeyGlee franchisee?	Item 20 or Exhibit G lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit 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 requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Arizona. 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 Arizona than in your own state.

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

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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

KeyGlee Franchise, Inc., an Arizona company, doing business as KeyGlee, is offering prospective franchise owners the opportunity to operate KeyGlee Unit Franchises in accordance with the terms described in this Disclosure Document. To simplify the language in this Disclosure Document, the terms, "We," "Us," "the Company," or "KeyGlee" mean KeyGlee Franchise, Inc., the franchisor (but not the Company's officers, directors, agents, or employees).

The Franchisor, and any Parents, Predecessors and Affiliates. We are an Arizona corporation, created in October 2019. We do not have any predecessor. Our parent company is KeyGlee, LLC (see below).

Our principal business and mailing address is 1050 W. Washington Street, Suite 133, Tempe, Arizona 85281. Our telephone number is (480) 579-3913. Our agent for service of process is disclosed in Exhibit A.

We have the following affiliates:

- KeyGlee, LLC is an Arizona limited liability company created in June of 2021 whose principal place of business is 1050 W. Washington Street, Suite 133, Tempe, Arizona 85281. KeyGlee, LLC owns the below entities. GDR Financial, LLC, KeyGlee Capital, LLC, KeyGlee Careers, LLC, KeyGlee Franchise, Inc., and KeyGlee Holdings, Inc. KeyGlee Franchise, Inc. is the only subsidiary of KeyGlee, LLC that offers franchises or provides products and services to franchisees.
- Skip Vault, LLC, is an Arizona limited liability company created in June of 2019. Its principal place of business is 1050 W. Washington Street, Suite 133, Tempe, Arizona 85281. Skip Vault will provide skip trace services to the franchisees. Skip Vault has never offered any franchise in any line of business.

The Franchise. We offer and sell Unit Franchises that specialize in sourcing undervalued real estate and selling it for a profit within a defined territory ("Territory"). We started offering these franchises in April 2020. We offer two different levels of franchise ownership: (1) Partner Unit Franchises, which have a higher initial franchise fee but require lower royalty fees, and (2) Associate Unit Franchises, which have a lower initial franchise fee but require higher royalty fees plus a monthly franchise fee. Collectively, Partner Unit Franchises and Associate Unit Franchises are referred to as "Unit Franchise(s)." The Company is not engaged in any other business. From time to time, the Company may also own or operate similar businesses, but does not do so at the present time. You are not required, but may choose, to use the services of a hiring company to help you find qualified employees or contractors for the operation of your franchise. Franchisor reserves the right to offer or have one of its affiliates offer such optional services. Details about the hiring services offered by Franchisor or its affiliate will be included in the Operations Manual.

Under our Franchise Agreement (the "Franchise Agreement" or the "Agreement"), which is Exhibit B of this Disclosure Document, the Company offers qualified purchasers the right to establish and operate a Unit Franchise within a specified Territory. The Franchise Agreement gives you the right to operate a Unit Franchise under the "KeyGlee" name and mark, and other marks designated by the Company from time to time (all referred to as the "Proprietary Marks").

We reserve the right to offer and sell in the future Area Representation Franchises that will recruit and support KeyGlee Unit Franchises in a defined geographic area ("Representation Area"). Franchisor reserves the right to delegate and transfer any and all of its rights relating to the Franchise and its obligations to Unit Franchisees in a Representation Area to the Area Representative over that Representation Area.

You must operate your Unit Franchise full time in accordance with the standards and procedures designated by the Company (the "System"), and according to the Company's Franchise Operations Manual for Unit Franchises (the "Operations Manual") (see Item 11).

Market and Competition. The market for KeyGlee franchises and KeyGlee services includes real estate investors, licensed real estate agents, independent real estate wholesalers, institutional buyers and other businesses and individuals seeking real estate services and otherwise operating in the real estate market. Additionally, our affiliate New Reach Education offers real estate education courses, and individuals who enroll in those courses are likely to enter and compete in the market shared by KeyGlee franchisees. If you open a Unit Franchise, your competition will include other companies or concepts (franchised and non-franchised operating locally, regionally, and nationally), offering or selling similar products and services.

Laws and Regulations. There are no specific federal laws relating to the operation of your Franchise. However, there may be laws and regulations in your state or county that may apply to your operation of the Franchise, including but not limited to licensing and professional liability insurance requirements. In addition to laws and regulations that apply to businesses generally, the Franchise may be subject to other federal, state and local occupational safety and health regulations, Equal Employment Opportunity and Americans with Disabilities Act rules and regulations. Some jurisdictions may choose to regulate vigorously these and other laws that may adversely affect your ability to obtain the proper permits and licenses needed in order to open a Franchise. Prior to signing a Franchise Agreement, we strongly recommend that you make sure that you will be able to obtain all necessary permits and licenses, including but not limited to, a real estate license, or whatever type of license is necessary in order to wholesale real estate and operate the Franchise in your Territory, for both you and any team members. We may require you to comply with licensing requirements for your specific Territory. The Initial Franchise Fee is due when your Franchise Agreement is signed and is fully earned by us when paid and is not refundable under any circumstances. We will not accept any liability or responsibility, nor will we refund any fees paid by you to us, if you realize after the signing of the Franchise Agreement that you are unable to open your Franchise for business because of your failure to comply with local, state or federal laws and regulations. You also agree to indemnify us, our affiliates, and any other KeyGlee franchisees located in your state against any and all penalties, fines, and other liabilities imposed on them or us because of your failure to comply with your state's licensing requirements. Furthermore, you agree to hold us harmless if your license is suspended or revoked by your state board because of the actions or failure to act of another KeyGlee franchisee.

Prior Business Experience. The Company began offering KeyGlee Unit Franchises in April 2020. The Company has not offered franchises in other lines of business.

Item 2

BUSINESS EXPERIENCE

Jayden Hunter Runyon – Co-founder, Chief Executive Officer

Date	Location	Title
October 2019 – Present	KeyGlee Franchise, Inc. 1050 W. Washington St., Suite 133 Tempe, AZ 85281	CEO, Co-founder
December 2016 – Present	KeyGlee LLC 1050 W. Washington St., Suite 133 Tempe, AZ 85281	CFO, Co-founder
March 2014 – December 2016	Millennial Investor, LLC 7306 E. Milagro Ave. Mesa, AZ 85209	Member, founder

Josiah Grimes – Co-founder, Chairman

Date	Location	Title
October 2019 – Present	KeyGlee Franchise, Inc. 1050 W. Washington St., Suite 133 Tempe, AZ 85281	Chairman, Co-founder
December 2016 – Present	KeyGlee LLC 1050 W. Washington St., Suite 133 Tempe, AZ 85281	CEO, Co-founder
March 2016 – December 2016	Key Investor Group 441 W. Park Ave. Chandler, AZ 85225	CEO, founder
August 2011 – March 2016	Clever Investor 420 S. Smith Rd. Tempe, AZ 85281	Real Estate Expert

Rahima Athari – Co-founder, Project Manager

Date	Location	Title
October 2019 – Present	KeyGlee Franchise, Inc. 1050 W. Washington St., Suite 133 Tempe, AZ 85281	Project Manager, Co-founder
December 2016 - Present	KeyGlee LLC 1050 W. Washington St., Suite 133 Tempe, AZ 85281	CPO, Co-founder
May 2020 - Present	EXP Realty 6991 E. Camelback Rd. Scottsdale, AZ 85251	Broker
December 2020 – May 2022	KeyGlee Realty LLC	Broker

	1050 W. Washington St., Suite 133 Tempe, AZ 85281	
September 2013 – December 2020	Homesmart 8388 E. Hartford Dr. Scottsdale, AZ 85255	Broker
January 2012 – September 2018	A 2 Z Property Management 1541 W. Earll Dr. Phoenix, AZ 85015	Manager

Jamil Damji – Co-founder, Chief Business Development Officer

Date	Location	Title
October 2019 – Present	KeyGlee Franchise, Inc. 1050 W. Washington St., Suite 133 Tempe, AZ 85281	Chief Business Development Officer, Co-founder
December 2016 – Present	KeyGlee LLC 1050 W. Washington St., Suite 133 Tempe, AZ 85281	President, Co-founder
January 2012 – September 2018	A 2 Z Property Management 1541 W. Earll Dr. Phoenix, AZ 85015	Treasurer

Anthony Ayala – VP of Franchise Operations

Date	Location	Title
September 2021 – Present	KeyGlee Franchise, Inc. 1050 W. Washington St., Unit 133 Tempe, AZ 85281	Vice President of Franchise Operations
September 2020 – September 2021	Sendoso 100 N. 61st Ave. Phoenix, AZ 85043	General Manager
June 2018 – September 2020	Amazon 6835 W. Buckeye Rd. Phoenix, AZ 85043	Operations Manager
May 2017 – June 2018	Target 2161 Monterey Rd. San Jose, CA 95125	Executive Team Lead
December 2010 – June 2015	U.S. Air Force Various Locations	Fire Captain

Item 3

LITIGATION

Litigation Against Former Franchisees in the Last Fiscal Year

During fiscal year 2024, KeyGlee Franchise, Inc. initiated three (3) lawsuits against former franchisees as follows:

Actions for Breach of Contract to Collect Unpaid Royalty Payments, Unpaid Loan Payments, and Other Unpaid Fees

KeyGlee Franchise, Inc. v. GM Properties and Investments, LLC, George Magallanes, Jr., and Patricia Magallanes (CV2024-026416) (Maricopa County, AZ Superior Court, Filed Sept. 20, 2024)

KeyGlee Franchise, Inc. v. Young Strategies, LLC, Kyle Young and Jacqueline M. Young (CV2024-026413) (Maricopa County, AZ Superior Court, Filed Sept. 20, 2024)

KeyGlee Franchise, Inc. v. Anchor Investment, LLC, Matthew and Julie Jones (CV2024-026401) (Maricopa County, AZ Superior Court, Filed Sept. 20, 2024)

Other than these actions, no litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

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

Item 5

INITIAL FEES

KeyGlee Unit Franchises

The initial franchise fee for a Partner Unit Franchise is currently $100,000 ("Partner Initial Franchise Fee") for the first Partner Unit Franchise and 80% of our then-current Initial Franchise Fee for each additional Partner Unit Franchise you purchase. However, there is no discount of the Initial Franchise Fee if your first franchise was obtained through transfer from a previous franchisee. The initial franchise fee for an Associate Unit Franchise is currently $45,000.00 ("Associate Initial Franchise Fee") and there is no option to purchase multiple Associate Unit Franchises. Collectively, the Partner Initial Franchise Fee and the Associate Initial Franchise Fee are referred to as the "Initial Franchise Fee." You must pay your Initial Franchise Fee for all franchises being purchased in a lump sum. The Initial Franchise Fee is due when your Franchise Agreement is signed and is fully earned by us when paid and is not refundable under any circumstances. We will not accept any liability or responsibility, nor will we refund any fees paid by you to us, if you realize after the signing of the Franchise Agreement that you are unable to open or operate your Unit Franchise for business for any reason. The Initial Franchise Fee is uniform to all Franchise Owners. We offer a discount of ten percent (10%) off the Initial Franchise Fee for qualified U.S. military

veterans who are currently serving or were honorably discharged. Further, we reserve the right to offer Unit Franchises at a discount to large groups that become associated with KeyGlee as part of an existing non-KeyGlee franchise or dealership system.

Item 6

OTHER FEES

KeyGlee Unit Franchises

Fee (1), (2), (3)	Amount	Due Date	Remarks
Partner Unit Franchise Royalty Fee	Nine percent (9%) of the sales price for each sale transaction, assignment transaction and all monthly Gross Profits (4) or $1,800 per month, whichever is greater (5).	Due to us on the 10th day of the following month and paid via automatic debit.	Fee is based on Gross Profits (4) during each calendar month, with the Royalty Fee due on the 10th day of the following month.
Associate Unit Franchise Royalty Fee	Eighteen percent (18%) of the sales price for each sale transaction, assignment transaction and all monthly Gross Profits (4) (6).	Due to us on the 10th day of the following month and paid via automatic debit.	Fee is based on Gross Profits (4) during each calendar month, with the Royalty Fee due on the 10th day of the following month.
Associate Unit Franchise Monthly Fee (7)	$499.00 per month (only applies to Associate Unit Franchises)	Due to us on the 10th day of the following month and paid via automatic debit.	We may increase the monthly fee up to $599.00 per month upon providing 30 days written notice to you.

Fee (1), (2), (3)	Amount	Due Date	Remarks
Advertising Fund ("Ad Fund")	Varies up to a maximum of one percent (1%) of your monthly Gross Profits or $200.00, whichever is greater, as required by Franchisor (see Items 11 and 12).	Due to us on the 10th day of the following month and paid via automatic debit.	We have not yet established an Ad Fund but may establish one in the future for the benefit of the franchise system. If/when we do so, each franchisee will be required to contribute to the Ad Fund up to 1% of the greater of (a) its monthly Gross Profits or (b) $200.00 (see Item 12).
Interest	Lesser of 18% per annum, or the highest commercial contract interest rate permitted by law.	From the date payments are due, and continues until outstanding balance and accrued interest are paid in full.	Charged on any late payments due to us or our affiliates.
Late Fee	$50 per week per line item.	From the date payments are due, and continues until outstanding balance and accrued interest are paid in full.	Charged on any late payments due to us or our affiliates. The late fee of $50 per week applies to each category of payment due (i.e. Royalty Fees, Advertising Fees, Software Fees, loan payments, etc.) and for each invoice payment due (i.e. March Royalties, March Software Fees, etc.).
Software Fee	Varies based on software products used and number of users.	Due to us on the 10th day of the month following any month in which the services are used and paid via automatic debit.	We require you to use several different software platforms. Some are paid directly by you and some are billed to us and those fees are owed to us by you and are payable by automatic debit.
Unauthorized Product Usage Fee	$100 per day per product or service.	As incurred	Payable if you use, sell or distribute unauthorized products or services, and do not cease the use, sale or distribution of unauthorized products or services, within 15 days after written notice is given to you, to cover the cost of damages incurred by us.

Fee (1), (2), (3)	Amount	Due Date	Remarks
Non-Sufficient Funds Fee	$30 per occurrence	As incurred	Payable for any time a payment due to us, regardless of payment method, is not honored by the bank upon which it is drawn, including when your account has insufficient funds for automatic debit of your required fees.
Accounting Fee (3)	$100 per occurrence	Withdrawn via ACH on the 10th day of the following month if incurred	Payable for each occurrence if it is determined that you failed to properly input or completely omitted transactions from your Unit Franchise into our specified software by the 5th day of each month.
Additional Training Fee (8)	Costs incurred by us for the training.	On demand	Payable for each person who attends any mandatory or optional additional training program.
Insurance	Amount of unpaid premiums and related costs.	On demand	Payable if you fail to maintain required insurance coverage and we obtain coverage for you.
Replacement of Operations Manual	$1,000 per manual plus postage and shipping costs.	As incurred	Payable if your copy of the Operations Manual is lost, destroyed, or significantly damaged.
Renewal Fee	Twelve and one-half percent (12.5%) of the then-current Partner Initial Franchise Fee for each 5-year renewal term of a Partner Unit Franchise, and twenty five percent (25%) of the then-current Associate Initial Franchise Fee for each 5-year renewal term of an Associate Unit Franchise.	Upon renewal	Payable upon or before renewal of the Franchise Agreement.

Fee (1), (2), (3)	Amount	Due Date	Remarks
Transfer Fee	Twelve and one-half percent (12.5%) of the then-current Partner Initial Franchise Fee to transfer a Partner Unit Franchise, and twenty five percent (25%) of the then-current Associate Initial Franchise Fee to transfer an Associate Unit Franchise.	Before transfer completed	Applies to any transfer of the Franchise Agreement, the franchise, or a controlling interest in the franchise.
Associate Unit Franchise Upgrade Fee (9)	The current Partner Initial Franchise Fee at the time of your upgrade, less (a) the Associate Initial Franchise Fee paid for your Associate Unit Franchise, and (b) all your accrued credits from the payment of the Associate Royalty Fee, but not less than $0.00.	At time of upgrade	You may upgrade your Associate Unit Franchise to a Partner Unit Franchise if we are then offering Partner Unit Franchises in your Territory and you (and each of your owners) (i) have substantially complied with your Franchise Agreement during its term, (ii) agree to modify your KeyGlee Business as we require to bring it into compliance with our systems and standards and (iii) are current in all amounts owed to us and our affiliates.
Legal Costs and Attorneys' Fees	All legal costs and attorneys' fees incurred by us.	As incurred	Payable if we must enforce the Franchise Agreement, or defend our actions related to, or against your breach of, the Franchise Agreement.
Indemnification	All amounts (including attorneys' fees) incurred by us or otherwise required to be paid.	As incurred	Payable to indemnify us, our affiliates, and our and their respective owners, officers, directors, employees, agents, successors, and assigns against all claims, liabilities, costs, and expenses related to your ownership and operation of your franchise.

Fee (1), (2), (3)	Amount	Due Date	Remarks
De-Identification	All amounts incurred by us.	As incurred	Payable if we de-identify the franchise upon its termination, relocation, or expiration.
Termination Fee (10)	Twenty-five percent (25%) of the then-current initial franchise fee, plus our attorney fees and costs.	On demand	If you or we terminate your franchise before your franchise term expires.
Fee for Operating the Franchise After Termination	$25,000, plus all costs and attorneys' fees incurred by us.	As incurred	Payable if you continue to operate the Franchise after termination of the Agreement. The amount is a reasonable estimation of the damages that would occur from such a breach.
Evaluation Fee	Actual costs incurred.	As incurred	Payable if you request that we approve additional suppliers and we incur costs to evaluate and inspect the proposed supplier's products and facilities to ensure that they meet our high standards; not to exceed the reasonable cost of the inspection and the actual cost of the test.

Explanatory Notes:

(1) The above table and accompanying notes describe the nature and amount of all other payments that you must pay to us or any affiliates, or that we or our affiliates collect on behalf of third parties, on a recurring basis, whether on a regular periodic basis or as infrequent anticipated expenses, in carrying on your Unit Franchise:

(2) Except for some groups that become associated with KeyGlee as part of an existing non-KeyGlee franchise or dealership system (see Item 5), all fees are uniform, and are imposed by, collected by, and payable to us or our affiliates. All fees are non-refundable.

(3) You must pay all amounts due by automatic debit. Before your Unit Franchise opens, you are required to execute an ACH Authorization Form permitting us to electronically debit your designated bank account for payment of all fees owed to us. Each month, we are authorized to debit the Royalty Fee due based on your actual Gross Profits or the amount equal to the Minimum Partner Royalty Fee Requirement ("MPRFR") (see Item 12), whichever is greater. You must ensure that there are sufficient funds available in your account for withdrawal before each due date. If at any point your automatic payment is returned to us due to non-sufficient funds ("NSF"), then you will be unenrolled from automatic payments. You will then be required to make manual direct payments (e.g., wire transfer, cashier's check, etc.). Late fees and NSF fees will apply. If your account does not have sufficient funds on more than three (3) occasions in any three (3) year period, we reserve the right to terminate your Agreement.

You are required to input every transaction related to your franchise into the software tracking system we direct you to use, whether the deal is located within or outside of your Territory. Transactions must be entered into the software tracking system and finalized no later than the fifth (5th) day of the following month after the transaction is closed. We will then withdraw from your account the appropriate Royalty Fees based on actual Gross Profits or MPRFR on the tenth (10th) day of the month. If we are required to estimate your Gross Profits because all required transactions were not properly or completely entered into the software tracking system, we are authorized to withdraw the appropriate amount based on the greater of (a) your MPRFR, or (b) your previous month's Royalty Fees, and in addition we reserve the right to charge you an Accounting Fee of $100 for each occurrence. In such instance where we must withdraw an amount based on your MPRFR or your previous month's Royalty Fees, once the required transactions are properly and completely input, we will reconcile your actual Gross Profits and determine the actual Royalty Fee due for the following month. Any and all real estate transactions with which you or your franchise is involved must be disclosed to us and are subject to Royalty Fees. This includes, but is not limited to, transactions involving or assigned to related entities, personal investment opportunities, referral/finders fees, fix and flips, buy and holds, etc.

Transactions that are required to be input in the software tracking system include, but are not limited to, transactions (a) completed by your KeyGlee Franchise, (b) assigned to an affiliated person or entity, (c) purchased by an affiliated person or entity for personal use or personal investment opportunity, or (d) completed with a lead supplied by us regardless of whether your Unit Franchise is involved in the transaction. An affiliated person is any person that is an owner of your Franchise, or any person related to an owner of your Franchise, and an affiliated entity is any entity that is owned (partially or completely) by an affiliated person. See Item 8 for information about how Royalties for transactions involving affiliated persons or entities are calculated. If we determine that you have not properly input or have not reported the Unit Franchise's Gross Profits for any reporting period on more than three (3) occasions in any three (3) year period, we reserve the right to terminate your Agreement.

The use of automatic ACH debits or wire transfers as a method of collecting Royalty Fees, Advertising Fees, Software Fees, and loan payments due to us does not constitute a waiver of any of your obligations to provide us with monthly reports as provided in Item 12, nor shall it be deemed a waiver of any of the rights and remedies available to us under this Agreement. If the Royalty Fee amount we debit is greater than the Royalty Fee amount actually owed, then we will credit the excess amount, without interest, against the amount we otherwise would debit from your account during the following reporting period.

(4) The term "Gross Profits" means the total of all revenue and receipts derived from the operation of the Unit Franchise, including all amounts received from transactions both within and outside of the Territory of the Unit Franchise, or through the business the Unit Franchise conducts (such as profits from real estate sales, broker/finder fees, fees for consultations, fees for the sale of any service or product, whether in cash or by check, credit card, debit card, barter or exchange, or other credit transactions); and excludes only (a) refund of earnest money deposits, (b) refund of purchase funds used to buy properties, (c) forfeited earnest money deposited by franchisee, and (d) structural improvements to properties, and (e) sales taxes collected from customers and paid to the appropriate taxing authority.

(5) For Partner Unit Franchises, during the first nine (9) months after the date you sign your Franchise Agreement (the "Agreement Date"), there will be no minimum monthly Partner Royalty Fee requirement ("MPRFR"), meaning your Partner Royalty Fee will simply be nine percent (9%) of actual Gross Profits. Beginning in Month 10 after the Agreement Date, and for each month thereafter during the term of your Franchise Agreement, you must make minimum monthly

payments of Partner Royalty Fees and other fees based on the greater of (a) your actual Gross Profits, or (b) the Minimum Partner Royalty Fee Requirement ("MPRFR"). MPRFR will be $1,800.00 per month, meaning your monthly Partner Royalty Fee will be $1,800.00 or nine percent (9%) of actual Gross Profits, whichever is greater. These amounts will be due to use and electronically debited from your account on the 10th day of the following month.

(6) For Associate Unit Franchises there will be no minimum monthly Associate Royalty Fee requirement, meaning your Associate Royalty Fee will simply be eighteen percent (18%) of actual Gross Profits. However, you will be required to pay the Monthly Associate Franchise Fee. These amounts will be due to us and electronically debited from your account on the 10th day of the following month.

(7) For Associate Unit Franchises, in addition to Royalty Fees and any other required fees, you must also pay to us a Monthly Associate Franchise Fee of $499.00. This amount will be electronically debited from your account on the 10th day of the following month. We reserve the right to increase the Monthly Associate Franchise Fee to $599.00 upon providing 30 days written notice to you.

(8) If we determine that the Franchisee, Managers (if any) or employees need additional training, we will charge you for the costs of the materials used for the training in addition to the compensation for the person(s) providing the training. Franchisor reserves the right to send a representative to the franchisee for training or auditing purposes and franchisee will be responsible to pay for the representative's wages, travel and lodging expenses (see Item 11).

(9) For Associate Unit Franchises who wish to upgrade to Partner Unit Franchises and take advantage of the reduced Royalty Fee and no Monthly Associate Franchise Fee, you must pay an Associate Unit Franchise Upgrade Fee, which will be calculated by determining the then-current Partner Initial Franchise Fee, and subtracting (a) the amount of the Associate Initial Franchise Fee paid, and (b) one-eighteenth (1/18) of the aggregate total of the Associate Unit Franchise Royalty Fees paid by you. This amount must be paid in a lump sum by you at the time of the upgrade. In order to be eligible to upgrade from an Associate Unit Franchise to a Partner Unit Franchise, we must be offering Partner Unit Franchises in your Territory and you (and each of your owners) (i) have substantially complied with your Franchise Agreement during its term, (ii) agree to modify your KeyGlee Business as we require to bring it into compliance with our systems and standards and (iii) are current in all amounts owed to us and our affiliates.

(10) You must pay the termination fee, any outstanding amounts due to us, plus any costs and attorneys' fees incurred by us, if you attempt to terminate or close your franchise before your term expires, or we terminate your Franchise Agreement for any reason set forth in the Franchise Agreement. We may also recover from you any damages suffered by us (e.g., lost future Royalty Fees based on MPRFR, loan payments, software costs, attorneys' fees, administrative fees, etc.) resulting from your improper or wrongful termination of the franchise. Termination fees may be unenforceable in certain states (see Item 17 and state-specific addenda for additional information).

Item 7

ESTIMATED INITIAL INVESTMENT

KeyGlee Partner Unit Franchises

ITEM 7: YOUR ESTIMATED INITIAL INVESTMENT					
Expenditures	**Amount**		**When Due**	**Method of Payment**	**To Whom Paid**
	Low	**High**			
Associate Initial Franchise Fee OR Partner Initial Franchise Fee (1)	$100,000	$100,000	When you sign the Franchise Agreement	Lump sum	Franchisor
Travel, Lodging, Meals, Etc. for Launch Training (2)	$750	$6,500	As incurred	As agreed	Third party
3 Months' Lease/Rent (3)	$0	$7,500	As incurred	As agreed	Landlord
Utilities	$0	$2,250	As incurred	As agreed	Utility providers
Insurance (4)	$250	$1,500	As incurred	As agreed	Third party
Professional Fees (5)	$0	$5,500	As incurred	As agreed	Attorneys, accountants, and other professionals
Transportation (6)	$600	$2,500	As incurred	As agreed	Third party
Office Furniture (7)	$0	$6,500	Before franchise opens for business	As agreed	Third party
Computer Equipment and software (8)	$500	$6,500	As incurred	As agreed	Third party
Telephone	$100	$400	As incurred	As agreed	Third party
Internet Service	$100	$300	As incurred	As agreed	Service provider
Hiring Services (9)	$0	$7,500	As incurred	As agreed	Third party, franchisor or affiliate
Additional Money for Earnest Deposits and Labor (3 months) (10)	$20,000	$165,000	As incurred	As agreed	Third party, franchisor or affiliates
TOTAL ESTIMATED INITIAL INVESTMENT (11)	**$122,300**	**$311,950**			

KeyGlee Associate Unit Franchises

ITEM 7: YOUR ESTIMATED INITIAL INVESTMENT					
Expenditures	**Amount**		**When Due**	**Method of Payment**	**To Whom Paid**
	Low	**High**			
Associate Initial Franchise Fee OR Partner Initial Franchise Fee (1)	$45,000	$45,000	When you sign the Franchise Agreement	Lump sum	Franchisor
Travel, Lodging, Meals, Etc. for Launch Training (2)	$750	$6,500	As incurred	As agreed	Third party
3 Months' Lease/Rent (3)	$0	$7,500	As incurred	As agreed	Landlord
Utilities	$0	$2,250	As incurred	As agreed	Utility providers
Insurance (4)	$250	$1,500	As incurred	As agreed	Third party
Professional Fees (5)	$0	$5,500	As incurred	As agreed	Attorneys, accountants, and other professionals
Transportation (6)	$600	$2,500	As incurred	As agreed	Third party
Office Furniture (7)	$0	$6,500	Before franchise opens for business	As agreed	Third party
Computer Equipment and software (8)	$500	$6,500	As incurred	As agreed	Third party
Telephone	$100	$400	As incurred	As agreed	Third party
Internet Service	$100	$300	As incurred	As agreed	Service provider
Hiring Services (9)	$0	$7,500	As incurred	As agreed	Third party, franchisor or affiliate
Additional Money for Earnest Deposits and Labor (3 months) (10)	$20,000	$165,000	As incurred	As agreed	Third party, franchisor or affiliates
TOTAL ESTIMATED INITIAL INVESTMENT (11)	**$67,300**	**$256,950**			

Explanatory Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your franchise. Our estimates are based on our experience (see Items 1 and 2), and our current

requirements for Franchises. The factors underlying our estimates may vary depending on a number of variables, and the actual investment you make in developing and opening your franchise may be greater or less than the estimates given depending upon the location of your franchise, and current relevant market conditions. Your costs will also depend on factors such as how well you follow the processes and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All payments made to us or our affiliates are non-refundable. Our affiliates do not offer financing to our franchisees.

(1) See Item 5 for additional information about the Partner Initial Franchise Fee and Associate Initial Franchise Fee. We offer a discount of ten percent (10%) off the Initial Franchise Fee for qualified U.S. military veterans who are currently serving or were honorably discharged. Further, we may offer Unit Franchises at a reduced franchise fee to groups that become associated with KeyGlee as part of an existing non-KeyGlee franchise dealership system or to current franchisees purchasing additional Unit Franchise(s). The Initial Franchise Fee is non-refundable.

(2) We estimate that your travel and lodging expenses for initial training ("Launch Training") will range from $750 to $5,000 depending on the location of the Launch Training and the number of attendees. There will be no charge from KeyGlee for the Franchise Owner and employees to attend Launch Training, up to three (3) individuals. If you wish to bring more than three individuals to Launch Training, you must get approval from us. The Franchise Owner is required to pay for transportation to and from the training site (if applicable) and pay for lodging, food, and wages (if applicable) during the time of training for Franchise Owner and any of the Franchise's employees who attend the Launch Training. We reserve the right, in our sole discretion, to charge a fee for providing training to additional employees.

(3) Because you are authorized to operate your franchise from your home, we estimate that the cost of premises may be as low as $0, but if you lease a commercial space, the size and location of that space will dictate your monthly rent expense.

(4) You must obtain and maintain, at your own expense, insurance coverage for the premises and vehicles you use or operate in connection with your franchise as well as general liability and an errors and omissions insurance policy naming us as an insured under your policy. Insurance costs depend on a variety of factors. Annual premiums are typically paid to the insurer immediately, with refunds being issued if you cancel the insurance. The cost of your premiums will depend on coverage amounts, the insurance carrier's charges, terms of payment, and your insurance and payment history. The Operations Manual sets forth our specifications, standards, and guidelines for all real estate, goods, and services we require you to obtain in establishing and operating your franchise. We will notify you of new or modified specifications, standards, and guidelines through periodic amendments or supplements to the Operations Manual, or other written materials. Notifications of these changes may be sent to you via email. We reserve the right to review and approve your insurance policies for compliance with our requirements.

(5) You may incur legal fees, accounting fees and other professional fees in order to incorporate your business, perform all necessary tax filings and to set up a small business including a general ledger, tax reports, payroll deposits, etc.

(6) This is our estimate of operating a vehicle for your Unit Franchise. This expense is dependent on owning or leasing a business vehicle, and/or providing mileage reimbursements to employees for using their own personal vehicles.

(7) Because you are authorized to operate your franchise from a home office, your expenses for office furniture may be minimal.

(8) Your initial investment for your computer equipment and software could be between $500 and $6,500 depending on computer equipment and software purchased. See the Operations Manual. This figure does not include the monthly costs to maintain an internet connection or software subscription fees.

(9) You are not required, but may choose, to use the services of a hiring company to help you find qualified employees or contractors for the operation of your franchise. Franchisor reserves the right to offer or have one of its affiliates offer such optional services. Details about the hiring services offered by Franchisor or its affiliate will be included in the Operations Manual.

(10) The estimate of Additional Money for Earnest Deposits and Labor is based on an owner-operated business and does not include any allowance for an owner's draw or paying a General Manager to manage your Unit Franchise. The estimate is for a period of three (3) months. The Company estimates that, in general, you may expect to put additional cash into the business during at least the first three (3) months, and sometimes longer, but the Company cannot estimate or promise when or whether you will achieve a positive cash flow or profits. Additionally, this amount includes $20,000 to $155,000 in earnest money reserves, which amount you will determine based upon what is necessary for your Territory, which will allow you to operate effectively. Factors which may affect how much earnest money reserves you need may include, but are not limited to, the number of purchase agreements you enter into, the value of the purchase agreements you enter into, the percentage of the purchase price you offer as earnest money, and the length of time you hold your acquisitions before selling.

(11) We have relied on our experience in this industry in compiling these estimates. You should review these figures carefully with a business advisor before making any decision to purchase this franchise opportunity. If you don't have enough operating capital to cover three (3) months of labor, operating expenses, earnest deposits, and mandatory fees, your business could be at risk.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Lease and Purchase Specifications and Requirements

We reserve the right to require that you lease or purchase certain supplies and products from us or from suppliers approved by us, which may include our affiliates. This includes leasehold improvements (if you choose to operate out of a commercial space), computer and office equipment (including computer hardware and software that is able to run any systems mandated by us), insurance, and certain supplies under our specifications as set forth in the Operations Manual. These specifications include standards for appearance, delivery, performance, quality control, and/or design.

Franchisor's total revenue in 2023 was $3,014,967 (see Exhibit D). Franchisor's total revenues in 2023 from all required purchases and leases was $103,798., which is 3.44% of Franchisor's 2023 total revenues. The total revenue of Franchisor's affiliates from required purchases or leases was $0. This information was derived from Franchisor's audited financial statements and from records of payments from vendors.

Issuance and Modification of our Specifications

The Operations Manual sets forth our specifications, standards, and guidelines for all real estate, goods, and services that we require you to obtain in establishing and operating your franchise, and additional guidelines and requirements for operating your franchise. We will notify you of new or modified specifications, standards, and guidelines through periodic amendments or supplements to the Operations Manual, or other written materials. Notifications of these changes may be sent to you via email. See Item 11 for additional information about the Operations Manual. We will issue written copies of our standards and specifications to you and our approved and proposed suppliers, unless these standards and specifications contain our confidential information (see Item 14).

Approved Products, Distributors and Suppliers

We have developed standards and specifications for the equipment, materials, goods and services used to operate your KeyGlee Franchise. We have approved, and will continue to periodically approve, specifications and/or suppliers and distributors of the above items, services and products, which may include us or any affiliates we may have, that meet our standards and requirements. These specifications include standards and requirements relating to product and service quality, prices, consistency, reliability, financial capability, labor relations and customer relations. Currently, these specifications are not available to Franchisees. You must (1) purchase products or services for use in the operation of your KeyGlee Franchise in the quantities we designate; (2) use those formats, formulas, and methods that we prescribe; and (3) purchase all products and services only from distributors and other suppliers we have approved.

We may approve a single distributor or other suppliers (collectively, "supplier") for any product or service, and may approve a supplier only as to certain products and services. We may concentrate purchases with one or more suppliers to obtain lower prices or the best advertising support or services for any group of KeyGlee Franchises operated by us. Our approval of a supplier may be conditioned on requirements relating to the quality of services or products, standards of service (including prompt attention to complaints), and other similar criteria, and may be temporary, pending our continued evaluation of the supplier. We currently require you to use services from Elastic and we reserve the right to require purchases from other approved suppliers. When you purchase services from Elastic, we receive a portion of that service fee.

If you would like to purchase or lease any products or services from any unapproved computer hardware or software supplier, then you must submit to us a written request for approval of the proposed supplier (or the proposed supplier may submit its own request). We may inspect the proposed supplier's facilities. We also may require you (or the proposed supplier requesting the evaluation) to pay us an evaluation fee to make the evaluation (not to exceed the reasonable cost of the inspection and actual cost of the test); (see Item 6). We will approve or disapprove your proposed supplier within sixty (60) days of receiving all of the information that we require for the evaluation, and we reserve the right to reject your proposed supplier, in our sole discretion. We reserve the right to periodically re-inspect the facilities and products or services of any approved supplier, and revoke our approval if the supplier does not continue to meet any of our criteria. We will notify you in writing immediately when our approval of a supplier is revoked. Upon receipt of our notice of revocation, which may be provided to you via email, you will immediately stop using the services or products of the revoked supplier. We will not reimburse you for any remaining products or services purchased from the revoked supplier that you were unable to use as a result of our revocation of the supplier's approval.

We may negotiate price terms and other purchase arrangements with suppliers for some items for services that we require you to lease or purchase in developing and operating your KeyGlee Franchise. There currently are no purchasing and distribution cooperatives.

We estimate that the proportion of the required purchases and leases by a Unit Franchise to all purchases and leases by a Unit Franchise of goods and services in (1) establishing the Franchise is approximately between five percent (5%) and ten percent (10%) and in (2) operating the Franchise is approximately between twenty-five percent (25%) and fifty percent (50%).

Company, Affiliates, and Area Representatives as Approved Suppliers

We may designate ourselves, our affiliates, or our Area Representatives, as approved suppliers, or the only approved suppliers, from which you may or must lease or purchase certain products or services in developing and operating your KeyGlee franchise. We, our affiliates, or our Area Representatives may derive revenue from these sales and may sell these items at prices exceeding our or their costs in order to make a profit on the sale.

Our affiliates may offer services that assist you in operating your franchise. Currently, our affiliate, SkipVault, offers an optional service to you and you are not required to purchase it. Franchisor entered into an agreement with SkipVault which provides that Franchisor will receive 40% of the gross profits generated from services purchased by KeyGlee franchisees. The contract between Franchisor and SkipVault may be modified in the future without notice.

Additionally, we may offer other services on a fee basis.

As a KeyGlee franchisee, you may be eligible to receive KeyGlee's Buyers Lead Service and KeyGlee's Wholesalers Service which are products offered by the Franchisor or its affiliate. There is no additional charge for these products, but in order to be eligible to receive them, you must be in full compliance with the terms of your Franchise Agreement, including operating your Unit Franchise on a full-time basis and maintaining minimum Gross Profit requirements. Leads provided by KeyGlee may not be downloaded on a personal device or contacted from a personal device or account. These leads must be contacted only through our approved software, customer relationship management software, using an account to which KeyGlee has access. All leads provided to you by us may be shared between any one or more KeyGlee franchisees. All leads generated through your efforts, regardless of whether such lead was known to you prior to your association with KeyGlee (meaning without our help, which includes but is not limited to the help of our advertising services, KeyGlee Buyers Lead Service, or KeyGlee Wholesalers Service) will remain your property until you leave the KeyGlee franchise system, at which time you will share the lead information with us and we will have the right to assign the lead in our sole discretion. After you share the lead with us, you will still have the right to do business with the lead, provided such business does not conflict with the non-competition terms of the Franchise Agreement.

We reserve the right to become in the future, an approved supplier for other categories of products or services offered or used by your KeyGlee Franchise, including any additional proprietary software that we or you develop and require you to use in operating your franchise. We expect that at least some of these arrangements will generally allow us to obtain discounts off standard pricing and pass at least a portion of the savings on to you. To date, we or our affiliates have made no sales of products or services to KeyGlee franchisees and have received no revenues from any sales. We reserve the right in the future, to designate other affiliates as approved suppliers, or the only suppliers, from whom you may purchase or lease certain categories of products, services, and equipment.

The list of approved products and services and of their designated suppliers is included in the Operations Manual.

Effects of Compliance and Noncompliance

You must comply with our requirements to purchase or lease real estate, goods, and services according to our specifications and/or from approved suppliers to be eligible to renew your franchise. Failure to comply with these requirements will render you ineligible for renewal, and may be a default allowing us to terminate your franchise. We do not provide any other benefits to you because of your use of designated or approved services and products, or suppliers.

Insurance Specifications

Before you open your KeyGlee Franchise, you must obtain certain minimum insurance coverage, naming the Company as an additional insured. We may increase these limits or have new types of coverage added at any time after giving you notice. You must maintain this insurance coverage, as required by your Franchise Agreement, from a responsible carrier. We retain the right to review and approve your insurance policies for compliance with our requirements. Our current insurance requirements are summarized in the Operations Manual.

Advertising Specifications

You must obtain our approval before you use any advertising and promotional materials, signs, forms and stationery. Furthermore, you must not engage in any advertising of your Franchise unless we have previously approved the medium, content and method.

Computer Equipment and Software

You are required to purchase computer hardware and software ("Computer System") that is able to properly run the systems we require you to run, as provided for in the Operations Manual. We reserve the right to add or change our required software providers at any time.

We may require additional items to be purchased by the Franchise Owner from certain manufacturers or suppliers in the future. We will notify you of such requirements by modifying the Operations Manual or sending to you other written forms of communication, including via email, and you agree to change or upgrade your computer equipment and software as required by us. You will also be required to pay the monthly cost of maintaining high speed internet access at your site.

Restrictions and Rules on Sales to Franchisee, Franchisee Affiliates, or Franchisee Relatives

You may not provide KeyGlee products or services to yourself, friends, affiliated persons, or an affiliated entity, without our prior written approval. The term "Affiliated Person" is any person that is an owner of your Franchise, or any person related to an owner of your Franchise (by blood or marriage). The term "Affiliated Entity" is any entity that is owned (partially or completely) by an Affiliated Person.. This includes, but is not limited to, using leads obtained through your KeyGlee Franchise to complete real estate deals outside of your KeyGlee Franchise. In the event we provide written approval for you to engage in a transaction with an Affiliated Person or Affiliated Entity (including purchases by a Principal Owner, Affiliated Persons or Affiliated Entities for personal use or investment), Royalties due to us on any such transaction will not be based not on the actual sale price of the transaction, but instead on what we determine would have been the reasonable profit generated by that transaction had it been conducted at arms' length by unrelated parties. For example, if you identify a real estate purchase opportunity through your KeyGlee business, and engage in any of the following: (a) allowing an Affiliated Person or Affiliated Entity to purchase the property at the wholesale price instead of purchasing and selling it through your KeyGlee Franchise, (b) selling a property to an Affiliated Person or Affiliated Entity for below fair market value, regardless of whether the property is for personal use or investment by an Affiliated Person or Affiliated

Entity, in such instances you must first get our written approval to engage in such transactions, and then you must provide to us all necessary information regarding the transaction so we may determine the fair market value of that transaction if you had sold it in an arms' length transaction to an unaffiliated third party. The Royalty Fee due on such transactions will be based on the profit you could have earned selling the property at fair market value, even if you sold it to an Affiliated Person or Affiliated Entity (or allowed an Affiliated Person or Affiliated Entity to complete the purchase) for no actual profit. Any failure by you to properly disclose any transaction contemplated by this section will render you liable under the auditing provisions outlined in Items 6 and 11. If we determine you have failed to properly disclose such transactions on more than three (3) occasions in any three (3) year period, we reserve the right to terminate the Agreement.

Item 9

FRANCHISEE'S OBLIGATION

KeyGlee Unit Franchises

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	Sections 2.3 and 3.1	Items 7 and 11
b. Pre-opening purchases/leases	Sections 3.1, 3.2, 3.4 and 3.5	Items 5, 7 and 8
c. Site development and other pre-opening requirements	Sections 3.2, 3.3, 3.4 and 3.5	Items 7, 8 and 11
d. Initial and ongoing training	Sections 4.2 and 5.1	Items 7 and 11
e. Opening	Sections 3.1 and 3.6	Items 7 and 11
f. Fees	Sections 2.4, 3.4, 3.6, 4.2, 5.1, 5.2, 6, 8.3, 10.2, 10.3, 10.9, 10.10 11.1, 11.3, 12, 13.2, 14.5, 15, 16.1, 16.5 and 16.7, 17.8, and 17.9	Items 5, 6, 7, 8 and 11
g. Compliance with standards and policies/operating manual	Sections 2.3, 2.4, 3.3, 3.4, 3.5, 3.7, 5.2, 5.3, 10 and 11.	Items 11, 14, 15 and 16
h. Trademarks and proprietary information	Sections 4.1, 7, 10.9 and 16.4	Items 13 and 14
i. Restrictions on products/services offered	Section 10.2	Items 8 and 16
j. Warranty and customer service requirements	Section 10.8	Not Applicable
k. Territorial development and sales quotas	Section 3	Item 12

Obligation	Section in Franchise Agreement	Item in Disclosure Document
l. On-going product/service purchases	Section 3.3, 3.4, 5.1, 10.2, 10.3, 10.10, 10.11 and 11	Items 8 and 11
m. Maintenance, appearance, and remodeling requirements	Sections 3.3, 10.1 and 10.6	Item 11
n. Insurance	Sections 10.8 and 10.10	Items 6, 7 and 8
o. Advertising	Sections 6 and 11	Items 6, 7, 8 and 11
p. Indemnification	Sections 7.5, 8.3, 10.10 and 16.5	Items 6, 11 and 13
q. Owner's participation/ management and staffing	Sections 4.1 and 10.9	Items 11 and 15
r. Records/reports	Sections 6.5, 10.2, 12, 13.2	Item 6
s. Inspections/audits	Section 13	Item 11
t. Transfer	Section 14	Items 6 and 17
u. Renewal	Section 2.4	Items 6 and 17
v. Post-termination obligations	Sections 9, 10.10 and 16	Item 17
w. Non-competition covenants	Sections 9.3, 10.9, 14.5, 16 and 17.1	Item 17
x. Dispute resolution	Sections 17.8, 17.9, 17.10 and 17.11	Item 17
y. Other	Not Applicable	Not Applicable

Item 10

FINANCING

Franchisor may offer to finance the payment of a portion of the initial franchise fee for employees or contractors of KeyGlee to whom franchisor, in its sole discretion, desires to offer the opportunity to purchase a KeyGlee Partner Unit Franchisee. All members of the franchisee entity, and their spouses, must personally guarantee the debt. The details about these two separate financing options are described in the tables below.

Except as disclosed herein, we do not offer direct or indirect financing. We do not guarantee your note, lease or obligation. We do not offer financing for an Associate Unit Franchise.

FINANCING OPTION FOR EMPLOYEES OR CONTRACTORS OF FRANCHISOR (AVAILABLE AT FRANCHISOR'S DISCRETION).

FINANCING SUMMARY	
Item Financed	Initial Partner Franchise Fee
Source of Financing	Franchisor or Affiliate
Down Payment	None
Amount Financed	Up to $100,000 (*)
Term (Months)	Variable (up to 10) (**)
Annual Interest Rate	8%
Monthly Payment	Beginning in Month 2 after Agreement Date and paid off completely within 10 months of the Agreement Date (***)
Security Required	Personal Guarantee signed by all members of the franchisee entity and their spouses
Liability Upon Default	Loss of Franchise and unpaid loan and interest still due (****)

(*) In Franchisor's sole discretion, we may agree to finance up to 100% of the full Partner Initial Franchise Fee of the Unit Franchise.

(**) There will be no prepayment penalties if the loan is paid early. If the loan is not paid in full sooner, the balance of the loan is due on the 10th month after the Agreement Date.

(***) We will establish a payment schedule where the first payment will be due on the 10th day of Month 2 after the Agreement Date and the entire loan will be paid off within ten (10) months of the Agreement Date. This is in addition to any other payments required to be made to Franchisor under the Franchise Agreement (Royalty Fee, Ad Fund, Software Fees, etc.). The first payment will be due in Month 2 after the Agreement Date (unless an extension is approved in writing by Franchisor, which shall be at Franchisor's sole

discretion). Payments will be due on the tenth (10th) day of each month and will be made via ACH withdrawal like all other fees due under the Franchise Agreement. For example, if the Agreement Date is in January, then Month 1 is February and the first payment would be due on March 10.

(****) Instead of exercising our right to terminate your Franchise in case of default on the loan by you, in addition to the stated interest rate, we may charge you a monthly administrative fee in the amount of 5.5% of the total past due amounts under the loan. Our agreement to accept the administrative fee from you does not preclude us from terminating your Franchise Agreement if other events of loan default occur in the future.

We do not guarantee your note, lease or obligation.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

KeyGlee Unit Franchises

Pre-Opening Obligations:

Before you open your Unit Franchise for business, we, the Area Representative, or our designee will:

1. Designate your Territory (Franchise Agreement – Section 2.3). See Item 12 for additional information about your Territory.

2. Provide you with our Launch Training and opening assistance for Unit Franchises pursuant to the terms of the Franchise Agreement. Launch Training must be completed within 60 days of the Agreement Date unless special permission has been authorized. All new owners who acquired via transfer or substitution are required to attend Launch Training within 60 days of the effective date of such transfer or substitution. Any owner or employee who is running the Unit Franchise full time needs to complete Launch Training. You or at least one of your Principal Owners as defined in your Franchise Agreement (if you are a legal entity) or the person running your franchise (if you have a General Manager who is not an owner; see Item 15), and other members of your team whom we designate must complete the Launch Training to our satisfaction. We will consider your Unit Franchise open for business on the final day of Week 1 of Launch Training (your "Opening Date"). The Launch Training consists of KeyGlee University which includes both online and in-person training, as well as continuing education which may be completed at the location of the franchisee's choice, or any other location we designate. If we, in our sole discretion, determine that any General Manager or employee is unable to satisfactorily complete such program, then you must not hire that person, and must hire a substitute General Manager or employee (as the case may be), who must attend the Launch Training within fifteen (15) days thereafter, and complete the Launch Training to our satisfaction.

3. Provide you with guidance and assistance in the following areas:

(a) the products and services authorized for sale by the Unit Franchise and specifications, standards and operating procedures used by KeyGlee Unit Franchises;

(b) purchasing approved equipment, signs, products, operating materials, and supplies;

(c) development and implementation of local advertising and promotional programs;

(d) administrative, bookkeeping, accounting, inventory control and general operating and management procedures;

(e) notifying you of changes in any of the above that occur from time to time; and

(f) specifying any approved and/or required brands, types and/or models of equipment and signs (Franchise Agreement – Section 5.1).

4. Identify the products, materials, supplies, and services you must use to develop and operate your Unit Franchise, the minimum standards and specifications that you must satisfy in developing and operating the Unit Franchise, and the designated and approved suppliers from whom you must or may buy or lease these items (which might be limited to or include us and/or our affiliates) (Franchise Agreement – Sections 10.2-10.3) (see Item 8).

5. Lend to you one (1) digital copy of our Franchise Operations Manual (the "Operations Manual"), which contains our mandatory and suggested specifications, standards and procedures for operating your Unit Franchise (Franchise Agreement – Sections 5.1-5.2). Exhibit C to this Disclosure Document sets forth the Table of Contents for the Operations Manual. The Operations Manual may be composed of or include audiotapes, videotapes, computer disks, compact disks, and/or other written or intangible materials. We may make all or part of the Operations Manual available to you through various means, including digitally. The Operations Manual contains our System Standards and information about your other obligations under the Franchise Agreement. We may modify the Operations Manual periodically to reflect changes in System Standards. You must keep your copy of the Operations Manual current, in a secure location at your Unit Franchise. If you and we have a dispute over the contents of the Operations Manual, then our master copy of the Operations Manual will control. The Operations Manual is confidential, and you may not copy, duplicate, record or otherwise reproduce any part of it, or allow anyone who is not employed by you to view it. If your copy of the Operations Manual is lost, destroyed or significantly damaged, then you must obtain a replacement copy at our then-applicable charge (see Items 6, 14, and Exhibit C for additional information about our Operations Manual).

6. Provide you with specifications for the computer system for your Unit Franchise (Franchise Agreement – Section 3.4). See below for additional information about these specifications.

7. If you decide to operate your Unit Franchise from a commercial business location, we or our designee may review and approve or disapprove your proposed Unit Franchise site (Franchise Agreement – Section 3.1). If your proposal has not been disapproved within ten (10) business days after it is received by us, it is deemed to be approved. Our approval of your Unit Franchise site is not a guarantee of success.

Our Launch Training currently includes the following:

TRAINING PROGRAM				
Subject	**Hours of Classroom Training**	**Hours of Online Training**	**Hours of On the Job Training**	**Location**
Acquisitions Training	12 hours	Up to 8 hours	Up to 8 hours	Online (location of franchisee's choice)
Disposition Training	10 hours	Up to 8 hours	Up to 8 hours	Online (location of franchisee's choice)
Operations & Escrow Training	5 hours	Up to 8 hours	Up to 8 hours	Online (location of franchisee's choice)
Administrative Training	5 hours	Up to 8 hours	Up to 8 hours	Online (location of franchisee's choice)
Human Resources Training	4 hours	Up to 8 hours	Up to 8 hours	Online (location of franchisee's choice)
Technology Training	5 hours	Up to 8 hours	Up to 8 hours	Online (location of franchisee's choice)
Total Hours	**41 hours**	**Up to 48 hours**	**Up to 48 hours**	

Explanatory Notes:

- Most of these subjects are integrated throughout the 41 hours of classroom training, up to 48 hours of online training and up to 48 hours of on the job training. Most of our training will be provided through online classes or interactive online trainings. We plan to be flexible in scheduling training. There currently are no fixed (i.e., monthly or bi-monthly) training schedules. In our sole discretion, we may waive some hours of on-the-job training for some franchisees with significant experience in the subject matter.

- Although the individuals instructing the training program may vary, our instructors will include some of the persons listed in Item 2, other Company representatives, or any other persons with experience in the subject matters included in the training.

- The Company may offer additional or refresher training events or courses from time to time. Some of these events or courses may be mandatory, and some may be optional. These courses may be conducted at the Company's headquarters, at any other locations selected by the Company, or may be offered online.

- You must pay any wages or compensation owed to, and all travel, lodging, meals, and transportation expenses incurred by, all of your personnel who attend our training sessions. The Company reserves the right to impose reasonable charges for training classes and materials in connection with such training sessions. The Company will notify you of any additional charges before you or your employees enroll in a training session.

- All training sessions will be scheduled in advance and the schedule will be shared with franchise owners and general managers. The training sessions cancellation policies will be included in the schedule of training sessions.

- The instruction materials for our training programs include handouts, the Operations Manual, and lectures.

Opening and Post-Opening Assistance:

After your Unit Franchise opens for business, we or our designee will:

1. Continue to provide you with guidance and assistance in the following areas:
   (a) establishing and conducting employee training programs at the Unit Franchise;
   (b) the products and services authorized for sale by the Unit Franchise, and specifications, standards, and operating procedures used by KeyGlee Unit Franchises;
   (c) purchasing approved equipment, signs, products, operating materials, and supplies;
   (d) development and implementation of local advertising and promotional programs;
   (e) administrative, bookkeeping, accounting, inventory control and general operating and management procedures;
   (f) notifying you of changes in any of the above that occur from time to time; and
   (g) specifying any approved and/or required brands, types and/or models of equipment and signs (Franchise Agreement – Section 5.1).

2. Continue lending to you a copy of our Operations Manual (Franchise Agreement – Sections 5.1-5.2). You are required to return your copy of the Operations Manual at the end of your franchise Term.

3. Allow you to use our Marks and confidential information in operating your Unit Franchise (Franchise Agreement – Sections 7 and 9). You must use the Marks and confidential information only as authorized in the Franchise Agreement and Operations Manual (see Items 13 and 14).

4. Indemnify you against damages for which you are held liable in any proceeding arising out of your use of our Marks in compliance with the Franchise Agreement, and reimburse you for costs you incur in defending against any such claim (Franchise Agreement – Section 7.5) (see Item 13).

5. Review and approve suppliers and distributors you would like to use (Franchise Agreement – Section 10.3) (see Items 6 and 8).

6. As we deem appropriate, provide you with additional, ongoing, and supplemental training programs (Franchise Agreement – Section 4.2). We may hold mandatory and optional training programs for you and your staff regarding new techniques, services or products, and other appropriate subjects. We may decide to hold these training programs at our own initiative, or in response to your request for additional or special training. We will determine the location, frequency, and instructors of these training programs. We may charge you a daily attendance fee to cover our costs of training for each owner, officer, director, manager, or employee of yours who attends any mandatory or optional training program (see Item 6). You must pay this fee to us in a lump sum before the training program begins. You must pay for all travel, lodging, meal, per diem, wages, and personal expenses related to your attendance and the attendance of your personnel. We understand that you may not be able to attend all of our mandatory training, but we require that you attend a minimum of 75% of mandatory training programs that we offer on an annual basis. At this time, we do not know the number of training sessions or the amount of time our training program will require annually.

7. Review and approve or disapprove your advertising, marketing, and promotional materials (Franchise Agreement – Section 11.2). See Item 8 and the rest of this Item 11 for additional information about our advertising-related requirements and approval process.

8. As we deem advisable, conduct assessments, inspections, and/or audits of your Unit Franchise, including evaluations of its training methods, techniques, and equipment; its staff; and the services rendered to its customers (Franchise Agreement – Section 13.1). We may provide you with additional guidance and training based on the results of these inspections and/or audits.

9. If we establish an Ad Fund that includes your Territory, provide you with marketing materials and services paid for by the Fund (Franchise Agreement – Section 11.1). We may create a fund to support and pay for marketing programs we deem necessary, desirable, or appropriate to promote the services and products offered by your and other KeyGlee Unit Franchises (see Items 6, 8, and the rest of this Item 11 for additional information about the Ad Fund).

Advertising and Marketing

Advertising by You

You may develop, at your cost, advertising and promotional materials for your use by your KeyGlee Unit Franchise, but may not use them until after we have approved them in writing. You must submit to us, for our approval, samples of all advertising and promotional materials not prepared or previously approved by us that you wish to use. We will not unreasonably withhold our approval. If you do not receive a written response within fifteen (15) days from the date we receive the materials, the materials will be deemed to have been approved. Any materials submitted to us for approval will become our intellectual property.

Advertising by Us

We may offer a other services as an option service to franchisees in which you may participate at your discretion.

We may create separate advertising funds ("Ad Fund(s)") for our Unit Franchises or Area Representation Franchises to accomplish those advertising and promotional programs we deem necessary or appropriate for each type of franchise. See Item 6 for the amount of your required contribution to the Ad Funds that includes all or any part of your franchise territory or area. We may increase or decrease your contribution to the Ad Funds upon thirty (30) days written notice to you. However, your contribution to the Ad Funds but it will not exceed the greater of (a) one percent (1%) of your Gross Profits, or (b) $200.00. Any Unit Franchise or Area Representation Franchise owned by us must contribute to any Ad Fund on the same basis as you.

We will direct all marketing programs financed by any Ad Funds, and will have sole discretion over the creative concepts, materials and endorsements used by the Ad Funds, and the geographic, market, and media placement and allocation of the Ad Funds. An Ad Fund may be used to pay the costs of administering regional and multi-regional advertising programs, including purchasing direct mail and other media advertising; employing advertising agencies and supporting public relations, market research, and other advertising and marketing firms; and paying for advertising and marketing activities that we deem appropriate, including the costs of participating in any national or regional trade shows. We will not use Ad Fund contributions for advertising that is principally a solicitation for the sale of franchises.

An Ad Fund will be accounted for separately from our other funds, and will not be used to pay any of our general operating expenses, except for salaries, administrative costs, and overhead that we incur in activities

reasonably related to the administration of the Ad Fund and its marketing programs, including preparing advertising and marketing materials, and collecting and accounting for contributions to the Ad Fund. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the Ad Fund in that year, and the Ad Fund may borrow from us or other lenders to cover the Ad Fund's deficits, or invest any surplus for future use by the Ad Fund. We will prepare an annual statement of monies collected and costs incurred by an Ad Fund, and will provide it to you upon written request. At this time, we do not intend to have the Ad Fund audited but reserve the right to do so in the future.

We may cause an Ad Fund to be incorporated or operated through an entity separate from us when we deem appropriate, and the entity will have the same rights and duties as we do under the Franchise Agreement. If established, an Ad Fund will be intended to enhance recognition of the Marks. Although we will endeavor to use an Ad Fund to develop advertising and marketing materials and programs and place advertising that will benefit all Unit Franchises or Area Representation Franchises (as the case may be), we do not have to ensure that the Ad Fund's expenditures in or affecting any geographic area are proportionate or equivalent to the contributions made by Unit Franchises or Area Representation Franchises in that geographic area, or that any Unit Franchise or Area Representation Franchise will benefit from the development of advertising and marketing materials or the placement of advertising by the Ad Fund directly or in proportion to the franchise's contribution to the Ad Fund. We assume no direct or indirect liability or obligation to you or any other Unit Franchise or Area Representation Franchise (as the case may be) in connection with the establishment of an Ad Fund, or the collection, administration, or disbursement of monies paid into an Ad Fund.

We may suspend contributions to, and the operations of, an Ad Fund for any period we deem appropriate, and may terminate an Ad Fund upon thirty (30) days written notice to you. All unspent monies held by an Ad Fund on the date of termination will be distributed to us, our affiliates, and you and our other franchisees in proportion to each party's respective contributions to the Ad Fund during the preceding twelve (12) month period. We may reinstate a terminated Ad Fund upon the same terms and conditions set forth in the Franchise Agreement upon thirty (30) days advance written notice to you.

The Company has the right to create Ad Funds and to decide how they will be run. The specific manner in which they will be organized and governed has yet to be determined.

Website

We provide a service to design and set up your website. Your website must include all information or hyperlinks outlined during the setup of your website and follow our requirements relating to design and content as instructed in the Operations Manual. You may use social media (as that term is defined in the Operations Manual) only as outlined in the Operations Manual. In any case, you are required to submit to us for our prior approval the drafts or samples of any content that you intend to post on social media or online directories. Your social media or online directory content must include all information or hyperlinks that we require and follow our requirements relating to design and content as instructed in the Operations Manual. We may revoke our approval of previously approved online content or any portions thereof at any time by sending you notice of the revocation. You must cease to use the revoked website or designated portions of the website immediately upon receipt of our notice.

Computer System

You must purchase computer hardware and software and other electronic equipment (collectively, "Computer System") that is able to properly run the systems we specify (see Items 6 and 7 for more information regarding the cost and fees associated with the Computer System.) We may periodically modify the specifications for, and components of, the Computer System. These modifications and/or other

technological developments or events may require you to purchase, lease, and/or obtain by license new or modified computer hardware and/or software, and obtain service and support for the Computer System. The Franchise Agreement does not limit the frequency or cost of these changes, upgrades, or updates. We have no obligation to reimburse you for any Computer System costs. Within sixty (60) days after you receive notice from us, you must obtain the components of the Computer System that we designate and ensure that your Computer System, as modified, is functioning properly.

We may charge you a reasonable fee for (i) installing, providing, supporting, modifying, and enhancing any proprietary software or hardware that we develop and license to you; and (ii) other Computer System-related maintenance and support services that we or our affiliates provide to you. If we or our affiliates license any proprietary software to you or otherwise allow you to use similar technology that we develop or maintain, then you must sign any software license agreement or similar instrument that we or our affiliates may require. See Items 6 and 7 for information regarding the cost of required computer software, and the monthly fees associated with operating your Computer System. Some monthly fees associated with operating your Computer System will be due to us and some will be paid to the provider directly.

You will have sole responsibility for: (1) the acquisition, operation, maintenance, and upgrading of your Computer System; (2) training your employees to use the Computer System and keeping such training current; (3) the manner in which your Computer System interfaces with our computer system and those of other third parties; and (4) any and all consequences that may arise if your Computer System is not properly operated, maintained and upgraded.

Your Computer System must be capable of supporting our required software, have internet capability, and be accessible by us remotely. You may also be required to purchase certain customer contact software and financial software, and to pay monthly charges associated with your Computer System. The specification regarding the required hardware and software for your Computer System is contained in the Operations Manual. We reserve the right to have independent access to all information generated and stored in your Computer System at any time and reserve the right to access your Computer System without prior notice to you.

We estimate the cost of purchasing the Computer System and related software will range from $500 to $6,500, depending on the size of your team. We do not presently require you to purchase or lease computer hardware from the Company. However, you must purchase certain software from our approved vendor. We estimate that the annual costs of any optional or required software, maintenance updates, upgrading or support contract for your Computer System will range from $1,500 to $5,000. You will also be required to pay the monthly cost of maintaining high speed internet access at your site.

Periodic Inspections

You must operate your KeyGlee Unit Franchise in accordance with the Franchise Agreement and the Operations Manual. We reserve the right to conduct or have a third party we designate conduct periodic assessments or inspections of your Franchise, both in person and virtually, including but not limited to contacting clients for satisfaction surveys, to ensure that you are in compliance with your Franchise Agreement as well as the Operations Manual. You agree to cooperate with us or our designated third party for the assessment or inspection of your Franchise. We require that you use the software we require in order for us to perform virtual inspections. We may terminate your Franchise Agreement if you do not operate your business in compliance with the Franchise Agreement or the Operations Manual.

Time to Open

You must attend Launch Training within 60 days of your Agreement Date unless we give you written approval. Your Opening Date will be the final day of Week 1 of Launch Training. If you operate your franchise from a home office, we estimate that you will open your Franchise between fifteen (15) and sixty (60) days after signing the Franchise Agreement, provided you (and any general manager) have completed Launch Training.

If you choose to operate your franchise from a commercial business location, you must select a proposed site for the premises of your Unit Franchise and obtain our approval of the proposed site no later than sixty (60) days after the date of your Franchise Agreement. Your site proposal will be deemed approved by us if it is not specifically disapproved by us in writing within ten (10) business days of us receiving your site proposal. If we do specifically disapprove your site proposal, you will receive an additional thirty (30) days to provide an acceptable site proposal. You must then obtain lawful possession of the premises through lease or purchase within thirty (30) days of our approval of the location. Finally, you must open your Franchise no later than thirty (30) days after obtaining legal possession of a location approved by us. We estimate that KeyGlee Unit Franchises who operate from a commercial business location will typically open for business approximately two (2) to four (4) months after signing the Franchise Agreement, provided you (and any general manager) have completed Launch Training within the required sixty (60) day time frame. Factors affecting this length of time include locating a site and signing a lease, obtaining business and construction permits, construction or remodeling of the site, completion of required training, financing arrangements, local ordinance and building code compliance, delivery and installation of equipment or supplies, and hiring and training of your staff.

Franchisor's Right to Information

We reserve the right to obtain copies, either directly from the Franchisee or from third parties, of any and all documentation relating to each transaction entered into by you in the operation of your Unit Franchise. You agree to provide us with login credentials and full remote access to your accounting, record keeping, and CRM software. You agree that we have the right to access such information, and you agree that you will not do anything to interfere with our obtaining such information. Documents and information which we are entitled to receive include, but are not limited to, HUD-1 Settlement Statements, real estate purchase contracts, financing documents, closing documents, and any other documents related to each transaction entered into by you or for which you were an intermediary during the operation of your Unit Franchise.

Item 12

TERRITORY

KeyGlee Unit Franchises

Your Franchise Agreement grants you a shared non-exclusive territory composed of an area that we will determine using population and business density figures, number of residences, county lines, income and traffic patterns and possibly other criteria (the "Territory") in which you will establish your franchise location. Your Territory will be designated in Exhibit 1 to your Franchise Agreement. You will be provided with the specific boundaries of the Territory (including description of the counties and/or map) before you sign your Franchise Agreement. If you do not operate your Franchise from your home office, you may open one (1) physical franchise location that we need to approve. You may be required to share your Territory with a number of other franchisees which we determine for your specific Territory. However, franchisees from outside of the counties in your defined territory are not permitted to solicit, sell, market, and/or

distribute KeyGlee products and services to individuals and businesses within your Territory, unless we grant them permission to do so in writing. Likewise, you will not have the right to solicit, sell, market and/or distribute KeyGlee products and services to individuals and businesses outside of the counties in your defined territory (including in other Unit Franchise's territories) without first obtaining our written consent and if there is a franchise in the territory where you want to work a specific deal then you need to contact all the franchisees working in that territory (one email to all franchisees) to work that deal with you. You may not open or operate any additional outlet within or outside of your Territory under this Franchise Agreement.

We reserve the right to establish company-owned outlets or additional KeyGlee Unit Franchises owned by us, our affiliates, or other KeyGlee Unit Franchises in part or all of your Territory that market, solicit or service individuals or businesses in your Territory. We may authorize non-KeyGlee businesses to offer KeyGlee products and services to residential households or businesses in your Territory only as an incidental part of their business operations. The Company and its affiliates may operate KeyGlee Unit Franchises or grant franchises for KeyGlee Unit Franchises within your Territory.

At this time, the Company does not have any plans to operate a competing franchise system offering similar goods and services.

You have no options or rights of first refusal to purchase additional franchises, but may apply to us for the right to operate additional KeyGlee Unit Franchises and/or Area Representation Franchises under separate agreements. You will need our prior written approval, which we may grant or withhold in our sole discretion, if you desire to relocate your Unit Franchise within your Territory. Your Territory may not be modified under any circumstances unless you and we both agree to the change in writing.

While the continuation of your rights to operate your Franchise within your Territory generally depends upon your compliance with the obligations of your Franchise Agreement, if you own a Partner Unit Franchise, you must also pay a minimum amount of Royalty Fees each month beginning in the tenth (10th) month after the Agreement Date of your Unit Franchise. You must pay minimum monthly Royalty Fees and other fees based on the greater of (a) your actual Gross Profits, or (b) the Minimum Partner Royalty Fee Requirement ("MPRFR"). This means that for month ten after the Agreement Date and for all periods thereafter, your minimum monthly Royalty Fees to us will be $1,800.00 for Partner Unit Franchises (see Item 6). These amounts will be electronically debited from your account on the 10th day of the following month.

The minimum Royalty Fee requirements for your KeyGlee Unit Franchise are:

Partner Unit Franchises

Minimum Partner Monthly Royalty Fee Requirement	Time Frame
$1,800.00	Per month beginning in Month 10 after the Agreement Date and for all months thereafter.

Associate Unit Franchises

Minimum Associate Monthly Royalty Fee Requirement	Time Frame
No minimum requirement, but $499 per month Associate Unit Monthly Fee and 18% Royalty Fee	Per month beginning as soon as Associate Unit Franchise completes Launch Training and for all months thereafter.

If you own more than one KeyGlee Unit Franchise, the MPRFR must be met for each KeyGlee Unit Franchise separately, and is not cumulative. Wholesale operations, including buying from and selling to your own other leads within your Territory, are subject to Royalty Fees. All transactions, whether wholesale or retail, whether inside or outside of your Territory, are subject to Royalty Fees.

After your initial nine (9) month start up period, if you fail to generate at least $20,000 in monthly Gross Profit on more than three occasions during any three-year period, we reserve the right to suspend your right to receive KeyGlee Buyers Lead Service or KeyGlee Wholesalers Service leads from us or terminate this Agreement, which will include the loss of any territory rights you were granted and the loss of your initial investment.

Company Reserved Rights

In addition to any other rights that we have reserved in this Disclosure Document, we and our affiliates reserve the right to engage in any activities we deem appropriate that your Franchise Agreement does not expressly prohibit, in any location and at any time we desire, including the right to:

(a) Establish and operate Unit Franchises and Area Representation Franchises, and granting rights to other persons to establish and operate Unit Franchises or Area Representation Franchises, on any terms and conditions we deem appropriate and at any locations, including in your Territory;

(b) Establish Unit Franchises and grant rights to other persons to establish and operate Unit Franchises, on any terms and conditions we deem appropriate and at any locations within a Representation Area, provided however, that the Area Representative for such Representation Area shall be entitled to its share of the Initial Commissions (including the Initial Franchise Fee) and any Royalty Fees, as set forth more specifically in the Area Representation Agreement;

(c) Provide and grant rights to other persons to provide goods and services similar to and/or competitive with those provided by KeyGlee Unit Franchises to customers located within a Territory and/or Representation Area, whether identified by the Marks or other trademarks or service marks, through any distribution channel other than KeyGlee Unit Franchises located within a Territory and/or Representation Area (including, but not limited to, sales of products or services via any media, including toll-free telephone numbers and electronic means including the Internet);

(d) Acquire the assets or ownership interest of one or more businesses providing products and services similar to those provided at KeyGlee Unit Franchises, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, including within a Representation Area or within the Territory of an existing KeyGlee Unit Franchise; and

(e) Be acquired (regardless of the form of transaction) by a business providing products and services similar to those provided at KeyGlee Unit Franchises, or by another business, even if such business operates, franchises and/or licenses competitive businesses within a Territory and/or Representation Area.

Item 13

TRADEMARKS

We grant you the right to operate your KeyGlee Unit Franchise using our principal Mark(s), including the name "KeyGlee" as set forth on the first page of this Disclosure Document. You may also use other future trademark(s), service mark(s), and logo(s) we approve to identify your KeyGlee franchise. However, you are not to use the Marks as part of your Franchise's corporate or trade name.

You may use the following trademark which is registered on the Principal Register of the United States Patent and Trademark Office ("PTO"):

MARK	REGISTRATION NUMBER	FILING DATE	APPROVAL DATE	INTERNATIONAL CLASS OF GOODS
KEYGLEE	5402992	12/31/2016	02/13/2018	IC 035

The right to use the "KEYGLEE" Mark is licensed to us through a non-exclusive licensing agreement with the owner of the Mark, KeyGlee, LLC dated March 31, 2020. The trademark licensing agreement is for a term of 10 years and will automatically renew for additional ten-year terms unless either party provides notice of non-renewal to the other within 60 days prior to the end of the term. The licensor may terminate the agreement at any time.

There are currently no effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks that limits our right to use or license the Marks in a manner material to your franchise. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

Your right to use the Marks is derived solely from your Franchise Agreement and is limited to your conduct of business in compliance with the Franchise Agreement and all applicable specifications, standards, and operating procedures we prescribe during the term of your franchise. Any unauthorized use of the Marks by you will constitute an infringement of our rights in and to the Marks. Your use of the Marks and any goodwill established by them will be for our exclusive benefit, and your Franchise Agreement does not confer any goodwill or other interests in the Marks upon you. All provisions of your Franchise Agreement applicable to the Marks will apply to any additional proprietary trade and service marks and commercial symbols authorized for use by, and licensed to you under, your Franchise Agreement. You may not at any time during or after the term of your franchise contest, or assist any other person in contesting, the validity or ownership of any of the Marks.

You must use the Marks as the sole identification of your franchise, but must also identify yourself as the independent owner of the franchise in the manner we prescribe. You may not use any Marks as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs or symbols, or in any modified form. You also may not use any Marks with the sale of any unauthorized service or in any manner we have not expressly authorized in writing. You must prominently display the Marks on or with franchise posters and displays, service contracts, stationery, other forms we designate, and in the manner we prescribe; to give any notices of trade and service mark registrations and copyrights that we specify; and to obtain any fictitious or assumed name registrations that may be required under applicable law.

You must immediately notify us of any apparent infringement of, or challenge to, your use of any Marks, or any claim by any person of any rights in any Marks. You may not communicate with any person other than us and our counsel about the apparent infringement, challenge, or claim. We and our affiliates will have sole discretion to take any action we deem appropriate, and the exclusive right to control any litigation or PTO or other proceeding arising out of any apparent infringement, challenge, or claim, or otherwise relating to any Marks. You must sign any instruments and documents, render any assistance, and perform any acts that our or our affiliates' counsel deems necessary or advisable to protect and maintain our or our affiliates' interests in any litigation or PTO or other proceeding related to any Marks, or otherwise protect and maintain our interests in the Marks.

If we decide that it is advisable for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trade or service marks, then you must comply with our instructions to do so within a reasonable time after receiving written notice from us. If a new trade name or Mark is registered by the Company with the U.S. Patent and Trademark Office, you must change, at your expense, all signs, marketing literature and other materials when you have been notified by the Company that a new trade name and Mark has been registered (see Item 7 of this Disclosure Document).

We will indemnify you against, and reimburse you for, (1) all damages for which you are held liable in any judicial or administrative proceeding arising out of your use of any Mark in compliance with your Franchise Agreement; and (2) all costs you reasonably incur in defending against any claim brought against you or in any proceeding in which you are named as a party, provided that you have timely notified us of the claim or proceeding, and have complied with the Franchise Agreement. We may defend any proceeding arising out of your use of any Mark under your Franchise Agreement and have no obligation to indemnify or reimburse you for any attorneys' fees or disbursements you incur if we defend the proceeding.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or registered copyrights are material to the franchise, nor do we have any pending applications for patents or copyrights that are material to the franchise.

The Company or its affiliates may file or acquire the rights to certain patents that are material to the franchise. These patents would pertain to the KeyGlee products or services which you will be offering as part of your Franchise. You are not licensed to manufacture or sell any inventions in any pending patent applications. You merely receive the right to own and use equipment or products covered by such patents or patent applications.

You also have the right to use proprietary information in the Operations Manual (see Item 11 for additional information about the Operations Manual). Although we have not filed an application for copyright registration of the Operations Manual, we claim copyright protection in them, and they are proprietary. We do not have to take any action for unauthorized uses of the information in the Operations Manual, but we intend to do so in circumstances we deem appropriate. We are not required to indemnify you for losses brought by a third party concerning your use of this information but intend to do so under circumstances we deem appropriate. We are not aware of any infringing uses of this information. There are no agreements in effect affecting our right to use this information.

We and/or our affiliates have developed proprietary confidential information comprising methods, techniques, procedures, information, systems, and knowledge of and experience in the design and operation of KeyGlee Franchises, including:

(1) knowledge of programs, concepts, or results relating to services and products;

(2) sources of products and services sold from KeyGlee Franchises;

(3) advertising and promotional programs;

(4) KeyGlee Buyers Lead Service or KeyGlee Wholesalers Service;

(5) KeyGlee Franchise logos, image, and decor;

(6) methods, techniques, formats, specifications, procedures, information, systems and knowledge of and experience in the development, operation, and franchising of KeyGlee Franchises; and

(7) the selection and methods of training employees (collectively, the "Confidential Information").

We will disclose the Confidential Information to you in the initial training program described in Item 11, the Operations Manual lent to you, and guidance furnished to you during the term of your franchise. You will not acquire any interest in the Confidential Information other than the right to use it in the development and operation of your franchise during the term of the franchise. During the course of the operation of your Unit Franchise, you or your employees may develop ideas, concepts, methods, or techniques of improvement relating to the Franchise. Any such development by you or your employees of ideas, concepts, methods, or techniques of improvement relating in any way to the Confidential Information or the operation of a KeyGlee Franchise (collectively, the "Developed Information") shall be the exclusive property of the Franchisor, and you agree to execute any documents which are reasonably required to memorialize our ownership of the Developed Information. You also waive and forever disclaim any and all claims or interest in or ownership of the Developed Information, in whole or in part.

The Confidential Information is proprietary, and, except to the extent that it is or becomes generally known in the industry or trade, is our trade secret, and is disclosed to you solely for your use in the operation of your franchise during the term of the franchise. You (1) must not use the Confidential Information in any other business or capacity; (2) must maintain the confidentiality of the Confidential Information during and after the term of the franchise; (3) must not make unauthorized copies of any portion of the Confidential Information disclosed in written form; (4) must not download any Confidential Information, including leads provided by KeyGlee from our software systems, to a personal device; (5) must not contact any lead provided by KeyGlee through a personal device or personal account (such leads must be contacted only through our approved software), and (6) must adopt and implement all reasonable procedures that we may prescribe periodically to prevent the unauthorized use or disclosure of any of the Confidential Information, including restrictions on disclosure to your employees and the use of nondisclosure clauses in employment agreements with your employees. See Item 15 below concerning your obligation to obtain confidentiality and non-competition agreements from persons involved in the Franchise.

Under the Franchise Agreement, you must operate the Franchise in accordance with the standards, methods, policies, and procedures specified in the Operations Manual. You will be loaned a copy of the Operations Manual for the term of the Franchise Agreement, when you have completed the initial training program to our satisfaction. You must operate your Unit Franchise strictly in accordance with the Operations Manual, as it may be revised by the Company from time to time. You must at all times treat the Operations Manual and the information in it as confidential, as required by the Franchise Agreement.

You must treat the Operations Manual as confidential, as well as any other materials created for or approved by us for the operation of your Franchise. You must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record or otherwise make them available to any unauthorized person. The Operations Manual will remain our sole property and must be returned in the event that you cease to be a Unit Franchise Owner.

We may from time to time revise the contents of the Operations Manual, and you must comply with each new or changed provision as soon as possible but in no event later than fifteen (15) days after our notice to you, unless otherwise provided for in this Franchise Disclosure Document and the Franchise Agreement. You must ensure that the Operations Manual is kept current at all times. In the event of any dispute as to the contents of the Operations Manual, the terms of the master copy maintained by us at our home office will be controlling.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement requires that you (as a Unit Franchise Owner) personally participate in the direct operation of your KeyGlee Franchise by being directly involved in the day-to-day operations and utilize your best efforts to promote and enhance the performance of your Unit Franchise. If you do not personally participate in the direct operation of your franchise on a full-time basis, then you are obligated to have a fully trained General Manager operate the Franchise. Full-time as it pertains to a Franchise Owner or General Manager means at least 40 hours per week of operation, hitting required metrics, and maintaining process standard (includes attending meetings and trainings). We believe that persons with an equity interest can most adequately ensure that our standards of quality and competence are maintained. Your general manager and employees, however, are not required to own any equity interest in the Franchise. While in most cases Franchise Owners will seek additional assistance for the labor-intensive portions of the business, we have built our reputation on Franchise Owner participation and believe it is crucial for continued success.

To be considered a fully trained General Manager, any General Manager you employ for the operation of your franchise must complete the online and in person training course required by us. All subsequent Managers must be trained fully according to our standards by either the Franchise Owner or the Company. However, we may charge a fee for this additional training (see Item 6 and the Operations Manual for details).

If your Franchise is owned by an entity (LLC, corporation, etc.), each individual who holds an ownership interest in that entity (and their spouse or domestic partner, if applicable) must personally guarantee all of the obligations of the Franchise under the Franchise Agreement. (See Exhibit F for the form of Guaranty and Assumption of Obligations.)

At the Company's request, you must obtain and deliver executed covenants of confidentiality and non-competition from any persons who have or may have an ownership interest in the Franchise Owner or in the franchise, or who receive or have access to training and other confidential information under the System. (See Exhibit E for the form of Confidentiality/Non-Competition Agreement.) The covenants must be in a form satisfactory to us and must provide that we are a third party beneficiary of, and have the independent right to enforce, the covenants.

Upon issuance of your designated Territory, we recommended you conduct your own due diligence into the state and local rules and applicable laws pertaining the practice of real estate wholesaling in your area, as the Company may require you to comply with requirements for your specific Territory. You will be responsible for obtaining the correct licenses needed to wholesale in your specific Territory and ensuring that individuals on your team are licensed, if necessary.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the Franchise in strict conformity with all prescribed methods, procedures, policies, standards, and specifications of the System, as set forth in the Operations Manual and in other writings by the Company from time to time. Unless working from a home office, you must use your Unit Franchise location only for the operation of the Franchise and may not operate any other business at or from such offices without the express prior written consent of the Company.

The Company requires you to offer and sell only those goods and services that the Company has approved. The Company maintains a written list of approved goods and services in the Operations Manual, which the Company may change from time to time (see Item 8 in this Disclosure Document).

You must offer all goods and services that the Company designates as required for all franchises. In addition, the Company may require you to comply with other requirements (such as state or local licenses, training, marketing, insurance) before the Company will allow you to offer certain optional services.

You are not authorized to sell KeyGlee products through any other means other than direct sale to clients from your franchise location.

We reserve the right to designate additional required or optional services in the future and to withdraw any of our previous approvals. In that case, you must comply with the new requirements.

See Items 8, 9, 11 and 12 for more information about your obligations and restrictions.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

KeyGlee Unit Franchises

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

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
a. Length of the franchise term	Section 2.1	10 years
b. Renewal or extension of the term	Section 2.4	You have the right to request a renewal before the initial term of your Franchise Agreement expires. If we decide that you satisfy the required pre-conditions to renew before each renewal, we will offer you the right to two renewal terms: the first one of five (5) years and the second one of five (5) years.
c. Requirements for you to renew or extend	Section 2.4	You must: have substantially complied with your Franchise Agreement; given notice of your intent to renew or not renew; sign a new Franchise Agreement in our then current form which may include terms and conditions materially different from those in the original Franchise Agreement; sign general release of claims against us and related parties (see Exhibit H); pay the applicable renewal fee (see Item 6); cure any defaults; and pay all amounts owed to us.
d. Termination by you	Not Applicable	Not Applicable
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	Section 15	Various breaches of Franchise Agreement
g. "Cause" defined – curable defaults	Section 15	An owner or general manager does not complete Launch Training to our satisfaction within 60 days of Agreement Date, you do not pay us

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
		within 10 days after written notice; you do not comply with any other provision of the Franchise Agreement or specification, standard, or operating procedure and do not correct such failure within 20 days after written notice, we determine you did not properly report transactions with affiliated persons or entities in our software tracking system and you fail to correct such failure within 10 days after written notice, we determine that you are using KeyGlee leads on a personal device or contacting KeyGlee leads from a personal device and do not cease such activity within 10 days after written notice.
h. "Cause" defined – non-curable defaults	Section 15	You fail to open the franchise within 60 days without written permission; you abandon, surrender, transfer control of the franchise; you (or a general manager) do not operate the franchise full time; you or any Principal Owner make an unauthorized transfer or assignment of the franchise or its assets; you are adjudged a bankrupt, become insolvent, or make an assignment for the benefit of creditors; you use, sell, or distribute unauthorized products; you or your Principal Owners are convicted of a felony, or are convicted or plead no contest to any crime or offense that adversely affects the reputation of the franchise and the goodwill of our Marks; you fail to notify us that anyone on your team or anyone that you hire is a felon or is convicted of a felony while working for you; you violate any health or safety law or ordinance or regulation, or operate the franchise in a way that creates a health or safety hazard; you fail to pay your Minimum Royalty Fee Requirement on more than three occasions during any three-year period;

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
		your account does not have sufficient funds on the required withdrawal date on more than three occasions during any three year period; you fail to properly and completely report all required transactions into our software tracking system on more than three occasions during any three year period; using or allowing the KeyGlee system to be used by an affiliated person or entity; or you fail on 3 or more occasions within any 12 month period to comply with the Franchise Agreement regardless of whether or not such failures to comply are corrected.
i. Your obligations on termination/ non-renewal	Section 16	Includes payment of money owed to us, payment of any required termination fee, return Operations Manual for Unit Franchises within 30 days of termination, cancellation of assumed names and transfer of phone numbers, cease using Proprietary Marks, cease operating Franchise, no confusion with Proprietary Marks, our option to purchase your inventory and equipment, your modification of the premises and our option to purchase your Franchise.
j. Assignment of contract by us	Section 14.3	No restriction on right to transfer.
k. "Transfer" by you-defined	Section 14	Includes assignment of Franchise Agreement, sale or merger of business entities, transfer of corporate stock, death of Franchise Owner or majority owner of Franchise Owner.
l. Our approval of transfer by you	Section 14.4	We have the right to approve or reject all transfers.
m. Conditions for our approval of transfer by you	Section 14.5	You must send us a written request; proposed new owner must have sufficient business experience, aptitude and financial resources to operate the franchise; all amounts due to us or our affiliates must be paid; new owner and/or

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
		its manager must successfully complete our Launch Training; your landlord must consent to transfer of the lease, if any; you must pay us a transfer fee (see Item 6); you and all your Principal Owners must sign a general release in favor of us, our affiliates, and our and their officers, directors, employees and agents (see Exhibit H); if applicable, the new owner must agree to remodel to bring the franchise to current standards; new owner must assume all obligations under your Franchise Agreement or, at our option, sign a new Franchise Agreement using our then-current form; you and your Principal Owners must sign a Transfer Agreement containing a non-competition agreement in which you agree not to engage in a competitive business for 12 months and (a) within your Territory; (b) 7 miles outside the perimeter of your Territory; (c) within the territory of any currently-operating KeyGlee franchise; and (d) within ten (10) miles of any corporate owned or affiliate-owned KeyGlee outlet (see Exhibit I). We also may approve the material terms of the transfer and require that you subordinate any installment payments to the new owners' obligation to pay us. The proposed new owner will own the rights to the franchise's history of transactions and must agree to be liable for any deals in progress. Proposed new owner shall be granted access to inspect franchise data before committing to transfer.
n. Our right of first refusal to acquire your business	Section 14.6	We have the option to match any offer for your Franchise.
o. Our option to take over your business	Section 16.5	We have the option to take over your Franchise upon termination or non-renewal.

THE FRANCHISE RELATIONSHIP		
Provision	**Section in Franchise Agreement**	**Summary**
p. Your death or disability	Section 14.7	Franchise must be assigned by estate to approved buyer within 3 months or as soon as possible thereafter.
q. Non-competition covenants during the term of the franchise	Section 9.3	You cannot be involved in a competitive business during the term of the Agreement.
r. Non-competition covenants after the franchise is terminated or expires	Section 9.3	No involvement in competing business for 12 months (a) within your Territory; (b) 7 miles outside the perimeter of your Territory; (c) within the territory of any currently-operating KeyGlee franchise; and (d) within ten (10) miles of any corporate owned or affiliate-owned KeyGlee outlet.
s. Modification of the agreement	Section 20	Must be in writing by both sides.
t. Integration/merger clause	Section 20	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by mediation	Section 17.9	Except for certain claims, we and you must mediate all disputes in Arizona (subject to state law).
v. Choice of forum	Section 17.11	Maricopa County, Arizona
w. Choice of law	Section 17.11	Arizona law applies, except for matters regulated by the United States Trademark Act.

Notes

These states have statutes that may supersede the Franchise Agreement in your relationship with the Company including the areas of termination and renewal of your franchise:

Arkansas; California; Connecticut; Georgia; Hawaii; Illinois; Indiana; Iowa; Minnesota; Mississippi; Missouri; Nebraska; Nevada; New Jersey; South Dakota; Virginia; Washington; Wisconsin.

See your state-specific addendum at the end of this Franchise Disclosure Document for disclosures required by, or applicable to, your state. Not all states have an addendum.

Item 18

PUBLIC FIGURES

The Company does not currently use any public figure to promote its franchise.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

Except as set forth below, KeyGlee Franchise, Inc. does not furnish or authorize its salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income, or profits of a KeyGlee Unit Franchise. Actual results vary, and the Company cannot estimate the results of any particular franchise. We recommend that prospective Franchise Owners make their own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors prior to executing the Franchise Agreement.

During 2023, KeyGlee had a total of 106 franchise outlets that were operational for some portion of the year. Of those 106, 5 began operation after January 1, 2023 and therefore were not operational for the full twelve (12) months. Another 52 franchise outlets were terminated or ceased operations prior to December 31, 2023 and therefore were not operational for the full twelve (12) months (see Exhibit G for an explanation for most of the outlets that ceased operations). Of the remaining 49 outlets, 29 did not operate on a full-time basis or did not report sufficient data for all months. The financial performance representations in this section are based on the 20 KeyGlee franchises that (a) were operational for the full year of 2023, (b) operated their franchises on a full-time basis, and (c) reported complete transactional data for all months.

Full-Time Franchise Outlets During Entire Year 2023	Gross Profits	Average GP per Full-Time Franchise Outlet
20	$6,694,038.11	$371,981.01

The above table lists the sum of self-reported Gross Profit data for the year 2023 for the 20 franchises described above. The Gross Profit represents the franchise's gross revenue before deductions for royalty and other fees payable to us and all other operational expenses. The information and amounts above are compiled from reports and information submitted to us by franchisees. We have not audited this information and we have not undertaken to independently verify the accuracy of the information submitted to us by franchisees. We cannot provide data about franchisee expenses or net profit because we do not collect this information.

Of the 20 franchises listed above, 7 (or 35.0%) attained or surpassed the Average GP per Full-Time Franchise Outlet listed above.

Full-Time Franchise Outlets During Entire Year 2023	Gross Profits	Average GP per Full-Time Franchise Outlet
Top 45%	$4,276,357.02	$534,544.63
Bottom 55%	$2,417,681.09	$241,768.11

Some outlets have earned this amount. Your individual results may vary. There is no assurance you will earn as much.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

The following tables show the number of KeyGlee outlets or Franchises during the three (3) calendar years prior to this Disclosure Document, together with projections for the current calendar year.

KeyGlee Unit Franchises

Table No. 1
Systemwide Outlet Summary
For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchisee	2021	23	88	65
	2022	88	106	18
	2023	106	57	-49
Company-Owned	2021	6	10	4
	2022	10	5	-5
	2023	5	7	2
Total Outlets	2021	29	98	69
	2022	98	111	13
	2023	111	64	-47

Table No. 2 Transfers of Outlets From Franchises to New Owners
(Other than the Franchisor)
For Years 2021 to 2023

State	Year	Number of Transfers
Arizona	2021	0
	2022	0
	2023	0
All other states	2021	4
	2022	9
	2023	11
Total	2021	4
	2022	9
	2023	11

Table No. 3
Status of Franchise Outlets
For Years 2021 to 2023*

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Alabama	2021	1	1	0	0	0	0	2
	2022	2	0	1	0	0	1	0
	2023	2	0	1	0	0	1	0
Arizona	2021	1	2	0	0	0	0	3
	2022	3	0	0	0	0	2	1
	2023	1	0	1	0	0	0	0
Arkansas	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
California	2021	0	3	0	0	0	0	3
	2022	3	11	0	0	0	0	14
	2023	14	1	8	0	0	0	7
Colorado	2021	0	6	0	0	0	0	6
	2022	6	2	1	0	0	0	7
	2023	7	0	1	0	0	0	6
Connecticut	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Delaware	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Florida	2021	3	9	1	0	0	0	11
	2022	11	9	1	0	0	2	17
	2023	17	0	9	0	0	1	7
Georgia	2021	2	3	0	0	0	0	5
	2022	5	3	0	0	0	1	7
	2023	7	0	3	0	0	0	4
Hawaii	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Idaho	2021	0	3	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	1	0	0	0	2
Illinois	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Indiana	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
Iowa	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kansas	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Kentucky	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Louisiana	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Maine	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Maryland	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Massachusetts	2021	0	2	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	1	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Michigan	2021	0	2	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	2	0	0	0	1
Minnesota	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Mississippi	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Missouri	2021	2	1	0	0	0	0	3
	2022	3	1	0	0	0	2	2
	2023	2	1	2	0	0	0	1
Montana	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Nebraska	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Nevada	2021	1	4	0	0	0	0	5
	2022	5	0	0	0	0	1	4
	2023	4	0	0	0	0	0	4
New Hampshire	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
New Jersey	2021	0	2	1	0	0	0	1
	2022	1	2	0	0	0	1	2
	2023	2	1	0	0	0	0	1
New Mexico	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New York	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	1	0	0	0	0
North Carolina	2021	2	1	0	0	0	0	3
	2022	3	1	0	0	0	1	3
	2023	3	0	2	0	0	0	1
North Dakota	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Ohio	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
Oklahoma	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Oregon	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Pennsylvania	2021	1	3	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	4	0	0	0	0
Rhode Island	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
South Carolina	2021	0	3	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	0	4	0	0	0	0
Tennessee	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	1	1	1	0	0	1	0
Texas	2021	4	11	0	0	0	0	15
	2022	15	5	1	0	0	3	16
	2023	16	0	9	0	0	0	7
Utah	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	1	2
	2023	2	1	0	0	0	0	3
Vermont	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Virginia	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Washington	2021	0	1	0	0	0	0	1
	2022	1	1	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Washington D.C.	2021	0	2	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
West Virginia	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Wisconsin	2021	0	3	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
Total	2021	23	67	2	0	0	0	88
	2022	88	42	6	0	0	18	106
	2023	106	5	52	0	0	3	57

* If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

Table No. 4
Status of Company-Owned Outlets For
Year 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Arizona	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	0
	2023	2	0	0	0	0	2
Colorado	2021	0	1	0	0	0	1
	2022	1	0	0	1	0	0
	2023	0	0	0	0	0	0
Idaho	2021	0	1	0	0	0	1
	2022	1	0	0	1	0	0
	2023	0	0	0	0	0	0
Florida	2021	3	1	0	0	0	4
	2022	4	0	0	2	0	2
	2023	2	1	0	0	0	3
Texas	2021	1	1	0	0	0	2
	2022	2	0	0	1	0	1
	2023	1	1	0	0	0	2
Total	2021	6	4	0	0	0	10
	2022	10	0	0	5	0	5
	2023	5	2	0	0	0	7

Table No. 5
Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	0	0
Arkansas	0	0	0
California	0	7	1
Colorado	0	0	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	0	2	0
Georgia	0	1	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	0	0	0
Indiana	0	1	0
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	0	0
Louisiana	0	0	0
Maine	0	0	0
Maryland	0	0	0
Massachusetts	0	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	0	0	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	0	0
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	0	0
North Carolina	0	1	1
North Dakota	0	0	0
Ohio	0	0	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	0	1	0
Rhode Island	0	0	0
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	0	2	0
Texas	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Utah	0	0	0
Vermont	0	0	0
Virginia	0	2	0
Washington	0	1	0
Washington D.C.	0	0	0
West Virginia	0	0	0
Wisconsin	0	1	0
Wyoming	0	0	0
Total	0	18	2

Exhibit G list the names of all current KeyGlee Unit Franchisees and Area Representation Franchisees, and the address and telephone numbers of each of their outlets as of December 31, 2023.
Exhibit G also lists name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who had not communicated with us within ten (10) weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you lease the franchise system.

No franchisees have signed confidentiality clauses with us during the last three (3) years which would restrict their ability to speak openly about their experience with us.

Item 21

FINANCIAL STATEMENTS

Attached as Exhibit D to this FDD are the audited financial statements of KeyGlee Franchise, Inc. (a wholly-owned subsidiary of KeyGlee, LLC), which comprise the balance sheets as of December 31, 2023, 2022, and 2021, and the related statements of operations, changes in stockholders' equity, and cash flows for the years ended December 31, 2023, 2022, and 2021, and the related notes to the financial statements. Also included in Exhibit D are the unaudited 2024 year-to-date financial statements of KeyGlee Franchise, Inc. through August 31.

Item 22

CONTRACTS

Attached are copies of the following agreements relating to the offer of the franchise:

Exhibit B	Franchise Agreement
Exhibit E	Confidentiality/Nondisclosure Agreement
Exhibit F	Owner's Guaranty and Assumption of Obligations
Exhibit H	General Release Agreements
Exhibit I	Transfer Agreements
Exhibit J	Form UCC-1 Financing Statement

Item 23

RECEIPT

If we offer you a franchise, we must provide this Disclosure Document to you fourteen (14) calendar days before you sign any binding agreement with, or make any payment to, us. Two copies of an acknowledgement of your receipt of this Disclosure Document are attached at the end of all of the Exhibits as Exhibit L. The receipts are detachable and one copy must be signed by you and given to us. The other copy may be retained by you for your records. If the acknowledgement page or any other pages or exhibits are missing from your copy, please contact the Company at the address or phone number noted in Item 1.

STATE-SPECIFIC ADDENDA

STATE OF CALIFORNIA'S SPECIFIC DISCLOSURE ADDENDUM

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.

Section 31125 of the California Franchise Investment Law requires us to give to you a disclosure document approved by the Commissioner of Financial Protection and Innovation before we ask you to consider a material modification of your Agreement.

Our website address is provided to you on the Cover Page of the Franchise Disclosure Document. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

Item 3 (The disclosures required to be made in Item 3 of this Disclosure Document are supplemented as follows):

Franchisor, persons or franchise brokers disclosed in Item 2 who are 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. 78 a *et seq.*, suspending or expelling such persons from membership in such association or exchange: None – (end of item 3 supplement).

Item 5 (The disclosures required to be made in Item 5 of this Disclosure Document are supplemented as follows):

The Department has determined that either the Franchisor has not demonstrated it is adequately capitalized or that the Franchisor must rely on franchise fees to fund operations. The Commissioner has imposed an impound of initial fees under California Corp. Code section 31113 and 10 C.C.R. sections 310.113 through 310.113.4. All of your initial fees will be placed in an escrow account with Allison-McCloskey Escrow Company. and released to the Franchisor only after Franchisor has completed its pre-opening obligations to you and you are open for business.

Item 17 (The disclosures required to be made in Item 17 of this Disclosure Document are supplemented as follows):

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

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

The Agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of an agreement restricting venue to a forum outside the State of California.

The Agreement may require application of the laws of Arizona rather than the laws of the State of California. This provision may not be enforceable under California law.

You must sign a general release of claims if you transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 through 31516). Business and Professions Code Section 30010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043) – (end of item 17 supplement).

No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

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

STATE OF CONNECTICUT'S SPECIFIC DISCLOSURE ADDENDUM

The delivery date of the services to be provided by us is within ninety (90) days of signing the Agreement by you.

STATE OF ILLINOIS' SPECIFIC DISCLOSURE ADDENDUM

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

The choice of forum and law may be different as provided by the Illinois Franchise Disclosure Act (815 ILCS 7054). In these cases Illinois, forum and law shall control.

For curable defaults, a 30-day time frame generally is considered a reasonable time period for all such cure periods unless the default deals with health or safety issues.

STATE OF INDIANA'S SPECIFIC DISCLOSURE ADDENDUM

There will be no indemnification for liability caused by your proper reliance on or use of procedures or materials provided by us or caused by our negligence.

We will not operate a substantially identical business to that of your franchise within your territory regardless of trade name.

The choice of law provision is subject to the superseding provisions of Indiana's Franchise Act, IC 23-2-2.5 and IC 23-2-2.7.

The reservation of right to injunctive relief, any specified remedy or limitation of the remedies available to either party and the release of any rights with regard to the Agreement shall not apply.

An estate has six (6) months to find a transferee or the Agreement can be terminated.

A franchisee will not be required to covenant not to compete with us for a period longer than three (3) years or in an area greater than the exclusive area granted by the Agreement or, in absence of such a provision in the Agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

IC 23-2-2.7-1(1) prohibits us from requiring you (if you are a resident of Indiana or a non-resident who will operate a franchise in Indiana) to purchase goods, supplies, inventories, or services exclusively from us or sources designated by us where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by us. However, the (i) publication by us of a list of approved suppliers of goods, supplies, inventories, or services, (ii) the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by us, and/or (iii) our reasonable right to disapprove a supplier does not constitute designation of a source. This above prohibition does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by us.

IC 23-2-2.7.1-1(5) prohibits us from requiring you to prospectively assent to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability imposed under the Indiana Franchise Act.

We will not obtain money, goods, services, or any other benefit from any other person with whom you do business, on account of, or in relation to, the transaction between you and the other person, other than for compensation for services rendered by us, unless the benefit is promptly accounted for, and transmitted to you.

IC section 23-2-2.7-1(11) prohibits us from requiring you to participate in any (i) advertising campaign or contest, (ii) promotional campaign, (iii) promotional materials, or (iv) display decorations or materials, at an expense that is indeterminate, determined by a third party, or determined by a formula, unless the Agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that you may be required to pay.

IC section 23-2-2.7-1(7) prohibits the Agreement from permitting unilateral termination of your franchise if termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the Agreement.

IC section 23-2-2.7-1(8) prohibits us from failing to renew your Agreement without good cause or in bad faith. This provision does not prohibit your Agreement from providing that it is not renewable upon expiration, or that renewal is conditioned upon your meeting certain conditions specified in the Agreement.

IC section 23-2-2.7-1(10) prohibits the Agreement from limiting litigation brought for breach of the Agreement in any manner whatsoever.

STATE OF MARYLAND'S SPECIFIC DISCLOSURE ADDENDUM

The provisions in the Agreement relating to the general release that is required as a condition of renewal, sale and assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

A franchisee located within the state of Maryland shall not be required to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise which would act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Lawsuits by either you or us may take place in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any limitation of claims provision(s) in the Agreement shall not act to reduce the three (3) year statute of limitations afforded to you for bringing a claim under the Law.

Because of some financial requirements or regulations that may exist in your state, we have opted or have been required to defer the payment by you of all initial franchise fees owed to us, or our affiliate, until such time as all initial obligations owed to you under the franchise agreement or other agreements have been fulfilled by us and you have commenced doing business pursuant to the franchise agreement.

STATE OF MICHIGAN'S SPECIFIC DISCLOSURE ADDENDUM

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:

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

A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into an agreement, from settling any and all claims.

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 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.

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.

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.

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.

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:

The failure of the proposed transferee to meet the franchisors then current reasonable qualifications or standards.

The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor

or to cure any default in the agreement existing at the time of the proposed transfer.

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 agreement and has failed to cure the breach in the manner provided in subdivision (c).

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, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations 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 enforcement by the Attorney General.

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48909
Telephone Number: (517) 373-1110

STATE OF MINNESOTA'S SPECIFIC DISCLOSURE ADDENDUM

These franchises have been registered under the Minnesota Franchise Act. Registration does not constitute approval, recommendation or endorsement by the Commissioner of Commerce of Minnesota or a finding by the Commissioner that the information provided herein is true, complete and not misleading.

The Minnesota Franchise Act makes it unlawful to offer or sell any franchise in this state which is subject to registration without first providing to the prospective franchisee, at least seven days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, whichever occurs first, a copy of this public offering statement, together with a copy of all proposed agreements relating to the franchise.

This public offering statement contains a summary only of certain material provisions of the agreement. The contract or agreement should be referred to for an understanding of all rights and obligations of both the franchisor and the franchisee.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subdivisions 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Agreement.

We will protect your right to use the Marks, trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

You do not consent to us obtaining injunctive relief. However, you agree that we may seek injunctive relief. See Minn. Rules 2860.4400J.

Minnesota Rule part 2860.4400D prohibits requiring a franchisee to assent to a release, assignment, novation, or waiver that would relieve any person of liability imposed by the Minnesota Franchise Law, provided that this rule shall not bar the voluntary settlement of disputes.

We will not require you to assent to liquidated damages. Liquidated damage provisions are void.

Minn. Rule Part 2860.4400J prohibits you from waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minn. Rule 2860.4400J prohibits waiver of a jury trial. If any portion of the Franchise Disclosure Document or the Agreement provides for a waiver of jury trial, Minnesota law will control.

The Limitations of Claims section of the Franchise Disclosure Document must comply with Minnesota Statutes, Section 80C.17, Subd. 5. If any portion of the Franchise Disclosure Document or the Agreement is contrary to Minnesota Statutes, Section 80C.17, Subd. 5, Minnesota law will control.

Liquidated damages are void if unreasonable under the totality of the circumstances, including whether a statute governs the relationship and concerns liquidated damages clauses; and the common practice in the industry.

STATE OF NEW YORK'S SPECIFIC DISCLOSURE ADDENDUM

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

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

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

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

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

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

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

   D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, state, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective

order of any national securities association or national securities exchange, as defined in the securities and exchange act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective rev. March 17, 2021 2 injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

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

STATE OF NORTH DAKOTA'S SPECIFIC DISCLOSURE ADDENDUM

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

Situs of Arbitration Proceedings: An agreement providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

Applicable Laws: An agreement that specifies that it is to be governed by the laws of a state other than North Dakota.

Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

General Release: An agreement that requires the franchisee to sign a general release upon renewal of the Agreement.

Limitation of Claims: An agreement that requires the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

Enforcement of Agreement: An agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Any contrary provision in this Agreement or the Franchise Disclosure Document will be void.

STATE OF RHODE ISLAND'S SPECIFIC DISCLOSURE ADDENDUM

Section 19-28.1-14 of the Rhode Island franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

STATE OF SOUTH DAKOTA'S SPECIFIC DISCLOSURE ADDENDUM

You will receive thirty (30) days written notice with an opportunity to cure a breach of the Agreement, failure to meet performance and quality standard and failure to make royalty payments before termination.

Covenants not to compete upon termination or expiration of the Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.

Liquidated damage provisions are void.

Pursuant to SDCL 37-5B, any condition, stipulation or provision of the Agreement purporting to waive compliance with any provision of this chapter or any rule or order thereunder is void. Any acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in an agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter.

Any provision in an agreement that designates jurisdiction or venue or requires you to agree to jurisdiction or venue to a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in the State of South Dakota.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, the Agreement will be and remain subject to the application, construction, enforcement and interpretation under the governing law listed in the Governing Law section of the Agreement.

STATE OF VIRGINIA'S SPECIFIC DISCLOSURE ADDENDUM

Additional Disclosure. The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the 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.

STATE OF WASHINGTON'S SPECIFIC DISCLOSURE ADDENDUM

The state of Washington has a statute, RCW 19.100.180 that may supersede the Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions that may supersede the Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

If any of the provisions of this Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investor Protection Act (the "Act"), the provisions of the Act will prevail over the inconsistent provisions of the Agreement with regard to any franchise sold in Washington.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of law, the provision of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by you shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

The State of Washington's Department of Financial Institutions, Securities Division, requires us to defer payment of the initial franchise fee and other initial payments owed by franchisee to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

STATE OF WISCONSIN'S SPECIFIC DISCLOSURE ADDENDUM

The Wisconsin Fair Dealership Law applies to most, if not all, agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void. The Wisconsin Fair Dealership Law supersedes any provisions contained in the franchise or license agreement that are inconsistent with that Law.

ADDITIONAL STATE PROVISIONS

These states have statutes which may supersede the Agreement in your relationship with us, including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code Sections 2551-2556], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [ILCS, Ch.815, Sections 705/1-705/44], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-11], SOUTH DAKOTA [Codified Laws Section 37-5B], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03].

These states have statutes which limit our ability to restrict your activity after the Agreement has ended: California Business and Processions Code Section 16,600, Florida Statutes Section 542.33, Michigan Complied Laws Section 445.772 et seq., Montana Codes Section 30-14-201, North Dakota Century Code Section 9-08-06, Oklahoma Statutes Section 15-217-19, Washington Code Section 19.86.030. Other states have court decisions limiting our ability to restrict your activity after the Agreement has ended.

A provision in the Agreement which terminates the franchise upon the bankruptcy of the franchise may not be enforceable under Title 11, United States Code Section 101.

The following states have statutes which restrict or prohibit the imposition of liquidated damage provisions: California [Civil Code Section 1671], Indiana [1C 23-2-2.7-1(10)], Minnesota [Rule 2860.4400J], South Dakota. State courts also restrict the imposition of liquidated damages. The imposition of liquidated damages is also restricted by fair practice laws, contract law and state and federal court decisions.

If any provision of your Agreement violates any of these provisions then that specific provision may not apply to franchisees located in that particular state.

For franchises located in any state not specifically mentioned, if any provision of this Agreement violates the provision of any state law, then that specific provision may not apply to franchisees located in that particular state.

EXHIBIT A

STATE ADMINISTRATORS / AGENTS FOR SERVICE OF PROCESS

The following is information about state agencies and administrators whom you may wish to contact with questions about KeyGlee Franchise, Inc., or this Disclosure Document, as well as our agents for service of process.

Except as provided otherwise below, our agent for service of process is:

Brad A. Denton
Denton Peterson Dunn, PLLC
1930 North Arboleda, Suite 200
Mesa, Arizona 85213

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

CALIFORNIA

Department of Financial Protection and Innovation:
1 (866) 275-2677

Los Angeles
Suite 750
320 West 4th Street
Los Angeles, California 90013
(213) 576-7505

Sacramento
1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205

San Diego
1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 525-4234

San Francisco
One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8565

CONNECTICUT

(Agent for Service of Process)
Banking Commissioner of the
State of Connecticut
260 Constitution Plaza
Hartford, CT 06103
(800) 831-7225

HAWAII

(State Administrator)
Business Registration Division
Department of Commerce and
Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2722

(Agent for Service of Process)
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(State Administrator)

Indiana Secretary of State
Securities Division, E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

(Agent for Service of Process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

IOWA

Secretary of State
Lucas Building, First Floor
Des Moines, IA 50319
(515) 281-5204

MARYLAND

(State Administrator)

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(Agent for Service of Process)

Maryland Securities Commissioner
at the Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

(State Administrator)

Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
(517) 373-7177

(Agent for Service of Process)

Michigan Department of Commerce,
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

MINNESOTA

Minnesota Department of Commerce
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

(State Administrator)

New York State Department of Law
Investor Protection Bureau
28 Liberty Street 21st Floor
New York, New York 10005
(212) 416-8222

(Agent for Service of Process)

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

NORTH CAROLINA

North Carolina Secretary of State
2 South Salisbury Street
Raleigh, NC 27601-2903
P.O. Box 29622
Raleigh, NC 27626-0622
(919) 807-2000

NORTH DAKOTA

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, 5th Floor
Bismarck, North Dakota 58505
(701) 328-2910

RHODE ISLAND

Division of Securities
233 Richmond Street, Suite 232
Providence, Rhode Island 02903
(401) 222-3048

SOUTH DAKOTA

South Dakota Department of Labor and Regulation
Division of Securities
124 S. Euclid, Suite 104
Pierre, South Dakota 57501-3185
(605) 773-4823

VIRGINIA

(State Administrator)

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

(Agent for Service of Process)

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9672

WASHINGTON

(State Administrator)

Washington Dept. of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, Washington 98504-1200
(360) 902-8760

(Agent for Service of Process)

Administrator of Securities
Department of Financial Institutions
Securities Division
150 Israel Road SW
Olympia, Washington 98501

WISCONSIN

Securities and Franchise Registration
Wisconsin Securities Commission
345 West Washington Street, 4th Floor
Madison, Wisconsin 53703
(608) 266-1064

EXHIBIT B

FRANCHISE AGREEMENT

KEYGLEE FRANCHISE, INC.

FRANCHISE AGREEMENT

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KEYGLEE FRANCHISE, INC.

FRANCHISE AGREEMENT

This Franchise Agreement ("Agreement") is being entered into effective as of the _____ day of _____, 20__ (the "Agreement Date"). The parties to this Agreement are KeyGlee Franchise, Inc., an Arizona corporation, doing business as KeyGlee ("we," "us," the "Company,") and _____, as Franchise Owner ("you," "Franchise Owner," or "Franchisee"), and, if you are a partnership, corporation, or limited liability company, your "Principal Owners" (defined below).

1. INTRODUCTION.

This Agreement has been written in an informal style in order to make it more easily readable and to be sure that you become thoroughly familiar with all of the important rights and obligations the Agreement covers before you sign it. This Agreement includes several exhibits, all of which are legally binding and are an integral part of the complete Franchise Agreement. In this Agreement, we refer to KeyGlee Franchise, Inc. as "we," "us," or the "Company." We refer to you as "you," "Franchise Owner" or "Franchisee." The term "KeyGlee Unit Franchise(s)" or "Unit Franchise(s)" means a KeyGlee franchise offering KeyGlee products and services. The term "Area Representation Franchise(s)" means a franchise that solicits and/or supports Unit Franchises. The term "Area Representative(s)" means the owner of an Area Representation Franchise. Unless otherwise indicated, the terms "Franchise(s)" or "KeyGlee Franchise(s)" are sometimes used when we are referring to one or more of either or both Unit Franchise(s) and/or Area Representation Franchise(s). If you are a corporation, partnership or limited liability company, you will notice certain provisions that are applicable to those principal shareholders, partners or members on whose business skill, financial capability and personal character we are relying in entering into this Agreement. Those individuals will be referred to in this Agreement as "Principal Owners."

Through the expenditure of considerable time, effort and money, we and our affiliates have devised a system for the establishment and operation of a KeyGlee business model, a model that specializes in identifying and acquiring undervalued real estate and re-selling said real estate for a profit. All of these characteristics are referred to in this Agreement as the "System." This business model includes a model offering all of our franchised services and products. We identify the System by the use of certain trademarks, service marks and other commercial symbols, including the mark "KeyGlee" and certain associated designs, artwork and logos, which we may change, or add to, from time to time (the "Mark(s)").

From time to time we grant to persons who meet our qualifications a Unit Franchise to own and operate in accordance with the System. We offer two different levels of franchise ownership: (1) Partner Unit Franchises, which have a higher Initial Franchise Fee but require lower Royalty Fees, and (2) Associate Unit Franchises, which have a lower Initial Franchise Fee but require higher Royalty Fees and a monthly franchise fee. Collectively, Partner Unit Franchises and Associate Unit Franchises are referred to as "Unit Franchise(s)." This Agreement is being presented to you because of the desire you have expressed to obtain the right to develop, own, and be franchised to operate a Unit Franchise. In signing this Agreement, you acknowledge that you

have conducted an independent investigation of the Unit Franchise and that you had the opportunity to consult with counsel of your choosing regarding this franchise opportunity. You also recognize that, like any other business, the nature of it may evolve and change over time, that an investment in a Unit Franchise involves business risks, and that the success of this business venture is primarily dependent on your business abilities and efforts.

We expressly disclaim making, and you acknowledge that you have not received or relied on, any guarantee, express or implied, as to the revenues, profits, or likelihood of success of the Unit Franchise venture contemplated by this Agreement. You acknowledge that there have been no representations by us or our affiliates, or our or their respective officers, directors, members, employees, or agents that are inconsistent with the statements made in our current Franchise Disclosure Document concerning the Franchise, or the provisions of this Agreement. You further represent to us, as an inducement to our entering into this Agreement with you, that there have been no misrepresentations to us in your application for the rights granted by this Agreement, or in the financial information provided by you and your Principal Owners.

2. GRANT OF FRANCHISE.

2.1 Term; Reference to Exhibit 1.

You have applied for a franchise to own and operate a Unit Franchise, and we have approved your application in reliance on all of the representations you made in that application. As a result, and subject to the provisions of this Agreement, we grant to you a franchise to operate a Unit Franchise offering all of our products, services, and proprietary programs, in accordance with all elements of the System, that we may require for Unit Franchises.

You must operate the Unit Franchise at a mutually agreeable site (the "Premises") to be identified after the signing of this Agreement, and use the System and the Mark(s) in the operation of that Unit Franchise, for a term of ten (10) years (the "Initial Term"). The Initial Term will begin on the day this Franchise Agreement is signed (the "Agreement Date"). (For convenience, the expiration date of the Initial Term is listed on Exhibit 1.) Termination or expiration of this Agreement will constitute a termination or expiration of your Unit Franchise. (All references to the "Term" of this Agreement refer to the period from the Agreement Date to the date on which this Agreement actually terminates or expires.)

2.2 Full Term Performance.

You specifically agree to be obligated to operate the Unit Franchise, perform the obligations of this Agreement, and continuously exert your full-time best efforts, or hire a general manager, to promote and enhance the business of the Unit Franchise for the full term of this Agreement, including but not limited to, the minimum requirements set forth in the Franchise Disclosure Document, Section 3.7 of this Agreement, and in the Operations Manual.

2.3 Territory; Selection of Premises; Reservation of Rights.

You acknowledge that the Franchise granted to you by this Agreement gives you the right to operate your Unit Franchise within your non-exclusive territory (your "Territory") described in

Exhibit 1. You acknowledge that the franchise granted by this Agreement gives you the right to operate your Unit Franchise only in your Territory. Your Territory may be shared with other KeyGlee franchisees and corporate-owned outlets. Before you sign this Agreement, we will designate your Territory and the counties included in your Territory. You may not solicit, sell, market, and/or distribute KeyGlee products and services to individuals or businesses outside of your Territory without first obtaining our written consent. You will locate a suitable place for the Premises, which may be a home office, upon or after the signing of this Agreement and submit it to us for our approval. Except as otherwise provided in this paragraph, we retain all rights with respect to Unit Franchises, the Mark(s) and the System, including (by way of example only and not as a limitation): (a) the right to operate or grant others the right to operate Unit Franchises in any location on terms and conditions we deem appropriate inside and outside of your Territory; and (b) the right to solicit, sell, market and/or distribute KeyGlee products and services to individuals anywhere.

2.4 **Renewal of Franchise.**

(a) **Franchise Owner's Right to Renew**. Subject to the provisions of Subsection 2.4(b) below, and if you have substantially complied with all provisions of this Agreement and all other agreements between us and have paid to us all amounts due and have satisfied any other pre-conditions we may specify, on expiration of the Initial Term, you may renew a Partner Unit Franchise for two additional five (5) year terms (each, a "Renewal Term"); each Renewal Term will require a renewal fee equal to twelve and one-half percent (12.5%) of the then-current Partner Initial Franchise Fee for Partner Unit Franchises. To renew an Associate Unit Franchise, if you meet the same qualifications listed above, you may renew an Associate Unit Franchise for two additional five (5) year Renewal Terms; each Renewal Term will require a renewal fee equal to twenty-five percent (25%) of the then-current Associate Initial Franchise Fee for Associate Unit Franchises.

(b) **Notice of Deficiencies and Other Requirements**. Prior to the expiration of the Initial Term and any subsequent Renewal Term, we agree to give you written notice of any deficiencies in your operation or in the historical performance of the Unit Franchise that could cause us not to renew the Unit Franchise. If we permit renewal, our notice will state what actions, if any, you must take to correct the deficiencies in your operation of the Unit Franchise or of the Premises, and will specify the time period in which those deficiencies must be corrected or other requirements satisfied. Renewal of the Unit Franchise will be conditioned on your continued compliance with all the terms and conditions of this Agreement up to the date of expiration. If we send a notice of non-renewal, it will state the reasons for our refusal to renew.

(c) **Renewal Agreement; Releases**. Should you continue to meet the Franchisor's requirements and you choose to renew the Unit Franchise, you must provide us with written notice of that intent before the expiration of the Initial Term and any subsequent Renewal Term. To renew the Unit Franchise, the Company, you and your Principal Owners must execute the form of Franchise Agreement and any ancillary agreements we are then customarily using in the grant or renewal of franchises for the operation of Unit Franchises (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise), except that no Initial Franchise Fee will be payable upon renewal of the Unit Franchise, instead the renewal fee listed in Section 2.4(a) above must be paid. You and your Principal Owners and your and their spouses

must also execute general releases, in a form satisfactory to us, of any and all claims against us and our affiliates, and our and their respective owners, officers, directors, employees, and agents.

2.5 **Personal Guaranty by Principal Owners; Reference to Exhibit 2**.

Each of the Principal Owners and their spouses, or other legal partner (where applicable), will be required to execute a personal guaranty (the "Guaranty"), guaranteeing the Unit Franchise's liabilities and obligations to the Company. A copy of the Guaranty is incorporated herein as Exhibit 2.

3. DEVELOPMENT AND OPENING OF THE FRANCHISE

3.1 Site Approval; Lease or Purchase of Premises; Opening Timeline; Reference to Exhibit 3.

(a) If you operate your franchise from a home office, we estimate that you will open your Franchise between fifteen (15) and sixty (60) days after signing the Franchise Agreement, provided you (and any General Manager) have completed Launch Training. You must attend Launch Training within sixty (60) days of Agreement Date, or the date of the transfer agreement if you acquire an existing franchise. We will consider your Unit Franchise open for business on the last day of Week 1 of your Launch Training (your "Opening Date"). If you choose to operate your franchise from a commercial business location, you will use your best efforts to locate and select a proposed site for the Premises that are acceptable to us as suitable for the operation of the Unit Franchise, which must be reviewed and approved by us within sixty (60) days of the Agreement Date or such date that you choose to move to a commercial business location later in you Term. You must submit to us a description of the site and such other information or materials as we may reasonably require. Your site proposal will be deemed approved by us if it is not specifically disapproved by us in writing within ten (10) business days of us receiving your site proposal. Our approval of a site shall not constitute, nor be deemed, a judgment as to the likelihood of success of a Unit Franchise at such location, or a judgment as to the relative desirability of such location in comparison to other locations. If you fail to identify a mutually agreeable site within the aforementioned sixty (60) day period, we may terminate this Agreement.

(b) Once we have approved the proposed site of the Premises for your Unit Franchise, you must obtain lawful possession of the Premises through lease or purchase within thirty (30) days of our approval of the Premises. You agree that you will not execute a lease without providing us with advance written notice of the lease terms. Your lease terms will be deemed approved by us if they are not specifically disapproved by us in writing within ten (10) business days of us receiving your terms. Our approval of your lease terms shall not constitute, nor be deemed, a judgment as to the likelihood of success of a Unit Franchise at such location, or a judgment as to the relative desirability of such location in comparison to other locations. The lease for the Premises must include the Addendum to Lease, attached hereto as Exhibit 3, permitting us to take possession of the Premises under certain conditions if this Agreement is terminated or if you violate the terms of the lease.

(c) The timeline for opening of the Unit Franchise shall be as follows:

(i) In the case of franchises operating from a home office:

a. Complete all required training and begin operation of the Unit Franchise within sixty (60) days after the Agreement Date. We will consider the Opening Date of your Unit Franchise to be the last day of Week 1 of Launch Training for you (or your General Manager, if applicable)

(ii) In the case of franchises operating from a commercial business location:

a. Select a proposed site and obtain our approval of the proposed site no later than sixty (60) days after the Agreement Date.

b. Obtain lawful possession of the Premises through lease or purchase within thirty (30) days of our approval of the location.

c. Obtain all necessary business licenses, complete construction and hold a grand opening of the Unit Franchise within thirty (30) days of obtaining lawful possession of the location. We will consider the Opening Date of your Unit Franchise to be the last day of Launch Training for you (or your General Manager, if applicable)

3.2 **Construction Plans and Specifications.**

If you choose to operate your Unit Franchise from a commercial business location, you must submit final construction plans and specifications to us for our approval before you begin construction at the Premises, and must construct the Unit Franchise's location in accordance with those approved plans and specifications. Your site proposal and construction plans will be deemed approved by us if they are not specifically disapproved by us in writing within ten (10) business days of us receiving your site proposal. Our approval of a site shall not constitute, nor be deemed, a judgment as to the likelihood of success of a Unit Franchise at such location, or a judgment as to the relative desirability of such location in comparison to other locations.

3.3 **Development of the Franchise.**

You agree at your own expense to do the following by the Opening Deadline defined in Exhibit 1: (1) secure all financing required to fully develop the Unit Franchise; (2) perform all due diligence regarding permits and licenses required in your Territory and obtain all required building, utility, sign, health, sanitation, real estate, wholesale, and business permits and licenses and any other required permits and licenses for you and your team; (3) decorate the Unit Franchise location in a tasteful manner; (4) purchase and install any required equipment, furniture, furnishings and signs; (5) ensure the training requirements of Section 4 are completed; (6) provide proof, in a format satisfactory to us, that you have obtained all required insurance policies; (7) do any other acts necessary to open the Unit Franchise for business; (8) obtain our approval to open the Unit Franchise for business; and (9) open the Unit Franchise for business. Additional details regarding the above requirements relating to the development of the franchise are found in the Operations Manual.

3.4 **Computer System.**

(a) **General Requirements**. You agree to use in the development and operation of the Unit Franchise the computer hardware, terminals/billing systems, and operating software ("Computer System") that we specify from time to time. You acknowledge that we may modify such specifications and the components of the Computer System from time to time. As part of the Computer System, we may require you to obtain specified computer hardware and/or software, including without limitation a license to use proprietary software developed by us or others. Our modification of such specifications for the components of the Computer System may require you to incur costs to purchase, lease, use and/or obtain by license new or modified computer hardware and/or software, and to obtain service and support for the Computer System during the term of this Agreement. You acknowledge that we cannot estimate the future costs of the Computer System (or additions or modifications thereto), and that the cost to you of obtaining and using the Computer System (or additions or modifications thereto), including software and hardware components, may not be fully amortizable over the remaining term of this Agreement. Nonetheless, you agree to incur such costs in connection with obtaining the computer hardware and software comprising the Computer System (or additions or modifications thereto). Within sixty (60) days after you receive notice from us, you agree to obtain the components of the Computer System that we designate and require. You further acknowledge and agree that we, and our affiliates, have the right to charge a reasonable fee for software, hardware or Computer System installation services; modifications and enhancements specifically made for us or our affiliates that are licensed to you; and other maintenance and support for the Computer System services that we or our affiliates furnish to you. You will have sole responsibility for: (1) the acquisition, operation, maintenance, and upgrading of your Computer System; (2) the manner in which your Computer System interfaces with our computer system and those of third parties; and (3) any and all consequences that may arise if your Computer System is not properly operated, maintained, and upgraded. You will also be required to pay the monthly cost of maintaining high speed internet access at your site. Our requirements for your Computer System (including software requirements) are contained in the Operations Manual.

(b) **Software**. We may require you to purchase certain proprietary software which you will be required to install onto the Computer System and use in the daily operation of the Franchise. In addition, we may, at any time and from time to time, contract with one or more software providers, business service providers, or other third parties (individually, a "Service Provider") to develop, license, or otherwise provide to, or for the use and benefit of, you and other Unit Franchises certain software, software applications, and software maintenance and support services related to the Computer System that you must or may use in accordance with our instructions with respect to your Computer System. Specific Computer System requirements can be found in the Operations Manual.

3.5 **Equipment, Furniture, Fixtures, Furnishings and Signs.**

You agree to use in the development and operation of the Unit Franchise only those brands, types, and/or models of equipment, furniture, fixtures, furnishings, and signs we have approved.

3.6 **Franchise Opening.**

You must attend Launch Training and open your Unit Franchise within sixty (60) days of the Agreement Date, unless you request and receive a written extension of time to open. You agree not to open the Unit Franchise for business until: (1) all of your obligations under Sections 3.1 through 3.4 have been fulfilled; (2) we determine that the Unit Franchise has been constructed, decorated, furnished, and equipped in accordance with plans and specifications we have provided or approved; (3) you and any of your Unit Franchise's employees whom we require complete our pre-opening Launch Training (as defined in Section 4) to our satisfaction; (4) the initial franchise fee (as defined in Section 6.1) and all other amounts due to us have been paid; (5) you have furnished us with copies of all insurance policies required by Section 10.8 of this Agreement, or have provided us with appropriate alternative evidence of insurance coverage and payment of premiums as we have requested; and (6) we have approved any marketing, advertising, and promotional materials you desire to use, as provided in Section 11.2 of this Agreement. We will consider the Opening Date of your Unit Franchise to be the last day of Launch Training for you (or your General Manager, if applicable).

If your Unit Franchise is located within a representation area owned by an Area Representative of the Company, that Area Representative will act as an opening supervisor.

3.7 **Minimum Royalty Fee.**

Your Partner Unit Franchise must pay the following minimum amount of Royalty Fees per month ("Minimum Partner Royalty Fee Requirement" or "MPRFR"):

For months zero through nine after the Agreement Date, there is no MPRFR and you will pay Royalty Fees of nine percent (9.0%) of your actual Gross Profits. Beginning at the start of month ten after the Agreement Date and continuing thereafter, your MPRFR is $1,800, meaning that beginning in Month 10 and for each month thereafter until the end of the Initial Term, your Unit Franchise must pay Royalty Fees of (a) $1,800.00, or (b) 9% of actual Gross Profits, whichever is greater. If you operate more than one Unit Franchise, you must meet the MPRFR for each Unit Franchise location. Failure to meet the MPRFR on more than three occasions in any three-year period constitutes a material breach of this Agreement, and will give us the right to terminate this Agreement.

For Associate Unit Franchises, there is no monthly minimum Associate Unit Royalty Fee, but there is a monthly Associate Unit Franchise Fee of $499.00, plus the higher Associate Royalty Fee of eighteen percent (18%) of your actual Gross Profits which is effective from the Agreement Date.

4. **TRAINING**.

4.1 **General Manager.**

The Agreement requires that you (as a Unit Franchise Owner) personally participate in the direct operation of your KeyGlee Franchise by being directly involved in the day-to-day operations and utilize your best efforts to promote and enhance the performance of the Franchise. If you do

not personally participate in the direct operation of your franchise on a full-time basis, then you are obligated to have a fully trained General Manager operate the franchise on a full-time basis. We may, but are not obligated to, agree for you to employ a general manager to operate the Unit Franchise. The term "General Manager" means an individual with primary day-to-day responsibility for the Unit Franchise's operations, and may or may not be you (if you are an individual) or a Principal Owner, officer, director, or employee of yours (if you are an entity). If the General Manager is an employee of the Franchisee, then we will not require that the General Manager have an equity interest in the Unit Franchise. The General Manager will be obligated to devote his or her full time, best efforts, and constant personal attention to the Unit Franchise's operations, and must have full authority from you to implement the System at the Unit Franchise. If we, in our sole discretion, deem your General Manager to be unqualified or not a satisfactory representative of our business, we reserve the right to require you to terminate said General Manager. Each General Manager and successor General Manager must attend and complete our training. No General Manager may have any interest in, or business relationship with, any business competitor of your Unit Franchise. Each General Manager must sign a written agreement, in a form approved by us, to maintain confidential our Confidential Information described in Section 9.1, and to abide by the covenants not to compete described in Section 9.3. You must provide to us a copy of each such signed agreement. If we determine, in our sole discretion, during or following completion of the Launch Training, that your General Manager (if any) is not qualified to act as General Manager of the Unit Franchise, then we have the right to require you to choose (and obtain our approval of) a new individual for that position.

4.2 **Training.**

You acknowledge that it is very important to the operation of the Unit Franchise that you and your employees receive appropriate training. To that end, you agree as follows:

(a) Before your Unit Franchise opens for business, you and your General Manager, if applicable, must attend our initial training program for Unit Franchise (the "Launch Training") at the time and place we designate. You must complete Launch Training within sixty (60) days of your Agreement Date, or the date of the transfer agreement if you acquire an existing franchise. You (if you are an individual), or at least one of your Principal Owners (if you are a legal entity), must complete the Launch Training to our satisfaction. The day you complete Week 1 of the Launch Training will be considered the Opening Date of your Unit Franchise. If you employ a General Manager other than yourself or one of your Principal Owners, that General Manager must also complete the Launch Training to our satisfaction. Additional employees may complete the Launch Training at your sole discretion and expense, provided you first obtain our approval and subject to availability of facilities and materials. Our Launch Training may be different for each employee depending on their responsibilities at the Unit Franchise. There is no tuition fee charged to the Principal Owners and the General Manager (if any) or for any other member of your team we require to attend the Launch Training, up to three (3) individuals. If you wish to bring more than three (3) individuals to Launch Training, you must get approval from us as we may charge an additional fee for providing Launch Training to more than three (3) individuals. All persons who attend our Launch Training must attend and complete the Launch Training to our satisfaction. If we, in our sole discretion, determine that any General Manager or employee whom we require to attend

any Launch Training is unable to satisfactorily complete such program, then you must not hire that person, and must hire a substitute General Manager or employee (as the case may be), who must enroll in the Launch Training within fifteen (15) days thereafter, and complete the Launch Training to our satisfaction.

(b) You agree to have you, your General Manager (if any) and/or other employees who attend our Launch Training complete additional training programs at places and times as we may request from time to time during the term of this Agreement. We reserve the right to charge you for the costs of these additional training programs incurred by us (including without limitation the salary of the person(s) providing the training).

(c) In addition to providing the Launch Training described above, we reserve the right to offer and hold such additional ongoing training programs and franchise owners' meetings regarding such topics and at such times and locations as we may deem necessary or appropriate. We also reserve the right to make any of these training programs mandatory for you and/or designated owners, your General Manager (if any), employees, and/or representatives of yours. We reserve the right to charge you a daily attendance fee in an amount to be set by us for each attendee of yours who attends any mandatory or optional training program or owners meeting. If we offer any such mandatory training programs, then you or your General Manager must attend a minimum of seventy-five percent (75%) of the programs offered on an annual basis.

(d) You agree to pay all wages and compensation owed to, and travel, lodging, meal, transportation, and personal expenses incurred by, all of your personnel who attend our Launch Training and/or any mandatory or optional training we provide.

(e) As part of the ongoing training programs and franchise owners' meetings contemplated above, we reserve the right to send to your Franchise's place of business a representative of the Franchisor, or of any of our affiliates, to provide training and/or auditing that we deem appropriate in our sole discretion. In the event we decide to send any such individual to your Franchise's place of business for training and/or auditing purposes, you agree to pay all travel, lodging, and other expenses incurred by us resulting therefrom.

(f) Upon issuance of your designated Territory, we recommend you conduct your own due diligence into the state and local rules and applicable laws pertaining the practice of real estate wholesaling. This includes obtaining the correct licenses needed to wholesale in your specific Territory. The Franchise's General Manager (if any) and other employees shall obtain all certifications and licenses required by law in order to perform their responsibilities and duties for the Unit Franchise in your Territory.

5. GUIDANCE; OPERATIONS MANUAL.

5.1 Guidance and Assistance.

During the term of this Agreement, we may from time to time furnish you guidance and assistance with respect to: (1) specifications, standards, and operating procedures used by Unit Franchises; (2) purchasing approved equipment, furniture, furnishings, signs, materials and supplies; (3) development and implementation of local advertising and promotional programs; (4) general operating and management procedures; (5) establishing and conducting employee training programs for your Unit Franchise; and (6) changes in any of the above that occur from time to time. This guidance and assistance may, in our discretion, be furnished in the form of bulletins, written reports and recommendations, operations manuals and other written materials (the "Operations Manual"), and/or virtual consultations and/or personal consultations at our offices or your Unit Franchise. If you request—and if we agree to provide—any additional, special on-premises training of your personnel or other assistance in operating your Unit Franchise, then you agree to pay a daily training fee in an amount to cover our costs and all expenses we incur in providing such training or assistance, including any wages or compensation owed to, and travel, lodging, transportation, and living expenses incurred by, our Company personnel.

5.2 Operations Manual.

The Operations Manual we lend to you will contain mandatory and suggested specifications, standards, and operating procedures that we prescribe from time to time for your Unit Franchise, as well as information relative to other obligations you have in the operation of the Unit Franchise. The Operations Manual may be composed of, or include, audio recordings, video recordings, computer disks, compact disks, and/or other written or intangible materials. We may make all or part of the Operations Manual available to you through various means, including via an electronic PDF version. A previously delivered Operations Manual may be superseded from time to time with replacement materials to reflect changes in the specifications, standards, operating procedures and other obligations in operating the Unit Franchise. You must keep your copy of the Operations Manual current, and if you and we have a dispute over the contents of the Operations Manual, then our master copy of the Operations Manual will control. You agree that you will not at any time copy any part of the Operations Manual, permit it to be copied, disclose it to anyone not having a need to know its contents for purposes of operating your Unit Franchise, or remove it from the Unit Franchise location without our permission. If your copy of the Operations Manual is lost, destroyed, or significantly damaged, then you must obtain a replacement copy from us at our then-applicable charge.

5.3 Modifications to System.

We will continually be reviewing and analyzing developments in the line of products and services that we offer, and based upon our evaluation of this information, may, in our sole discretion, make changes in the System, including but not limited to, adding new components to services offered and equipment used by the Unit Franchises. Moreover, changes in laws regulating the services offered by the Unit Franchises may (a) require us to restructure our franchise program, (b) require your General Manager (if any) and employees to obtain additional licenses or certifications, (c) require you to retain or establish relationships with additional professionals and

specialists in the industry relating to our products and services offered, and/or (d) require you to modify your ownership or organizational structure. You agree, at our request, to modify the operation of the Unit Franchise to comply with all such changes as soon as possible and in any case within fifteen (15) days of our notice to you, unless otherwise provided for in this Agreement or the Franchise Disclosure Document, and to be solely responsible for all related costs.

5.4 **Advisory Boards.**

You agree to participate in, and, if required by us, become a member of any advisory boards or similar organizations we form or organize for the Unit Franchises.

6. FEES, COSTS AND PAYMENTS.

6.1 Initial Franchise Fee.

(a) Partner Unit Franchise. You agree to pay us, in a lump sum, the initial franchise fee of One Hundred Thousand and No/100 Dollars ($100,000.00) (the "Partner Initial Franchise Fee") when you sign this Agreement. In recognition of the expenses we incur in furnishing assistance and services to you, you agree that we will have fully earned the Partner Initial Franchise Fee, and that is due and non-refundable when you sign this Agreement, except as set forth in Section 4.2(a). If you purchase more than one Unit Franchise, then the Partner Initial Franchise Fee for each additional Partner Unit Franchise starting with the second franchise will be eighty percent (80%) of our then-current Partner Initial Franchise Fee. There is no discount of the Partner Initial Franchise Fee if your first franchise was obtained through transfer from a previous franchisee.

(b) Associate Unit Franchise. You agree to pay us, in a lump sum, the initial franchise fee of Forty-Five Thousand and No/100 Dollars ($45,000.00) (the "Associate Initial Franchise Fee") when you sign this Agreement. In recognition of the expenses we incur in furnishing assistance and services to you, you agree that we will have fully earned the Associate Initial Franchise Fee, and that is due and non-refundable when you sign this Agreement, except as set forth in Section 4.2(a). Payment of the Associate Initial Franchise Fee does not entitle you to a discount on the purchase of any future Unit Franchises.

6.2 Royalty Fee.

(a) Partner Unit Franchise. If you purchase a Partner Unit Franchise, you agree to pay us a continuing monthly franchise royalty fee ("Royalty Fee") of nine percent (9%) of the monthly Gross Profits of the Unit Franchise, or the monthly minimum Royalty Fee if 9% of the actual Gross Profits is below the MRFR (see Section 3.7). This fee will be payable monthly on the tenth (10th) day of the month based on (a) the Unit Franchise's Gross Profits for the preceding month, or (b) the MRFR, whichever is greater. The term "Gross Profits" shall, for purposes of this Agreement, mean the total of all revenue and receipts derived from the operation of the Unit Franchise, including all amounts received within, or outside of, the Territory of the Unit Franchise, or through the business the Unit Franchise conducts (such as profits from real estate sales, assignment transactions, broker/finder fees,

fees for consultations, fees for the sale of any service or product, whether in cash or by check, credit card, debit card, barter or exchange, or other credit transactions); and excludes only (a) refund of earnest money deposits, (b) refund of purchase funds used to buy properties, (c) forfeited earnest money deposited by franchisee, and (d) structural improvements to properties, and (e) sales taxes collected from customers and paid to the appropriate taxing authority. For every real estate transaction you complete, KeyGlee Franchise, Inc. must be listed on the HUD-1. A copy of the HUD-1 Settlement Statement must be provided to us at the closing of each transaction, and the applicable Transaction Fee must be listed on the HUD-1 Settlement Statement and be payable to us directly from the title company or real estate closing attorney. You and we acknowledge and agree that the Royalty Fee represents compensation paid by you to us for the guidance and assistance we provide and for the use of our Mark(s), Confidential Information (as defined herein), know-how, and other intellectual property we allow you to use under the terms of this Agreement. You acknowledge and agree that the services we offer to you and our other franchisees in exchange for the payment of the Royalty Fee do not include the referral of customers.

(b) Associate Unit Franchise. If you purchase an Associate Unit Franchise, you agree to pay us a continuing monthly franchise royalty fee ("Royalty Fee") of eighteen percent (18%) of the monthly Gross Profits of the Unit Franchise plus a monthly Associate Unit Franchise Fee of $499.00. This fee will be payable monthly on the tenth (10th) day of the month based on (a) the Unit Franchise's Gross Profits for the preceding month. The term "Gross Profits" is as defined in Section 6.2(a) above). You must also comply with the HUD-1 requirements listed in Section 6.2(a) above. You and we acknowledge and agree that the Royalty Fee and monthly Associate Unit Franchise Fee represents compensation paid by you to us for the guidance and assistance we provide and for the use of our Mark(s), Confidential Information (as defined herein), know-how, and other intellectual property we allow you to use under the terms of this Agreement. You acknowledge and agree that the services we offer to you and our other franchisees in exchange for the payment of the Royalty Fee and monthly Associate Unit Franchise Fee do not include the referral of customers.

6.3 **National Advertising Fee.**

Recognizing the value of advertising to the goodwill and public image of the Unit Franchises, we may, in our sole discretion, establish, maintain and administer a national advertising fund (the "Ad Fund") for such advertising as we may deem necessary or appropriate in our sole discretion. If we establish an Ad Fund, you agree to contribute to the Ad Fund a percentage of Gross Profits of the Unit Franchise in an amount we designate from time to time by notice to you, up to a monthly maximum of (a) one percent (1%) of the Gross Profits of your Unit Franchise, or (b) $200.00, whichever is greater. These advertising fees (the "Advertising Fees") will be payable monthly with, and at the same time as, your Royalty Fee.

6.4 **Late Payments.**

All Royalty Fees, Advertising Fees, amounts due from you for purchases from us or our affiliates, and other amounts that you owe us or our affiliates (unless otherwise provided for in a

separate agreement between us or our affiliates) will begin to accrue interest after their respective due dates at the lesser of (i) the highest commercial contract interest rate permitted by state law, and (ii) the rate of eighteen percent (18%) per annum. In addition to any accruing interest, all late payments will incur a late charge of Fifty and No/100 Dollars ($50.00) per week per line item until the payment is made. Payments due to us or our affiliates will not be deemed received until such time as funds are electronically withdrawn from your account or the deposit of any check by us or our affiliates is collected from your account. You acknowledge that the inclusion of this paragraph in this Agreement does not mean we agree to accept or condone late payments, nor does it indicate that we have any intention to extend credit to, or otherwise finance your operation of the Unit Franchise. We have the right to require that any payments due to us or our affiliates be made by certified or cashier's check in the event that any payment by check is not honored by the bank upon which the check is drawn. We also reserve the right to charge you a fee of One Hundred and No/100 Dollars ($100.00) for any payment by check or electronic means that is not, for any reason, honored by the bank upon which it is drawn.

6.5 **Electronic Funds Transfer.**

You are required to participate in an electronic funds transfer program under which Royalty Fees, Advertising Fees, software fees, loan payments, and any other amounts payable to us or our affiliates are deducted or paid electronically from your bank account (the "Account"). In the event you are required to authorize us to initiate debit entries, you agree to make the funds available in the Account for withdrawal by electronic transfer no later than the payment due date. The amount actually transferred from the Account to pay Royalty Fees, Advertising Fees, and software fees will be based on the Unit Franchise's Gross Profits as reported by the Franchisee or the MRFR. You are required to input every transaction related to your franchise into the software tracking system we direct you to use, whether the deal is located within or outside of your Territory. All transactions must be input and finalized no later than the fifth (5th) day of the month following the transaction date so that KeyGlee's finance team can review and determine the amount of Royalty Fees and other fees that will be electronically debited from your Account on the tenth (10th) day of the month, which will include the greater of (a) 9% your actual Gross Profits or (b) the MRFR (see Section 3.7). You are also required to submit a monthly income statement, through our designated accounting software, by the fifth (5th) day of the following month. If we are required to estimate your Gross Profits because all required transactions were not properly or completely entered into the software tracking system, we are authorized to withdraw the appropriate amount based on the greater of (a) your MRFR, or (b) your previous month's Royalty Fees, and in addition we reserve the right to charge you an Accounting Fee of $100.00 for each occurrence. In such instance where we must withdraw an amount based on your MRFR or your previous month's Royalty Fees, once the required transactions are properly and completely input, we will reconcile your actual Gross Profits and determine the actual Royalty Fee due and credit any excess amount withdrawn toward fees due for the following month. Any and all real estate transactions with which you or your franchise is involved must be disclosed to us and are subject to Royalty Fees. This includes, but is not limited to, transactions involving or assigned to related entities, personal investment opportunities, referral/finders fees, fix and flips, buy and holds, etc. If we determine that you have not properly input or have not reported the Unit Franchise's Gross Profits for any reporting period on more than three occasions in any three-year period, we reserve the right to terminate your Agreement. If at any time we determine that you have under-reported the Unit Franchise's Gross Profits or underpaid any Royalty Fee, Software Fee, or Advertising Fee due to us under this Agreement, then we will

be authorized to initiate immediately a debit to the Account in the appropriate amount, plus applicable interest, in accordance with the foregoing procedure. Any overpayment will be credited, without interest, against the Royalty Fee, Software Fee, Advertising Fee, and other amounts we otherwise would debit from your Account during the following reporting period. Our use of electronic funds transfers as a method of collecting Royalty Fees, Software Fees, and Advertising Fees due to us does not constitute a waiver of any of your obligations to provide us with monthly reports as provided in Section 12, nor shall it be deemed a waiver of any of the rights and remedies available to us under this Agreement.

6.6 **Application of Payments.**

When we receive a payment from you, we have the right, in our sole discretion, to apply it as we see fit to any past due indebtedness of yours due to us or our affiliates, whether for Royalty Fees, Advertising Fees, purchases, interest, or for any other reason, regardless of how you may designate a particular payment should be applied.

6.7 **Modification of Payments.**

If, by operation of law or otherwise, any fees contemplated by this Agreement cannot be based upon Gross Profits, then you and we agree to negotiate in good faith an alternative fee arrangement. If you and we are unable to reach an agreement on an alternative fee arrangement, then the Company reserves the right to terminate this Agreement upon notice to you, in which case all of the post-termination obligations set forth in Section 16 shall apply.

6.8 **Associate Unit Franchise Monthly Fee.**

If you purchased an Associate Unit Franchise, and in exchange for the rights granted hereunder, you must pay us a monthly Associate Unit Franchise Fee of $499 (the "Monthly Fee"). The Monthly Fee is due on the 10th of each month, commencing the first full month following your completion of our initial launch training. You agree that we have the right to withdraw the Monthly Fee from your designated bank account each month by electronic Funds transfer ("EFT") along with any Associate Royalty Fees due. Upon execution of this Agreement and at any time thereafter at our request, you shall execute and deliver such documents as we deem necessary to process EFTs from your designated bank account for the payment of the Monthly Fee. Should your bank for any reason not honor any EFT, you shall be responsible for the payment of the Monthly Fee plus an NFT charge and service charge applied by us and the bank. We may, in our sole discretion, require you to pay the Monthly Fee directly to us in lieu of EFT. The Monthly Fee may be increased up to $599 upon 30 days' written notice to you.

6.9 **Associate Unit Franchise Upgrade Fee.**

If you purchased an Associate Unit Franchise and later wish to upgrade to a Partner Unit Franchise, to take advantage of the lower Royalty Fees and no monthly Associate Franchise Fee, you must pay an Associate Unit Franchise Upgrade Fee (the "Upgrade Fee"), which will be calculated by determining the then-current Partner Initial Franchise Fee, and subtracting (a) the amount of the Associate Initial Franchise Fee paid, and (b) one-eighteenth (1/18) of the aggregate total of the Associate Unit Franchise Royalty Fees paid by you. This amount must be paid in a

lump sum by you at the time of the upgrade. In order to be eligible to upgrade from an Associate Unit Franchise to a Partner Unit Franchise, we must be offering Partner Unit Franchises in your Territory and you (and each of your owners) (i) have substantially complied with your Franchise Agreement during its term, (ii) agree to modify your KeyGlee Business as we require to bring it into compliance with our systems and standards and (iii) are current in all amounts owed to us and our affiliates.

7. **MARKS**.

7.1 **Ownership and Goodwill of Marks.**

You acknowledge that your right to use the Mark(s) is derived solely from this Agreement, and is limited to your operation of the Unit Franchise pursuant to, and in compliance with, this Agreement and all applicable standards, specifications, and operating procedures we prescribe from time to time during the term of the Franchise. You understand and acknowledge that our right to regulate the use of the Mark(s) includes, without limitation, any use of the Mark(s) in any form of electronic media, such as Websites (as defined herein) or web pages, or as a domain name or electronic media identifier. If you make any unauthorized use of the Mark(s), it will constitute a breach of this Agreement and an infringement of our rights in and to the Mark(s). You acknowledge and agree that all your usage of the Mark(s) and any goodwill established by your use will inure exclusively to our benefit and the benefit of our affiliates, and that this Agreement does not confer any goodwill or other interests in the Mark(s) on you (other than the right to operate the Franchise in compliance with this Agreement). All provisions of this Agreement applicable to the Mark(s) will apply to any additional trademarks, service marks, commercial symbols, designs, artwork, or logos we may authorize and/or license you to use during the term of this Agreement.

7.2 **Limitations on Franchise Owner's Use of Marks.**

You agree to use the Mark(s) as the sole trade identification of the Franchise, except that you will display at the Unit Franchise location a notice, in the form we prescribe, stating that you are the independent owner of the Unit Franchise pursuant to a franchise agreement with us. You agree not to use any mark(s) as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos and additional trade and service marks licensed to you under this Agreement), or in any modified form. You also shall not use any mark(s) or any commercial symbol similar to the Mark(s) in connection with the performance or sale of any unauthorized services or products, or in any other manner we have not expressly authorized in writing. You agree to display the Mark(s) in the manner we prescribe at the Unit Franchise and in connection with advertising and marketing materials, and to use, along with the Mark(s), any notices of trade and service mark registrations we specify. You further agree to obtain any fictitious or assumed name registrations as may be required under applicable law.

7.3 **Notification of Infringements and Claims.**

You agree to immediately notify us in writing of any apparent infringement of, or challenge to, your use of any Mark(s), or claim by any person of any rights in any Mark(s) or similar trade name, trademark, or service mark of which you become aware. You agree not to communicate with anyone except us and our counsel in connection with any such infringement, challenge, or

claim. We have the right to exclusively control any litigation or other proceeding arising out of any actual or alleged infringement, challenge, or claim relating to any Mark(s). You agree to sign any documents, render any assistance, and do any acts that our attorneys say is necessary or advisable in order to protect and maintain our interests in any litigation or proceeding related to the Mark(s), or to otherwise protect and maintain our interests in the Mark(s).

7.4 **Discontinuance of Use of Marks.**

If it becomes advisable at any time in our sole judgment for the Franchise to modify or discontinue the use of any Mark(s), or use one or more additional or substitute trade or service marks, including the Mark(s) used as the name of the Franchise, then you agree, at your sole expense, to comply with our directions to modify or otherwise discontinue the use of the Mark(s), or use one or more additional or substitute trade or service marks, within fifteen (15) days after our notice to you.

7.5 **Indemnification of Franchise Owner.**

We agree to indemnify you against, and reimburse you for, all damages for which you are held liable in any trademark infringement proceeding arising out of your use of any Mark(s) pursuant to, and in compliance with, this Agreement, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party, so long as you have timely notified us of the claim, and have otherwise complied with this Agreement.

8. **RELATIONSHIP OF THE PARTIES; INDEMNIFICATION**.

8.1 **Independent Contractor; No Fiduciary Relationship.**

This Agreement does not create a fiduciary relationship between you and us. You and we are independent contractors, and nothing in this Agreement is intended to make either party a general or special agent, joint-venturer, partner, or employee of the other for any purpose whatsoever. You agree to conspicuously identify yourself in all your dealings with customers, suppliers, public officials, Franchise personnel, and others as the owner of the Unit Franchise pursuant to a franchise agreement with us, and to place any other notices of independent ownership on your forms, business cards, stationery, advertising, and other materials as we may require from time to time.

8.2 **No Liability, No Warranties.**

We have not authorized or empowered you to use the Mark(s) except as provided by this Agreement, and you agree not to employ any of the Mark(s) in signing any contract, check, purchase agreement, negotiable instrument or legal obligation, application for any license or permit, or in a manner that may result in liability to us for any indebtedness or obligation of yours. Except as expressly authorized by this Agreement, neither you nor we will make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the other, or represent that your and our relationship is other than that of franchisor and franchisee.

8.3 **Indemnification.**

We will not assume any liability or be deemed liable for any agreements, representations, or warranties you make that are not expressly authorized under this Agreement, nor will we be obligated for any damages to any person or property directly or indirectly arising out of the operation of the business you conduct pursuant to this Agreement, whether or not caused by your negligent or willful action or failure to act. We will have no liability for any sales, use, excise, income, gross receipts, property, or other taxes levied against you or your assets, or on us, in connection with the business you conduct, or any payments you make to us pursuant to this Agreement (except for our own income taxes). You agree to indemnify, defend, and hold us, our affiliates and our and their respective owners, directors, officers, employees, agents, successors, and assigns (individually, an "Indemnified Party," and collectively, the "Indemnified Parties"), harmless against, and to reimburse such Indemnified Parties for, all such obligations, damages, and taxes for which any Indemnified Party may be held liable, and for all costs the Indemnified Party reasonably may incur in the defense of any such claim brought against the Indemnified Party, or in any such action in which the Indemnified Party may be named as a party, including without limitation actual and consequential damages; reasonable attorneys', accountants', and/or expert witness fees; cost of investigation and proof of facts; court costs; other litigation expenses; and travel and living expenses. Each Indemnified Party has the right to defend any such claim against the Indemnified Party. You further agree to hold us harmless and indemnify and defend us for all costs, expenses, and/or losses we incur in enforcing the provisions of this Agreement, defending our actions taken relating to this Agreement, or resulting from your breach of this Agreement, including without limitation reasonable arbitrator's and attorneys' fees (including those for appeal), unless, after legal proceedings are completed, you are found to have fulfilled and complied with all of the terms of this Agreement. Your indemnification obligations described above will continue in full force and effect after, and notwithstanding, the expiration or termination of this Agreement.

9. **CONFIDENTIAL INFORMATION; NON-COMPETITION**.

9.1 **Types of Confidential Information.**

We possess certain unique confidential and proprietary information and trade secrets consisting of the following categories of information, methods, techniques, products, and knowledge developed by us, including but not limited to: (1) services and products offered and sold at KeyGlee Franchises; (2) purchaser and buyer leads received from KeyGlee; (3) knowledge of sales and profit performance of any one or more KeyGlee outlets; (4) knowledge of sources of services sold at KeyGlee Franchises, advertising and promotional programs, and image and decor; (5) methods, techniques, formats, specifications, procedures, information, systems, and knowledge of, and experience in, the development, operation, and franchising of KeyGlee Franchises; and (6) the selection and methods of training employees (collectively with the Developed Information, the "Confidential Information"). We will disclose much of the above-described information to you in advising you about site selection, providing our Launch Training, the Operations Manual, and providing guidance and assistance to you under this Agreement. In addition, in the course of the operation of your Unit Franchise, you or your employees may develop ideas, concepts, methods, or techniques of improvement relating to the Franchise. Any such development by you or your employees of ideas, concepts, methods, or techniques of improvement relating in any way to the

Confidential Information or the operation of a KeyGlee Franchise (collectively, the "Developed Information") shall be the exclusive property of the Franchisor, and you agree to execute any documents which are reasonably required to memorialize our ownership of the Developed Information. You also waive and forever disclaim any and all claims of interest in or ownership of the Developed Information, in whole or in part. We may authorize you to use the Developed Information in the operation of your Unit Franchise, and may use or authorize others to use the Developed Information in other KeyGlee Franchises owned or franchised by us or our affiliates.

9.2 **Non-Disclosure Agreement.**

You agree that your relationship with us, or any relationship with leads provided by KeyGlee, does not vest in you any interest in the Confidential Information, other than the right to use it in the development and operation of the Unit Franchise, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. You acknowledge and agree that the Confidential Information belongs to us, may contain trade secrets belonging to us, and is disclosed to you, or authorized for your use, solely on the condition that you agree, and you therefore do agree, that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form or another form that may be copied or duplicated; and (4) will adopt and implement all reasonable procedures we may prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including without limitation restrictions on disclosure to your employees, and the use of non-disclosure and non-competition agreements we may prescribe or approve for your shareholders, partners, members, officers, directors, employees, independent contractors, Affiliated Persons, Affiliated Entities, or agents who may have access to the Confidential Information.

9.3 **Non-Competition Agreement.**

You agree that we would be unable to protect the Confidential Information against unauthorized use or disclosure, and would be unable to encourage a free exchange of ideas and information among KeyGlee Franchises, if owners of KeyGlee Franchises were permitted to participate in any Competitive Businesses. The term "Competitive Business" means any business that derives more than Ten Thousand Dollars ($10,000.00) of revenue per year from providing products and services similar to the products and services offered by KeyGlee Unit Franchises, or any business which grants franchises or licenses to others to operate such a business, other than a Unit Franchise operated under a franchise agreement with us. Therefore, during the term of this Agreement, neither you, nor any Principal Owner or manager of your entity, any General Manager of your Franchise, nor any member of your immediate family or of the immediate family of any Principal Owner, or any Affiliated Person or Affiliated Entity, shall perform services for, or have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, manager, consultant, representative, or agent in, a Competitive Business. The ownership of one percent (1%) or less of a publicly traded company will not be deemed to be prohibited by this paragraph. Upon expiration or termination of this Agreement for any reason, you agree not to engage in a competitive business for a period of one (1) year after the Transfer or termination and (a) within the Franchise's current territory; (b) within seven (7) miles of the outside

perimeter of the Franchise's current territory; (c) within the territory of any currently-operating KeyGlee franchise; and (d) within ten (10) miles of any corporate owned or affiliate-owned KeyGlee outlet.

10. UNIT FRANCHISE OPERATING STANDARDS.

10.1 Condition and Appearance of the Franchise.

You agree that:

(a) You will maintain the condition and appearance of the Unit Franchise; its equipment, furniture, furnishings, and signs; and the Premises in accordance with our standards and consistent with the image of a Unit Franchise as an efficiently operated business offering high quality services, and observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and for that purpose will take, without limitation, the following actions during the term of this Agreement: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at reasonable intervals; (2) interior and exterior repair of the Premises; and (3) repair or replacement of damaged, worn out or obsolete equipment, furniture, furnishings and signs;

(b) You will not make any material alterations to the Premises or the appearance of the Unit Franchise, as originally developed, without our advance written approval. If you do so, we have the right, at our option and at your expense, to rectify alterations we have not previously approved;

(c) You will promptly replace or add new equipment when we reasonably specify in order to meet changing standards or new methods of service;

(d) On notice from us, you will engage in remodeling, expansion, redecorating and/or refurnishing of the Premises and the Unit Franchise to reflect changes in the operations of Unit Franchise that we prescribe and require of new franchisees, provided that (1) no material changes will be required unless there are at least two (2) years remaining on the Initial Term of the Unit Franchise (any changes to the decoration or furnishing of the Premises must be approved by us); and (2) we have required the proposed change in at least twenty-five percent (25%) of all similarly situated Company and affiliate-owned Unit Franchises, and have undertaken a plan to make the proposed change in the balance of such Company and affiliate-owned Unit Franchises (any expenditures incurred pursuant to this paragraph shall apply to the requirement in Section 10.1(e));

(e) You will place or display at the Premises (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials that we from time to time approve;

(f) If at any time in our reasonable judgment, the general state of repair, appearance, or cleanliness of the premises of the Unit Franchise or its fixtures, equipment, furniture, or signs do not meet our standards, then we shall have the right to notify you specifying the action you must take to correct the deficiency. If you do not initiate action to correct such deficiencies within ten (10) days after receipt of our notice, and then

continue in good faith and with due diligence, a bona fide program to complete any required maintenance or refurbishing, then we shall have the right, in addition to all other remedies available to us at law or under this Agreement, to enter the Premises or the Unit Franchise and perform any required maintenance or refurbishing on your behalf, and you agree to reimburse us on demand; and

(h) You will display the signs we require you to display as provided (and revised from time to time) in the Manual.

10.2 **Franchise Services.**

You agree that (a) the Unit Franchise will offer for sale all services that we from time to time specify for Unit Franchises, (b) the Unit Franchise will offer and sell approved services only in the manner we have prescribed; (c) you will not offer for sale or sell at the Unit Franchise, the Premises, or any other location any services we have not approved; (d) you will not use the Premises for any purpose other than the operation of the Unit Franchise; and (e) you will discontinue selling and offering for sale any services that we at any time decide (in our sole discretion) to disapprove in writing. In the event that you use, sell or distribute unauthorized products or services, and do not cease the use, sale, or distribution of unauthorized services or products within fifteen (15) days after written notice is given to you, we reserve the right to terminate this Agreement and/or charge you a fee of One Hundred and No/100 Dollars ($100.00) per product or service for each day that you fail to comply with our demand to cease the use, sale or distribution of unauthorized products or services, which is a reasonable estimate of the damages we would incur from your continued use, sale or distribution of unauthorized products or services, and not a penalty. We may, from time to time, conduct market research and testing to determine consumer trends and the salability of new services. You agree to cooperate by participating in our market research programs, test marketing new services in the Unit Franchise, and providing us with timely reports and other relevant information regarding such market research. In connection with any such test marketing, you agree to offer a reasonable quantity of the services being tested, and effectively promote and make a reasonable effort to sell them.

10.3 **Approved Services, Distributors and Suppliers.**

We have developed, or may develop, various unique services for the operation of the System. We reserve the right to approve, specifications for suppliers and distributors (which may include us and/or our affiliates) for services required to be purchased by, or offered and sold at, Unit Franchises, that meet our standards and requirements, including without limitation standards and requirements relating to quality, prices, consistency, reliability, and customer relations. You agree that the Unit Franchise will: (1) purchase or use any required products or services as we designate; and (2) purchase all designated products and services only from distributors and other suppliers we have approved. Approved suppliers are listed in the Operations Manual.

We may approve a single distributor or other suppliers (collectively "supplier") for any product or service, and may approve a supplier only as to certain products or services. We may concentrate purchases with one or more suppliers to obtain lower prices or the best advertising support or services for any group of Unit Franchises franchised or operated by us. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, concentration

of purchases, standards of service (including prompt attention to complaints), or other criteria, and may be temporary, pending our continued evaluation of the supplier from time to time.

If you would like to purchase any items that we do not provide or for which we have not designated an approved supplier, we reserve the right to require that you submit to us a written request for approval of the proposed supplier. We would then have the right to inspect the proposed supplier's facilities. We may charge you a supplier evaluation fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We reserve the right to periodically re-inspect the facilities and products of any approved supplier, and revoke our approval if the supplier does not continue to meet any of our criteria. We will notify you in writing immediately when our approval of a supplier is revoked. Upon receipt of our notice of revocation, you will immediately stop using the services or products of the revoked supplier. We will not reimburse you for any remaining products or services purchased from the revoked supplier that you are unable to use as a result of our revocation of the supplier's approval.

We, and/or our affiliates, may be an approved supplier or the only approved supplier of certain and all products or services to be purchased by you for use and/or sale by the Unit Franchise. We, and our affiliates, reserve the right to charge any licensed manufacturer engaged by us or our affiliates a royalty to manufacture products or provide services for us or our affiliates, or to receive commissions or rebates from vendors that supply goods or services to you. We or our affiliates may also derive income from our sale of products or services to you, and may sell these items at prices exceeding our or their costs in order to make a profit on the sale.

10.4 **Transactions with Affiliated Persons or Affiliated Entities.**

You may not disclose Confidential Information or provide KeyGlee products or services to yourself, an Affiliated Person, or an Affiliated Entity, without our prior written approval. The term "Affiliated Person" is any person that has an ownership interest or management role in the entity that owns your Franchise, a General Manager of your Franchise, or any person related to any of these individuals (by blood or marriage). The term "Affiliated Entity" is any entity that is owned (partially or completely) by an Affiliated Person. This includes, but is not limited to, using leads obtained through your KeyGlee Franchise to complete real estate deals outside of your KeyGlee Franchise. In the event we provide written approval for you to engage in any a transaction with an Affiliated Person or Affiliated Entity (including purchases by Affiliated Persons or Affiliated Entities for personal use or investment), Royalties due to us on any such transaction will not be based not on the actual sale price of the transaction, but instead on what we determine would have been the reasonable profit generated by that transaction had it been conducted at arms' length by unrelated parties. For example, if you identify a real estate purchase opportunity through your KeyGlee business, and engage in any of the following: (a) allowing an Affiliated Person or Affiliated Entity to purchase the property at the wholesale price instead of purchasing and selling it through your KeyGlee Franchise, (b) selling a property to an Affiliated Person or Affiliated Entity for below fair market value, regardless of whether the property is for personal use or investment by an Affiliated Person or Affiliated Entity, in such instances you must first get our written approval to engage in such transactions, and then you must provide to us all necessary information regarding the transaction so we may determine the fair market value of that transaction if you had sold it in an arms' length transaction to an unaffiliated third party. The Royalty Fee due on such transactions will be based on the profit you could have earned selling the property at fair

market value, even if you sold it to an Affiliated Person or Affiliated Entity (or allowed an Affiliated Person or Affiliated Entity to complete the purchase) for no actual profit. Any failure by you to properly disclose any transaction contemplated by this section will render you liable under the auditing provisions outlined in Section 13. If we determine you have failed to properly disclose such transactions on more than three (3) occasions in any three (3) year period, we reserve the right to terminate this Agreement.

10.5 **Hours of Operation.**

You agree to keep the Unit Franchise open for business at such times and during such hours as we may prescribe from time to time. You agree that you, or your General Manager, will actively participate in the day-to-day operation of your Unit Franchise on a full-time basis. Full-time as it pertains to a Franchise Owner or General Manager means at least 40 hours per week of operation, hitting required metrics, and maintaining process standard (includes attending meetings and trainings).

10.6 **Specifications, Standards and Procedures.**

You agree to comply with all mandatory specifications, standards, and operating procedures relating to the appearance, function, cleanliness, and operation of the Unit Franchise. Any mandatory specifications, standards, and operating procedures that we prescribe from time to time in the Operations Manual, or otherwise communicate to you in writing, will constitute provisions of this Agreement as if fully set forth in this Agreement. All references to "this Agreement" include all such mandatory specifications, standards, and operating procedures.

10.7 **Leads.**

Leads provided by KeyGlee may not be downloaded on a personal device or contacted from a personal device or account. These leads must be contacted only through our approved customer relationship management software, using an account to which KeyGlee has access. All leads provided to you by us may be shared between any one or more KeyGlee franchisees. All leads generated through your efforts, regardless of whether such lead was known to you prior to your association with KeyGlee (meaning without our help, which includes but is not limited to the help of our advertising services, KeyGlee Buyers Lead Service, or KeyGlee Wholesalers Service) will remain your property until you leave the KeyGlee franchise system, at which time you will share the lead information with us and we will have the right to assign the lead in our sole discretion. After you share the lead with us, you will still have the right to do business with the lead, provided such business does not conflict with the non-competition terms of the Franchise Agreement.

10.8 **Compliance with Laws and Good Business Practices.**

You agree to secure and maintain in force in your name all required licenses, permits and certificates relating to the operation of the Unit Franchise. You also agree to operate the Unit Franchise in full compliance with all applicable laws, ordinances, and regulations, including without limitation all government regulations relating to worker's compensation insurance,

unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes, and sales taxes.

All advertising you employ must be completely factual, in good taste (in our sole discretion), and conform to the highest standards of ethical advertising and all legal requirements. You agree that in all dealings with us, your customers, your suppliers, and public officials, you will adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You further agree to refrain from any business or advertising practice that may be harmful to the business of the Company, the Unit Franchise, and/or the goodwill associated with the Mark(s) and other Unit Franchises.

You must notify us in writing within five (5) days of (1) the commencement of any action, suit, or proceeding, and/or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental unit, that may adversely affect your and/or the Unit Franchise's operation, financial condition, or reputation; and/or (2) your receipt or knowledge of any notice of violation of any law, ordinance, or regulation relating to health or safety.

10.9 **Management and Personnel of the Franchise.**

Unless we approve your employment of a General Manager to operate the Unit Franchise as provided in Section 4.1, you must actively participate in the actual, on-site, day-to-day operation of the Unit Franchise, and devote as much of your time as is reasonably necessary for the efficient operation of the Unit Franchise. If you are an entity, then at least one of your Principal Owners, directors, officers, or other employees whom we approve must comply with this requirement. If we agree that you may employ a General Manager, then the General Manager must fulfill this requirement. Any General Manager shall each obtain all licenses and certifications required by law before assuming his or her responsibilities at the Unit Franchise. You will ensure that your employees and independent contractors of Unit Franchise have any licenses as may be required by law, and hold or are pursuing any licenses, certifications, and/or degrees required by law or by us in the Operations Manual, as updated from time to time. You will be exclusively responsible for the terms of your employees' and independent contractors' employment and compensation, and for the proper training of your employees and independent contractors in the operation of the Unit Franchise. You must establish any training programs for your employees and/or independent contractors that we may prescribe in writing from time to time. You must require all employees and independent contractors to maintain a neat and clean appearance, and conform to the standards of dress that we specify in the Operations Manual, as updated from time to time. Each of your employees and independent contractors must sign a written agreement, in a form approved by us, to maintain confidential our Confidential Information, proprietary information, and trade secrets as described in Section 9.2, and to abide by the covenants not to compete described in Section 9.3. You must forward to us a copy of each such signed agreement. All of your employees and independent contractors must render prompt, efficient and courteous service to all customers of the Unit Franchise. You agree not to recruit or hire, either directly or indirectly, any employee (or a former employee, for six (6) months after his or her employment has ended) of any Unit Franchise operated by us, our affiliates, or another Unit Franchise owner without first obtaining the written consent of us, our affiliate, or the franchise owner that currently employs (or previously employed) such employee. If you violate this provision, in addition to any other right or remedy we may have, you agree to pay the employee's current or former employer twice the employee's

annual salary, plus all costs and attorneys' fees incurred as a result of the violation. This amount is set at twice the employee's annual salary because it is a reasonable estimation of the damages that would occur from such a breach, and it will almost certainly be impossible to calculate precisely the actual damages from such a breach.

10.10 **Insurance.**

Before you open the Unit Franchise and during any Term of this Agreement, you must maintain in force, under policies of insurance written on an occurrence basis issued by financially sound and reputable insurance carriers authorized and licensed to do business in each jurisdiction where you conduct business with a minimum "A" rating from A.M. Best or an equivalent rating from any other comparable insurance ratings bureaus, or other insurance companies of recognized responsibility, and in such amounts as we may determine from time to time: (1) comprehensive public, professional (including but not limited to errors and omissions insurance), product and motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by, or occurring in conjunction with, the operation of the Unit Franchise or otherwise in conjunction with your conduct of the Franchise pursuant to this Agreement, under one or more policies of insurance containing minimum liability coverage amounts as set forth in the Operations Manual; (2) general casualty insurance, including theft, cash theft, fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of the Unit Franchise and its contents, and any other assets of the Unit Franchise; (3) worker's compensation and employer's liability insurance as required by law, with limits equal to or in excess of those required by statute; (4) business interruption insurance for a period adequate to reestablish normal business operations, but in any event not less than six (6) months; (5) any other insurance required by applicable law, rule, regulation, ordinance or licensing requirements; and (6) umbrella liability coverage with limits of not less than $1,000,000/$3,000,000 or such other amounts that we may establish in the Operations Manual. We may periodically increase or decrease the amounts of coverage required under these insurance policies, and/or require different or additional kinds of insurance, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

Each insurance policy must name us (and, if we so request, our members, directors, employees, agents, and affiliates) as additional insureds, and must provide us with thirty (30) days' advance written notice of any material modification, cancellation, or expiration of the policy. Deductibles must be in reasonable amounts and are subject to review and written approval by us. If requested, you must provide us with copies of policies evidencing the existence of such insurance concurrently with the execution of this Agreement and prior to each subsequent renewal date of each insurance policy, along with certificates evidencing such insurance.

Prior to the expiration of the term of each insurance policy, you must furnish us with a copy of a renewal or replacement insurance policy and appropriate certificates of insurance. If you, at any time, fail or refuse to maintain any insurance coverage required by us or to furnish satisfactory evidence thereof, then we, at our option and in addition to our other rights and remedies under this Agreement, may, but need not, obtain such insurance coverage on your behalf, and you shall reimburse us on demand for any costs or premiums paid or incurred by us.

Notwithstanding the existence of such insurance, you are and will be responsible for all loss or damage and contractual liability to third persons originating from, or in connection with, the operation of the Unit Franchise, and for all claims or demands for damages to property or for injury, illness or death of persons directly or indirectly resulting therefrom; and you agree to defend, indemnify and hold us harmless of, from, and with respect to any such claims, loss or damage, which indemnity shall survive the termination or expiration and non-renewal of this Agreement. In addition to the requirements of this Section, you must maintain any and all insurance coverage in such amounts and under such terms and conditions as may be required in connection with your lease or purchase of the Premises.

Your obligation to maintain insurance coverage as described in this Agreement will not be reduced in any manner by reason of any separate insurance we maintain on our own behalf.

10.11 **Business Bank Account.**

You must open and maintain a business bank Account at all times during the operation of the Franchise and provide KeyGlee with the necessary information and authorization to initiate electronic transfers from your Account before or simultaneously with the signing of this Agreement. The services provided by your bank must include incoming and outgoing electronic fund transfers. We may include additional requirements relating to the services to be provided by your bank in the Operations Manual.

11. ADVERTISING.

11.1 By Company.

As stated in Section 6.3, due to the value of advertising and the importance of promoting the public image of Unit Franchises, we may establish, maintain, and administer an Ad Fund to support and pay for national, regional, or local marketing programs that we deem necessary, desirable, or appropriate to promote the goodwill and image of all Unit Franchises. You will contribute to the Ad Fund the Advertising Fee set forth in Section 6.3. We agree that any Unit Franchises owned by us or our affiliates will contribute to the Ad Fund on the same basis as you do.

We will be entitled to direct all advertising programs financed by the Ad Fund, with sole discretion over the creative concepts, materials, and endorsements used in them, and the geographic, market, and media placement and allocation of the programs. You agree that the Ad Fund may be used to pay the costs of preparing and producing video, audio, and written advertising materials; administering multi-regional advertising programs; and providing advertising and marketing materials to Unit Franchises. The Ad Fund will furnish you with approved advertising materials at its direct cost of producing those advertising materials. The amounts you contribute to the Ad Fund may be used for placement of advertising in television, radio, newspaper or other media.

The Ad Fund will be accounted for separately from other funds of the Company, and will not be used to defray any of our general operating expenses, except for any reasonable salaries, administrative costs, and overhead we may incur in activities reasonably related to the

administration of the Ad Fund and its advertising programs (including without limitation conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions to the Ad Fund). We may spend in any fiscal year an amount greater or less than the total contributions to the Ad Fund in that year. We may cause the Ad Fund to borrow from us or other lenders to cover deficits of the Ad Fund, or to invest any surplus for future use by the Ad Fund. You authorize us to collect for remission to the Ad Fund any advertising monies or credits offered by any supplier to you based upon purchases you make. We will prepare an annual statement of monies collected and costs incurred by the Ad Fund and will make it available to you on written request. At this time, we do not intend to have the Ad Fund audited but reserve the right to do so in the future.

You understand and acknowledge that the Ad Fund will be intended to maximize recognition of the Mark(s) and patronage of KeyGlee Franchises. Although we will endeavor to use the Ad Fund to develop advertising and marketing materials, and to place advertising in a manner that will benefit all KeyGlee Franchises, we undertake no obligation to ensure that expenditures by the Ad Fund in, or affecting, any geographic area are proportionate or equivalent to contributions to the Ad Fund by KeyGlee Franchises operating in that geographic area, or that any KeyGlee Franchise will benefit directly or in proportion to its contribution to the Ad Fund from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Section, we assume no direct or indirect liability or obligation to you with respect to the maintenance, direction, or administration of the Ad Fund.

We will have the right to terminate the Ad Fund by giving you thirty (30) days' advance written notice. All unspent monies on date of termination will be divided between the Company and the contributing franchisees in proportion to our and their respective contributions. At any time thereafter, we will have the right to reinstate the Ad Fund under the same terms and conditions as described in this Section (including the rights to terminate and reinstate the Ad Fund) by giving you thirty (30) days' advance written notice of reinstatement.

11.2 **By Franchise Owner.**

On each occasion before you use them, samples of all local advertising and promotional materials not prepared or previously approved by us must be submitted to us for approval. If you do not receive our written disapproval within fifteen (15) days from the date we receive the materials, the materials will be deemed to have been approved. You agree not to use any advertising or promotional materials that we have disapproved. You will be solely responsible and liable to ensure that all advertising, marketing, and promotional materials and activities you prepare comply with applicable federal, state, and local law, and the conditions of any agreements or orders to which you may be subject.

11.3 **Websites.**

You acknowledge and agree that any Website (as defined below) will be deemed "advertising" under this Agreement, and will be subject to, among other things, the need to obtain our prior written approval in accordance with Section 11.2. As used in this Agreement, the term "Website" means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate, and that refers to the

Franchise, the Mark(s), us, and/or the System. The term Website includes, but is not limited to, Internet, World Wide Web pages and social media pages. In connection with any Website, you agree to the following:

(a) You must use the services of our approved provider to design and establish your website.

(b) You will not establish or use any Website to market your Unit Franchise without our prior written approval in accordance with Section 11.2. We may revoke our approval of previously approved advertising at any time by sending you notice of the revocation. You must cease to use the revoked advertising immediately upon receipt of our notice.

(c) In addition to any other applicable requirements, you will comply with our standards and specifications for Websites as we prescribe in the Operations Manual or otherwise in writing. If we require, you will establish your Website as part of our Website and/or establish electronic links to our Website.

(d) If you propose any material revision to the Website or any of the information contained in the Website, you will submit each such revision to us for our prior written approval in accordance with Section 11.2.

(e) As a Unit Franchise owner, you agree to let us use your name, image, and likeness on any Website we establish at our sole discretion.

12. **ACCOUNTING, REPORTS AND FINANCIAL STATEMENTS**.

You agree to maintain, at your own expense, accounting and business-management software, which will act as a record keeping system for the Unit Franchise (the "Software"). We require you to provide us with login credentials and full remote access to your accounting software, customer relationship management software, and other record keeping software. With respect to the operation and financial condition of the Unit Franchise, you agree to submit to us: (1) by the tenth (10th) day of each month, an electronic report of the Unit Franchise's transactions for the preceding month, and any other data, information, and supporting records that we may require; (2) by the tenth (10th) day of each month, a profit and loss statement for the preceding calendar month, and a year-to-date profit and loss statement and balance sheet; (3) within thirty (30) days after the end of your fiscal year, a fiscal year-end balance sheet, and an annual profit and loss statement for that fiscal year, reflecting all year-end adjustments; and (4) such other reports as we require from time to time (collectively, the "Software Reports"). You agree to input all Unit Franchise transactions into the software tracking system we direct you to use before the monthly deadline to ensure that the Software Reports are accurate. If it is determined that any information was omitted from the Software or input inaccurately, we may charge a non-refundable accounting fee of One Hundred and No/100 Dollars ($100.00), payable in a lump sum by the tenth (10th) day of the month following the month during which the inaccurate report was submitted, in addition to any other remedies provided for in this Agreement. You agree to maintain and furnish upon our request complete copies of federal and state income tax returns you file with the Internal Revenue Service and state tax departments, reflecting revenues and income of the Unit Franchise or the

corporation, partnership, or limited liability company that holds the Unit Franchise. We reserve the right to require you to have audited or reviewed financial statements prepared by a certified public accountant on an annual basis. You agree to retain hard copies of all records for a minimum of four (4) years.

13. **INSPECTIONS AND AUDITS**.

13.1 **Company's Right to Inspect the Franchise.**

To determine whether you and the Unit Franchise are complying with this Agreement and the specifications, standards, and operating procedures we prescribe for the operation of the Unit Franchise, we or our agents have the right, at any reasonable time and without advance notice to you, to: (1) inspect the Premises; (2) observe the operations of the Unit Franchise for such consecutive or intermittent periods as we deem necessary; (3) interview personnel of the Unit Franchise; (4) interview customers of the Unit Franchise; and (5) inspect and copy any books, records and documents relating to the operation of the Unit Franchise. You agree to fully cooperate with us in connection with any of those inspections, observations and interviews. You agree to present to your customers any evaluation forms we periodically prescribe, and agree to participate in, and/or request that your customers participate in, any surveys performed by or on our behalf. Based on the results of any such inspections and audits and your other reports, we may provide to you such guidance and assistance in operating your Unit Franchise as we deem appropriate.

13.2 **Company's Right to Information.**

We reserve the right to obtain copies, either directly from you or from third parties (such as title companies, attorneys (other than your attorneys, if such information is privileged), or others), of any and all documentation relating to each transaction entered into by you in the operation of your Unit Franchise. You agree that we have the right to access such information, and you agree that you will not do anything to interfere with our obtaining such information. Documents and information which we are entitled to receive include, but are not limited to, HUD-1 Settlement Statements, real estate purchase contracts, financing documents, closing documents, and any other documents related to each transaction entered into by you during the operation of your Unit Franchise.

13.3 **Company's Right to Audit.**

We have the right at any time during business hours, and without advance notice to you, to inspect and audit, or cause to be inspected and audited, the business records, bookkeeping and accounting records, sales and income tax records and returns and other records of the Unit Franchise, and the books and records of any corporation, limited liability company, or partnership that holds the Unit Franchise. This includes providing us with login credentials and full remote access to your accounting software. You agree to fully cooperate with our representatives and any independent accountants we may hire to conduct any inspection or audit. If the inspection or audit is necessary because of your failure to furnish any reports, supporting records, other information or financial statements as required by this Agreement, or to furnish such reports, records, information, or financial statements on a timely basis, or if an understatement of Gross Profits for any period is determined by an audit or inspection to be greater than two percent (2%), then you

agree to pay us all monies owed, plus interest at eighteen percent (18%) per annum, and reimburse us for the cost of such inspection or audit, including without limitation any attorneys' fees and/or accountants' fees we may incur, and the travel expenses, room and board, and applicable per diem charges for our employees or contractors. The above remedies are in addition to all our other remedies and rights under this Agreement or under applicable law.

14. **TRANSFER REQUIREMENTS**.

14.1 **Organization.**

If you are a corporation, partnership or limited liability company (or if this Agreement is assigned to a corporation, partnership or limited liability company with our approval), you represent and warrant to us that you are, and will continue to be, throughout the term of this Agreement, duly organized and validly existing in good standing under the laws of the state of your incorporation, registration or organization, that you are qualified to do business and will continue to be qualified to do business throughout the term of this Agreement in all states in which you are required to qualify, that you have the authority to execute, deliver and carry out all of the terms of this Agreement, and that during the term of this Agreement the only business you and your Principal Owners will conduct will be the development, ownership and operation of the Unit Franchise.

14.2 **Interests in Franchise Owner; Reference to Exhibit 4.**

You and each Principal Owner represent, warrant, and agree that all "Interests" in Franchise Owner are owned in the amount and manner described in Exhibit 4. No Interests in Franchise Owner will, during the term of this Agreement, be "public" securities (i.e., securities that require, for their issuance, registration with any state or federal authority). An "Interest" is defined to mean any shares, membership interests, or partnership interests of Franchise Owner and any other equitable or legal right in any of Franchise Owner's stock, revenues, profits, rights or assets. When referring to Franchise Owner's rights or assets, an "Interest" means this Agreement, Franchise Owner's rights under, and interest in, this Agreement, any KeyGlee Franchise, or the revenues, profits or assets of any KeyGlee Franchise. You and each Principal Owner also represent, warrant, and agree that no Principal Owner's Interest has been given as security for any obligation (i.e., no one has a lien on or security interest in a Principal Owner's Interest), and that no change will be made in the ownership of an Interest other than as expressly permitted by this Agreement or as we may otherwise approve in writing. You and each Principal Owner agree to furnish us, at least fourteen (14) days prior to initiating any change, with written notice detailing the proposed change, and its effects on the Interests of Franchise Owner and each of your Principal Owners, including a list of all persons or entities owning any Interest, as defined above, so that we may be assured that such interests and owners remain as permitted by this Agreement. We reserve the right to charge an administrative fee of $1,000.00 for updating our records if there is any change to your Franchise entity, including, but not limited to, change of entity name, change of entity type, change of members, or any other change that requires us to update our records.

14.3 **Transfer by Company.**

This Agreement is fully transferable by us and will inure to the benefit of any person or entity to whom it is transferred, or to any other legal successor to our interests in this Agreement.

14.4 **No Transfer Without Approval.**

You understand and acknowledge that the rights and duties created by this Agreement are personal to you and that we have entered into this Agreement in reliance on the individual or collective character, skill, aptitude, attitude, business ability, and financial capacity of you and your Principal Owners. Accordingly, neither this Agreement nor any part of your interest in it, nor any Interest (as defined in Section 14.2) of Franchise Owner or a Principal Owner, may be Transferred (see definition below) without our advance written approval. In order to attain our approval, you must submit a written proposal of the Transfer to us at least fourteen (14) days prior to initiating any such Transfer. Any Transfer that is made without our approval will constitute a breach of this Agreement and convey no rights to or interests in this Agreement, you, the Franchise, or any other KeyGlee Franchise. Your formal partnership, corporation or other formation documents and all stock certificates, partnership units or other evidence of ownership must recite or bear a legend reflecting the transfer restrictions of this Subsection.

As used in this Agreement the term "Transfer" means any voluntary, involuntary, direct or indirect assignment, sale, gift, exchange, grant of a security interest, or occurrence of any other event which would or might change the ownership of any Interest, and includes, without limitation: (1) the Transfer of ownership of capital stock, partnership interest or other ownership interest; (2) merger or consolidation, or issuance of additional securities representing an ownership interest in Franchise Owner; (3) sale of common stock of Franchise Owner sold pursuant to a private placement or registered public offering; (4) Transfer of an Interest in a divorce proceeding or otherwise by operation of law; or (5) Transfer of an Interest by will, declaration of, or transfer in trust, or under the laws of intestate succession.

We will not unreasonably withhold consent to a Transfer of an Interest by a Principal Owner to a member of his or her immediate family or to your key employees, so long as all Principal Owners together retain a "controlling Interest" (i.e., the minimum ownership percentage listed in Exhibit 4), although we reserve the right to impose reasonable conditions on the Transfer as a requirement for our consent.

14.5 **Conditions for Approval of Transfer.**

If you and your Principal Owners are in full compliance with this Agreement, we will not unreasonably withhold our approval of a Transfer that meets all the applicable requirements of this Section. The person or entity to whom you wish to make the Transfer, or its principal owners ("Proposed New Owner"), must be individuals of good moral character and otherwise meet our then-applicable standards for Franchisees. If you propose to Transfer this Agreement, the Unit Franchise or its assets, or any Interest therein; or if any of your Principal Owners proposes to Transfer a controlling Interest in you or make a Transfer that is one of a series of Transfers which taken together would constitute the Transfer of a controlling Interest in you, then all of the following conditions must be met before or at the time of the Transfer:

(a) The Proposed New Owner must sign a written transfer agreement containing the terms and conditions of the proposed Transfer;

(b) The Proposed New Owner must have sufficient business experience, aptitude, and financial resources to operate the Unit Franchise, in Franchisor's sole discretion;

(c) You must pay any amounts owed for purchases from us and our affiliates, and any other amounts owed to us or our affiliates which are unpaid;

(d) You must delete or destroy any leads received from us off any device that will no longer be owned by the Unit Franchise after completion of the Transfer, and you agree that use by you of any such leads received from us after completion of the Transfer would violate the non-competition provisions of this Agreement;

(e) The Proposed New Owner's members, proposed General Manager, and such other personnel as we may designate must successfully complete our Launch Training, at a location specified by us, no later than 60 days after the Transfer date, and shall be legally authorized and have all licenses necessary to perform the services offered by the Unit Franchise. The Proposed New Owner shall be responsible for any wages and compensation owed to, and the travel and living expenses (including all transportation costs, room, board and meals) incurred by, the attendees who attend the Launch Training;

(f) If your lease for the Premises requires it, the lessor must have consented to the assignment of the lease of the Premises to the Proposed New Owner;

(g) You (or the Proposed New Owner) must pay us a Transfer Fee in the amount of (i) twelve and one-half percent (12.5%) of our then-current Partner Initial Franchise Fee to transfer a Partner Unit Franchise, or (ii) twenty-five percent (25%) of our then-current Associate Initial Franchise Fee to transfer an Associate Unit Franchise; plus the cost of training that we may then charge to new Franchisees, as determined by us in our reasonable discretion, and must reimburse us for any reasonable expenses incurred by us in investigating and processing any Proposed New Owner where the Transfer is not consummated for any reason;

(h) The Proposed New Owner may be required to sign the then-current version of the Franchise Disclosure Document and Franchise Agreement, at our sole and absolute discretion.

(i) You and your Principal Owners and your and their spouses must execute a general release (in a form satisfactory to us) of any and all claims you and/or they may have against us, our affiliates, and our affiliates' respective officers, directors, employees, and agents;

(j) We must approve the material terms and conditions of the proposed Transfer, including without limitation that the price and terms of payment are not so burdensome as to adversely affect the operation of the Unit Franchise;

(k) The Unit Franchise and the Premises shall have been placed in an attractive and neat condition;

(l) You and your Principal Owners must enter into an agreement with us providing that all obligations of the Proposed New Owner to make installment payments of the purchase price (and any interest on it) to you or your Principal Owners will be subordinate to the obligations of the Proposed New Owner to pay any amounts payable under this Agreement or any new Franchise Agreement that we may require the Proposed New Owner to sign in connection with the Transfer;

(m) You and your Principal Owners must enter into a non-competition agreement wherein you agree not to engage in a competitive business for a period of one (1) year after the Transfer and anywhere within your Territory and 7 miles of outside the perimeter of your Territory;

(n) The Unit Franchise shall have been determined by us to contain all equipment and fixtures in good working condition, as were required at the initial opening of the Unit Franchise. The Proposed New Owner shall have agreed, in writing, to make such reasonable capital expenditures to remodel, equip, modernize and redecorate the interior and exterior of the premises in accordance with our then existing plans and specifications for a Unit Franchise, and shall have agreed to pay our expenses for plan preparation or review, and site inspection;

(o) Upon receiving our consent for the Transfer or sale of the Unit Franchise, the Proposed New Owner shall agree to assume all of your obligations under this Agreement in a form acceptable to us, or, at our option, shall agree to execute a new Franchise Agreement with us in the form then being used by us. We may, at our option, require that you guarantee the performance, and obligations of the Proposed New Owner; and

(p) You must have properly offered us the opportunity to exercise our right of first refusal as described below, and we must have then declined to exercise it.

14.6 **Right of First Refusal.**

If you or any of your Principal Owners wishes to Transfer any Interest, we will have a right of first refusal to purchase that Interest as follows. The party proposing the Transfer (the "Transferor") must obtain a bona fide, executed written offer (accompanied by a "good faith" earnest money deposit of at least five percent (5%) of the proposed purchase price) from a responsible and fully disclosed purchaser, and must submit an exact copy of the offer to us. You also agree to provide us with any other information we request to evaluate the offer, if we request it within five (5) business days of receipt of the offer. We have the right, exercisable by delivering written notice to the Transferor within thirty (30) days from the date of last delivery to us of the offer and any other documents we have requested, to purchase the Interest for the price and on the terms and conditions contained in the offer, except that we may substitute cash for any form of payment proposed in the offer, and will not be obligated to pay any "finder's" or broker's fees that are a part of the proposed Transfer. We also will not be required to pay any amount for any claimed value of intangible benefits, for example, possible tax benefits that may result by structuring and/or closing the proposed Transfer in a particular manner or for any consideration payable other than the bona fide purchase price for the Interest proposed to be transferred. (In fact, we may in our sole and absolute discretion withhold consent to any proposed Transfer if the offer directly or indirectly requires payment of any consideration other than the bona fide purchase price for the Interest proposed to be transferred.) Our credit will be deemed equal to the credit of any other proposed purchaser, and we will have at least sixty (60) days to prepare for closing. We will be

entitled to all customary representations and warranties given purchasers in connection with such sales. If the proposed Transfer includes assets not related to the operation of the Unit Franchise, we may purchase only the assets related to the operation of the Unit Franchise or may also purchase the other assets. (An equitable purchase price will be allocated to each asset included in the Transfer.)

If we do not exercise our right of first refusal, the Transferor may complete the sale to the Proposed New Owner pursuant to and on the terms of the offer, as long as we have approved the Transfer and all conditions have been met as provided in this Section 14. You must immediately notify us of any changes in the terms of an offer. Any material change in the terms of an offer before closing will make it a new offer, revoking any previous approval or previously made election to purchase and giving us a new right of first refusal effective as of the day we receive formal notice of a material change in the terms. If the sale to the Proposed New Owner is not completed within ninety (90) days after we have approved the Transfer, our approval of the proposed Transfer will expire. Any later proposal to complete that proposed Transfer will be deemed a new offer, giving us a new right of approval and right of first refusal effective as of the day we receive formal notice of the new (or continuing) proposal. We will not exercise a right of first refusal with respect to a proposed Transfer of less than a controlling interest to a member of a Principal Owner's immediate family or to your key employees.

14.7 **Death and Disability.**

Upon the death or permanent disability of you or a Principal Owner, the executor, administrator, conservator or other personal representative of the deceased or disabled person must Transfer the deceased or disabled person's Interest within a reasonable time, not to exceed ninety (90) days from the date of death or permanent disability, to a person we have approved. Such Transfers, including without limitation transfers by a will or inheritance, will be subject to all the terms and conditions for assignments and Transfers contained in this Agreement. Failure to so dispose of an Interest within the ninety (90) day period of time will constitute grounds for termination of this Agreement.

14.8 **Effect of Consent to Transfer.**

Our consent to a proposed Transfer pursuant to Section 14 will not constitute a waiver of any claims we may have against you or any Principal Owner, nor will it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of this Agreement by the Proposed New Owner.

15. TERMINATION OF THE FRANCHISE.

We have the right to terminate this Agreement effective upon delivery of notice of termination to you, if:

(1) You do not develop or open the Unit Franchise as provided in this Agreement and the Franchise Disclosure Document;

(2) You abandon, surrender, transfer control of, lose the right to occupy the Premises of, or do not actively operate, the Unit Franchise, or your lease for or purchase of the location of the Unit Franchise is terminated for any reason;

(3) You or your Principal Owners assign or Transfer this Agreement, any Interest, the Unit Franchise, or assets of the Unit Franchise without complying with the provisions of Section 14;

(4) You are adjudged a bankrupt, become insolvent or make a general assignment for the benefit of creditors;

(5) You use, sell, distribute or give away any unauthorized services or products, and do not cease the use, sale, or distribution of unauthorized services or products within fifteen (15) days after written notice is given to you;

(6) You fail to maintain a valid license to practice and/or fail to maintain compliance with state regulations and do not cure the failure within twenty (20) days after written notice is given to you;

(7) You or any of your Principal Owners are convicted of or plead no contest to a felony or are convicted or plead no contest to any crime or offense that is likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Mark(s);

(8) You are involved in any action that is likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Mark(s);

(9) You or any of your employees violate any health or safety law, ordinance or regulation, or operate the Unit Franchise in a manner that presents a health or safety hazard to your customers or the public;

(10) You do not pay when due any monies owed to us or our affiliates, and do not make such payment within ten (10) days after written notice is given to you;

(11) You or any of your Principal Owners fail to comply with any other provision of this Agreement or any mandatory specification, standard, or operating procedure within twenty (20) days after written notice of such failure to comply is given to you; or

(12) You or any of your Principal Owners fail on three (3) or more separate occasions within any three (3) year period to submit, when due, any financial statements, reports or other data, information, or supporting records; pay, when due, any amounts due under this Agreement; or otherwise fail to comply with this Agreement, whether or not such failures to comply are corrected after notice is given to you or your Principal Owners.

In addition, if, in the opinion of our legal counsel, any provision of this Agreement is contrary to law, then you and we agree to negotiate in good faith an amendment that would make this Agreement conform to the applicable legal requirements. If you and we are unable to reach such an agreement, or if fundamental changes to this Agreement are required to make it conform

to the legal requirements, then we reserve the right to terminate this Agreement upon notice to you, in which case all of the post-termination obligations set forth in Section 16 shall apply.

In the event of termination of this Agreement under this Section or other applicable provisions of this Agreement, we shall be entitled, in those states in which such termination fees are enforceable, to receive from you a termination fee in the amount equal to twenty-five percent (25%) of our then-current Initial Franchise Fee for new Unit Franchises (the "Termination Fee"). The Termination Fee shall be payable by you in addition to any damages payable to us, including loss of future revenues, resulting from your improper or wrongful breach or other termination of this Agreement. We shall be entitled to recover all costs, including attorneys' fees, incurred in connection with the termination and collection of the Termination Fee.

If you continue to operate the Unit Franchise after termination of this Agreement, in addition to any other right or remedy we may have (including the Termination Fee), you agree to pay to us the amount of Twenty Five Thousand and No/100 Dollars ($25,000.00) for operating the Unit Franchise in violation of this Agreement, plus all costs and attorneys' fees incurred as a result of the violation. This amount is set at Twenty-Five Thousand and No/100 Dollars ($25,000.00) because it is a reasonable estimation of the damages that would occur from such a breach, and it will almost certainly be impossible to calculate precisely the actual damages from such a breach.

16. RIGHTS AND OBLIGATIONS OF COMPANY AND FRANCHISE OWNER UPON TERMINATION OR EXPIRATION OF THE FRANCHISE.

16.1 Payment of Amounts Owed to Company.

You agree to pay us within five (5) business days after the effective date of termination or expiration of the Unit Franchise, or any later date that the amounts due to us are determined, all amounts owed to us or our affiliates which are then unpaid.

16.2 Marks.

You agree that after the termination or expiration of the Unit Franchise you will:

(a) Not directly or indirectly at any time identify any business with which you are associated as a current or former KeyGlee Franchise or Franchisee;

(b) Not use any Mark(s) or any colorable imitation of any Mark(s) in any manner or for any purpose, or use for any purpose any trademark or other commercial symbol that suggests or indicates an association with us;

(c) Return to us or destroy (whichever we specify) all customer lists, forms and materials containing any Mark(s) or otherwise relating to a KeyGlee Franchise, including any and all leads acquired by you through KeyGlee's Buyer, Seller and/or Wholesaler Leads services;

(d) Remove all Mark(s) affixed to uniforms or, at our direction, cease to use those uniforms; and

(e) Take any action that may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark(s).

16.3 **De-Identification.**

If you retain possession of the Premises, you agree to completely remove or modify, at your sole expense, any part of the interior and exterior decor that we deem necessary to disassociate the Premises with the image of a Unit Franchise, including any signage bearing the Mark(s). If you do not take the actions we request within thirty (30) days after notice from us, we have the right to enter the Premises and make the required changes at your expense, and you agree to reimburse us for those expenses on demand.

16.4 **Confidential Information.**

You agree that on termination or expiration of the Unit Franchise you will immediately cease to use any of the Confidential Information, will not download any Confidential Information, including leads from our software systems, to a personal device, account, or software system, will delete and destroy any Confidential Information previously downloaded to a personal device, account, or software system, and agree not to use the Confidential Information in any business or for any other purpose. You further agree to immediately return to us all copies of the Operations Manual and any written Confidential Information or other confidential materials that we have loaned or provided to you.

16.5 **Company's Option to Purchase the Franchise.**

Upon the termination or expiration of the Unit Franchise, we will have the option, but not the obligation, exercisable for thirty (30) days upon written notice to you, to purchase at fair market value all of the assets of the Unit Franchise, including any leads and all approved equipment, fixtures, furniture and signs and all supplies, materials, and other items imprinted with any Mark(s) (the "Assets"), and to take an assignment of the lease for the Premises and any other lease or concession agreement necessary for the operation of the Unit Franchise. If you and we cannot agree on the fair market value of the Assets of the Unit Franchise within a reasonable time, such value shall be determined by an average of the appraisals of two (2) independent appraisers, one of whom will be selected by you and one of whom will be selected by us. If the appraisals differ by more than ten percent (10%), then you and we will mutually agree on a value, or if you and we cannot agree, our appraisers will select a third appraiser whose determination of market value will be final. We shall not assume any liabilities, debts or obligations of the Unit Franchise in connection with any such transfer, and you will indemnify us from any and all claims made against us arising out of any such transfer of the Assets of the Unit Franchise. All parties will comply with all applicable laws in connection with any such transfer, and you agree to cooperate with us in complying with all such requirements.

The closing shall occur within thirty (30) days after we exercise our option to purchase the Assets or such later date as may be necessary to comply with applicable bulk sales or similar laws. At the closing, you and we both agree to execute and deliver all documents necessary to vest title in the purchased Assets and/or real property in us free and clear of all liens and encumbrances, except those assumed by us and/or to effectuate the lease of the Premises. You also agree to provide

us with all information necessary to close the transaction. We reserve the right to assign our option to purchase the Unit Franchise or designate a substitute purchaser for the Unit Franchise. By signing this Agreement, you irrevocably appoint us as your lawful attorney-in-fact with respect to the matters contemplated by Section 16.5, with full power and authority to execute and deliver in your name all documents required to be provided by you under Section 16.5 in the event you do not provide them in a timely and proper manner. You also agree to ratify and confirm all of our acts as your lawful attorney-in-fact, and indemnify and hold us harmless from all claims, liabilities, losses or damages suffered by you in so doing.

Once we give notice that we will purchase the Unit Franchise's Assets, we will have the right to immediately take over the operations of the Unit Franchise. From the date we take over the Unit Franchise to the date of closing of the purchase of the Unit Franchise's Assets, we will be entitled to use any Gross Profits of the Unit Franchise to operate the Unit Franchise, and to retain as a management fee up to ten percent (10%) of the balance of such Gross Profits after operating expenses are paid, plus any additional costs and expenses we may incur.

16.6 **Continuing Obligations.**

All obligations of this Agreement (whether yours or ours) that expressly, or by their nature, survive the expiration or termination of this Agreement will continue in full force and effect after, and notwithstanding, its expiration or termination until they are satisfied in full or, by their nature, expire.

16.7 **Management of the Franchise.**

In the event that we are entitled to terminate this Agreement in accordance with Section 15 above or any other provision of this Agreement, and in addition to any other rights or remedies available to us in the event of such termination, we may, but need not, assume the Unit Franchise's management. All Gross Profits from the Unit Franchise's operation while we assume its management will be kept in a separate account, and all of the Unit Franchise's expenses will be charged to this account. We may charge you (in addition to the Royalty Fee and Advertising Fee contributions due under this Agreement) a reasonable management fee in an amount that we may specify, equal to up to ten percent (10%) of the Unit Franchise's Gross Profits, plus our direct out-of-pocket costs and expenses, if we assume management of the Unit Franchise under this paragraph. We have a duty to utilize only our reasonable efforts in managing the Unit Franchise, and will not be liable to you for any debts, losses, or obligations the Unit Franchise incurs, or to any of your creditors for any products or services the Unit Franchise purchases, while we manage it pursuant to this paragraph.

17. ENFORCEMENT.

17.1 **Invalid Provisions; Substitution of Valid Provisions.**

To the extent that the non-competition provisions of Sections 9.3 or 14.5(j) are deemed unenforceable because of their scope in terms of area, business activity prohibited, or length of time, you agree that any invalid provision will be deemed modified or limited to the extent or manner necessary to make each particular provision valid and enforceable to the greatest extent

possible in light of the intent of the parties expressed in such provision under the laws applied in the forum in which we are seeking to enforce such provisions.

If any lawful requirement or court order of any jurisdiction (1) requires a greater advance notice of the termination or non-renewal of this Agreement than is required under this Agreement, or the taking of some other action which is not required by this Agreement, or (2) makes any provision of this Agreement or any specification, standard, or operating procedure we prescribed invalid or unenforceable, then the advance notice and/or other action required or revision of the specification, standard, or operating procedure will be substituted for the comparable provisions of this Agreement in order to make the modified provisions enforceable to the greatest extent possible. You agree to be bound by the modification to the greatest extent lawfully permitted.

17.2 **Unilateral Waiver of Obligations.**

Either you or we may, by written notice, unilaterally waive or reduce any obligation or restriction of the other party under this Agreement. The waiver or reduction may be revoked at any time for any reason on ten (10) days' written notice.

17.3 **Written Consents from Company.**

Whenever this Agreement requires our advance approval or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing except as it pertains to approval of advertising and website materials which will be governed by Sections 11.2 and 11.3 of this Agreement.

17.4 **Lien.**

To secure your performance under this Agreement and indebtedness for all sums due us or our affiliates, we shall have a lien upon, and you hereby grant us a security interest in, the following collateral and any and all additions, accessions, and substitutions to or for it and the proceeds from all of the same: (a) all inventory now owned or after-acquired by you and the Unit Franchise, including but not limited to, all inventory and supplies transferred to or acquired by you in connection with this Agreement; (b) all accounts of you and/or the Unit Franchise now existing or subsequently arising, together with all interest in you and/or the Unit Franchise, now existing or subsequently arising, together with all chattel paper, documents, and instruments relating to such accounts; (c) all contract rights of you and/or the Unit Franchise, now existing or subsequently arising; and (d) all general intangibles of you and/or the Unit Franchise, now owned or existing, or after-acquired or subsequently arising. You agree to execute such financing statements, instruments, and other documents, in a form satisfactory to us, that we deem necessary so that we may establish and maintain a valid security interest in, and to, these assets.

17.5 **No Guarantees.**

If in connection with this Agreement we provide to you any waiver, approval, consent, or suggestion, or if we neglect or delay our response or deny any request for any of those, then we will not be deemed to have made any warranties or guarantees upon which you may rely, and will not assume any liability or obligation to you.

17.6 **No Waiver.**

If at any time we do not exercise a right or power available to us under this Agreement or do not insist on your strict compliance with the terms of the Agreement, or if there develops a custom or practice that is at variance with the terms of this Agreement, then we will not be deemed to have waived our right to demand exact compliance with any of the terms of this Agreement at a later time. Similarly, our waiver of any particular breach or series of breaches under this Agreement, or of any similar term in any other agreement between us and any other Franchisee will not affect our rights with respect to any later breach. It will also not be deemed to be a waiver of any breach of this Agreement for us to accept payments that are due to us under this Agreement.

17.7 **Cumulative Remedies.**

The rights and remedies specifically granted to either you or us by this Agreement will not be deemed to prohibit either you or us from exercising any other right or remedy provided under this Agreement, or permitted by law or equity.

17.8 **Specific Performance; Injunctive Relief.**

Provided we give you the appropriate notice, we will be entitled, without being required to post a bond, to the entry of temporary and permanent injunctions and orders of specific performance to (1) enforce the provisions of this Agreement relating to your use of the Mark(s) and non-disclosure and non-competition obligations under this Agreement; (2) prohibit any act or omission by you or your employees that constitutes a violation of any applicable law, ordinance, or regulation; constitutes a danger to the public; or may impair the goodwill associated with the Mark(s) or KeyGlee Franchises; or (3) prevent any other irreparable harm to our interests. If we obtain an injunction or order of specific performance, then you shall pay us an amount equal to the total of our costs of obtaining it, including without limitation reasonable attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages we incur as a result of the breach of any such provision. You further agree to waive any claims for damage in the event there is a later determination that an injunction or specific performance order was issued improperly.

17.9 **Mediation.**

Except insofar as we elect to enforce this Agreement or to seek temporary or permanent injunctive relief as provided above, the parties will attempt, in good faith, to resolve promptly through negotiation all controversies, disputes or claims arising between us, our affiliates, and our and their respective owners, officers, directors, agents, and employees (in their representative capacity) and you (and your Principal Owners and guarantors) arising out of or related to: (1) this Agreement, any provision thereof, or any related agreement (except for any lease or sublease with us or any of our affiliates); (2) the relationship of the parties hereto; (3) the validity of this Agreement or any related agreement, or any provision thereof; or (4) any specification, standard or operating procedure relating to the establishment or operation of the Unit Franchise. For such purpose, any party may request the others to meet within fifteen (15) days at a mutually agreed upon time and place. If the parties are not able to conduct a meeting within the said fifteen (15) day period or to resolve the dispute within thirty (30) days after their first negotiating meeting (or

such longer period of time as may be mutually agreed upon), any party may then refer the claim or controversy to non-binding mediation conducted by a reputable and licensed mediator in the Phoenix, Arizona area (the "Mediator") by sending a written mediation request to the other parties (the "Mediation Request"). In the event that a Mediation Request is made, the parties agree to participate in the mediation process. The parties and the Mediator may join in the mediation any other party necessary for a mutually acceptable resolution of the dispute. Should the Mediator at any time be unable or unwilling to serve, the parties shall select a successor Mediator. The mediation procedure shall be determined by the Mediator in consultation with the parties. The fees and expenses of the Mediator shall be borne equally by the parties. Should such mediation efforts fail to resolve the dispute, then the parties are free to seek enforcement of the agreement through any legal means.

17.10 **Waiver of Punitive Damages and Jury Trial; Limitations of Actions.**

Except with respect to your obligations to indemnify us and claims that we may bring under Sections 7, 9, 15, or 16 of this Agreement, and except for claims arising from your non-payment or underpayment of any amounts owed to us or our affiliates, (1) any and all claims arising out of or related to this Agreement or the relationship between you and us shall be barred, by express agreement of the parties, unless an action or proceeding is commenced within two (2) years from the date the cause of action accrues; and (2) you and we hereby waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other, and agree that, except to the extent provided to the contrary in this Agreement, in the event of a dispute between you and us, each party will be limited to the recovery of any actual damages sustained by that party. You and we irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either you or us.

17.11 **Governing Law/Consent To Jurisdiction.**

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and the Unit Franchise will be governed by the internal laws of the State of Arizona (without reference to its choice of law and conflict of law rules), except that the provisions of any Arizona law relating to the offer and sale of business opportunities or franchises or governing the relationship of a franchisor and its franchisees will not apply unless their jurisdictional requirements are met independently without reference to this paragraph. You agree that any action arising out of or relating to this Agreement (which is not required to be arbitrated hereunder or as to which arbitration is waived) shall be brought in any state or federal court of general jurisdiction in Maricopa County, Arizona, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction or venue of such court.

17.12 **Binding Effect.**

This Agreement is binding on, and will inure to the benefit of, our successors and assigns and, subject to the Transfers provisions contained in this Agreement, will be binding on and inure to the benefit of your successors and assigns, and if you are an individual, on and to your heirs, executors, and administrators.

17.13 **No Liability to Others; No Other Beneficiaries.**

We will not, because of this Agreement or by virtue of any approvals, advice or services provided to you, be liable to any person or legal entity that is not a party to this Agreement, and no other party shall have any rights because of this Agreement.

17.14 **Construction.**

All headings of the various Sections of this Agreement are for convenience only, and do not affect the meaning or construction of any provision. All references in this Agreement to masculine, neuter or singular usage will be construed to include the masculine, feminine, neuter or plural, wherever applicable. Except where this Agreement expressly obligates us to reasonably approve or not unreasonably withhold our approval of any of your actions or requests, we have the absolute right to refuse any request by you or to withhold our approval of any action or omission by you. The term "affiliate(s)," as used in this Agreement, is applicable to any company directly or indirectly owned or controlled by you or your Principal Owners, or any company directly or indirectly owned or controlled by us.

17.15 **Joint and Several Liability.**

If two (2) or more persons are the Franchise Owner under this Agreement, their obligation and liability to us shall be joint and several.

17.16 **Multiple Originals.**

This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other parties hereto. This Agreement, once executed by a party, may be delivered to the other parties hereto by facsimile transmission or other electronic means of a copy of this Agreement, bearing the signature of the party so delivering this Agreement.

17.17 **Timing Is Important.**

Time is of the essence of this Agreement. "Time is of the essence" is a legal term that emphasizes the strictness of time limits. In this case, it means it will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement.

17.18 **Independent Provisions.**

The provisions of this Agreement are deemed to be severable. In other words, the parties agree that each provision of this Agreement will be construed as independent of any other provision of this Agreement.

18. **NOTICES AND PAYMENTS**.

All written notices, reports and payments permitted or required under this Agreement or by the Operations Manual will be deemed delivered: (a) at the time delivered by hand; (b) one (1)

business day after transmission by telecopy, facsimile or other electronic system; (c) one (1) business day after being placed in the hands of a reputable commercial courier service for next business day delivery; or (d) three (3) business days after being placed in the U.S. mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and addressed to the party to be notified or paid at its most current principal business address of which the notifying party has been advised, or to any other place designated by either party. Any required notice, payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent.

19. INDEPENDENT PROFESSIONAL JUDGMENT OF YOU AND YOUR GENERAL MANAGER.

You and we acknowledge and agree that the specifications, standards and operating procedures related to the services offered by the Unit Franchise are not intended to limit or replace your or your General Manager's (if any) professional judgment in supervising and performing the services offered by your Unit Franchise. The specifications, standards, and operating procedures represent only the minimum standards, and you and your General Manager (if any) are solely responsible for ensuring that the Unit Franchise performs services in accordance with all applicable requirements and standards of care. Nothing in this Agreement shall obligate you or your General Manager (if any) to perform any act that is contrary to your or your General Manager's (if any) professional judgment; provided, however, that you must notify us immediately upon your determination that any specification, standard or operating procedure is contrary to your or your General Manager's (if any) professional judgment.

20. ENTIRE AGREEMENT.

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchise model and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law. Any provisions of state law applicable to the state where you will operate your franchise are contained in Exhibit 5. This Agreement may be modified only by written agreement signed by both you and us, except that we may modify the Operations Manual at any time, in our sole discretion, as provided herein.

[Remainder of Page Left Intentionally Blank – Signature Page Follows]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Agreement Date.

KEYGLEE FRANCHISE, INC.,
an Arizona corporation

_____

By: Jayden Hunter Runyon
Title: Chief Executive Officer

FRANCHISE OWNER

_____,

a(n) _____

Signature:_____

Name:_____

Title:_____

Signature:_____

Name:_____

Title:_____

Signature:_____

Name:_____

Title:_____

A. EXHIBIT 1

TO THE KEYGLEE FRANCHISE, INC.'S FRANCHISE AGREEMENT

FRANCHISE TYPE, FRANCHISE AGREEMENT EXPIRATION DATE
PROJECTED FRANCHISING OPENING SCHEDULE

1-1 **Type of Franchise**. ☐ Partner Unit Franchise ☐ Associate Unit Franchise

1-2 **Expiration Date**. Unless sooner terminated or renewed in accordance with the provisions of this Agreement, this Agreement will expire on _____.

1-3 **Exclusive Territory**. The Exclusive Territory referred to in Section 2.3 of this Agreement shall be:_____

_____

_____

_____

_____

1-4 **Franchising Opening Schedule**. In signing the foregoing Agreement to which this Exhibit 1 is attached, you acknowledge that:

a. You have purchased the Franchise to which the Agreement corresponds as a KeyGlee Unit Franchise. You will establish this KeyGlee Unit Franchise as a Start-up Franchise.

b. You must attend Launch Training and open your Unit Franchise within 60 days of the Agreement Date, unless you request and receive a written extension of time to open. Potential factors in determining whether an extension will be allowed include whether you intend to operate out of a home office or a commercial space, the number of KeyGlee Franchises you have purchased, and the number of these KeyGlee Franchises that you have developed and opened for business before developing and opening the KeyGlee Unit Franchise to which this Agreement corresponds.

c. You must open the Franchise to which this Agreement corresponds within the following time period (the "Opening Deadline"), subject to the requirements of Section 3, and any other applicable provision of the Agreement:_____

_____

_____

_____

B. EXHIBIT 2

TO THE KEYGLEE FRANCHISE, INC.'S FRANCHISE AGREEMENT

OWNER'S GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Franchise Agreement, dated as of this _____ day of _____, 20__ ("the Agreement"), by and between KeyGlee Franchise, Inc. ("us"), an Arizona corporation, and _____ _____ ("the Franchise Owner"), each of the undersigned owners of the Franchise Owner and their respective spouses ("you," for purposes of this Guaranty only), hereby personally and unconditionally agree to perform and keep during the terms of the Agreement, each and every covenant, obligation, payment, agreement, and undertaking on the part of Franchise Owner contained and set forth in the Agreement. Each of you agree that all provisions of the Agreement relating to the obligations of Franchise Owners, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the Agreement, shall be binding on you.

Each of you waives (1) protest and notice of default, demand for payment or nonperformance of any obligations guaranteed by this Guaranty; (2) any right you may have to require that an action be brought against Franchise Owner or any other person as a condition of your liability; (3) all right to payment or reimbursement from, or subrogation against, the Franchise Owner which you may have arising out of your guaranty of the Franchise Owner's obligations; and (4) any and all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantor.

Each of you consents and agrees that (1) your direct and immediate liability under this Guaranty shall be joint and several; (2) you will make any payment or render any performance required under the Agreement on demand if Franchise Owner fails or refuses to do so when required; (3) your liability will not be contingent or conditioned on our pursuit of any remedies against Franchise Owner or any other person; (4) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to Franchise Owner or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) this Guaranty will continue and be irrevocable during the term of the Agreement and afterward for so long as the Franchise Owner has any obligations under the Agreement.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we will be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of, the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Guaranty, you agree to reimburse us for any of the above-listed costs and expenses incurred by us.

This Guaranty is now executed as of the Agreement Date.

OWNER:	**OWNER'S SPOUSE:**
_____	_____
Name: _____	Name: _____
OWNER:	**OWNER'S SPOUSE:**
_____	_____
Name: _____	Name: _____
OWNER:	**OWNER'S SPOUSE:**
_____	_____
Name: _____	Name: _____

NOTARY PUBLIC

State of)
) ss.
County of)

I,_____, a notary in the State of _____, County of _____, do hereby certify that the foregoing Guaranty and Assumption of Obligations was acknowledged before me this _____ day of _____, _____, by _____ and __ _____ , who is (are) personally known to me or who has (have) produced identification demonstrating his/her identity.

_____
Signature of Person Taking Acknowledgement

My Commission Expires: _____

C. EXHIBIT 3

TO THE KEYGLEE FRANCHISE, INC.'S FRANCHISE AGREEMENT ADDENDUM TO LEASE AGREEMENT

This Addendum to Lease Agreement (this "Addendum"), is entered into effective on this _____ day of _____, 20___, (the "Effective Date") by and between _____, a _____ (the "Lessor"), and _____, a _____ (the "Lessee") (each a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, the Parties hereto have entered into a certain Lease Agreement, dated on the _____ day of _____, 20___ (the "Agreement"), and pertaining to the premises located at _____ (the "Premises");

WHEREAS, Lessor acknowledges that Lessee intends to operate a KeyGlee Unit Franchise from the Premises pursuant to a Franchise Agreement (the "Franchise Agreement") with KeyGlee Franchise, Inc., an Arizona corporation ("Franchisor") under the name KeyGlee or other name designated by Franchisor; and

WHEREAS, the Parties now desire to amend the Lease Agreement in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth and each act done and to be done pursuant hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby represent, warrant, covenant and agree as follows:

1. Remodeling and Decor. The above recitals are hereby incorporated by reference. Lessor agrees that Lessee shall have the right to remodel, equip, paint and decorate the interior of the Premises and to display the proprietary marks and signs on the interior and exterior of the Premises as Lessee is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Lessee may operate a KeyGlee Unit Franchise on the Premises.

2. Assignment. Lessee shall have the right to assign all of its right, title and interest in and to the Lease Agreement to Franchisor or its parent, subsidiary, or affiliate, (including another franchisee) at any time during the term of the Lease, including any extensions or renewals thereof, without first obtaining Lessor's consent, pursuant to the terms of the Collateral Assignment of Lease attached hereto as Exhibit A. However, no assignment shall be effective until such time as Franchisor or its designated affiliate gives Lessor written notice of its acceptance of the assignment, and nothing contained herein or in any other document shall constitute Franchisor or its designated subsidiary or affiliate a party to the Lease Agreement, or guarantor thereof, and shall

not create any liability or obligation of Franchisor or its parent unless and until the Lease Agreement is assigned to, and accepted in writing by, Franchisor or its parent, subsidiary or affiliate. In the event of any assignment, Lessee shall remain liable under the terms of the Lease. Franchisor shall have the right to reassign the Lease to another franchisee without the Landlord's consent in accordance with Section 4(a) below.

3. Default and Notice.

(a) In the event there is a default or violation by Lessee under the terms of the Lease Agreement, Lessor shall give Lessee and Franchisor written notice of the default or violation within ten (10) days after Lessor receives knowledge of its occurrence. If Lessor gives Lessee a default notice, Lessor shall contemporaneously give Franchisor a copy of the notice. Franchisor shall have the right, but not the obligation, to cure the default. Franchisor will notify Lessor whether it intends to cure the default and take an automatic assignment of Lessee's interest as provided in Section 4(a) below. Franchisor will have an additional fifteen (15) days from the expiration of Lessee's cure period in which it may exercise the option to cure, but is not obligated to cure the default or violation.

(b) All notices to Franchisor shall be sent by registered or certified mail, postage prepaid, to the following address:

KeyGlee Franchise, Inc.
1050 W. Washington Street, Suite 133
Tempe, AZ 85281
Attention: Jayden Hunter Runyon
Fax: (480) 579-3913
E-mail: franchise@keyglee.com

Franchisor may change its address for receiving notices by giving Lessor written notice of the new address. Lessor agrees that it will notify both Lessee and Franchisor of any change in Lessor's mailing address to which notices should be sent.

(c) Following Franchisor's approval of the Lease Agreement, Lessee agrees not to terminate, or in any way alter or amend the same during the Initial Term of the Franchise Agreement, or any Interim Period thereof, without Franchisor's prior written consent, and any attempted termination, alteration or amendment shall be null and void and have no effect as to Franchisor's interests thereunder; and a clause to this effect shall be included in the Lease.

4. Termination or Expiration.

(a) Upon Lessee's default and failure to cure the default within the applicable cure period, if any, under either the Lease Agreement or the Franchise Agreement, Franchisor will, at its option, have the right, but not the obligation, to take an automatic assignment of Lessee's interest in the Lease Agreement and at any time thereafter to re-assign the Lease Agreement to a new franchisee without Lessor's consent and to be fully

released from any and all liability to Lessor upon the reassignment, provided the franchisee agrees to assume Lessee's obligations and the Lease Agreement. Upon notice from Franchisor to Lessor requesting an automatic assignment, Lessor will, at the cost of Franchisor, take appropriate actions to secure the leased premises, including but not limited to, changing the locks and granting Franchisor sole rights to the Premises.

(b) Upon the expiration or termination of either the Lease Agreement or the Franchise Agreement (attached), Lessor will cooperate with and assist Franchisor in securing possession of the Premises, and if Franchisor does not elect to take an assignment of the Lessee's interest, Lessor will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Lessor, to remove all signs, awnings, and all other items identifying the Premises as a KeyGlee Unit Franchise, and to make other modifications (such as repainting) as are reasonably necessary to protect the KeyGlee Mark(s) and System, and to distinguish the Premises from a KeyGlee Unit Franchise. In the event Franchisor exercises its option to purchase assets of Lessee or has rights to those through the terms and conditions of any agreement between Lessee and Franchisor, Lessor shall permit Franchisor to remove all the assets being purchased by Franchisor.

5. Consideration; No Liability.

(a) Lessor hereby acknowledges that the provisions of this Addendum are required pursuant to the Franchise Agreement under which Lessee plans to operate its business and Lessee would not lease the Premises without this Addendum. Lessor also hereby consents to the Collateral Assignment of Lease from Lessee to Franchisor as evidenced by Exhibit A.

(b) Lessor further acknowledges that Lessee is not an agent or employee of Franchisor and Lessee has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Lessor has entered into this Addendum with full understanding that it creates no duties, obligations or liabilities of, or against, Franchisor or any affiliate of Franchisor.

6. Sales Reports. If requested by Franchisor, Lessor will provide Franchisor with whatever information Lessor has regarding Lessee's sales from its KeyGlee Unit Franchise.

7. Amendments. No amendment or variation of the terms of the Lease or this Addendum shall be valid unless made in writing and signed by the Parties hereto.

8. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions and covenants of the Lease Agreement shall remain in full force and effect and are incorporated herein by reference and made a part of this Addendum as though copied herein in full.

9. Beneficiary. Lessor and Lessee expressly agree that Franchisor is a third party beneficiary of this Addendum.

IN WITNESS WHEREOF, the Parties have duly executed this Addendum as of the Effective Date.

LESSOR:

_____

By:_____

Name:_____

Its:_____

LESSEE:

_____

By:_____

Name:_____

Its:_____

EXHIBIT A

COLLATERAL ASSIGNMENT OF LEASE

This COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is entered into effective as of the ___ day of _____, 20___ (the "Effective Date"). The undersigned, _____, ("Assignor") hereby assigns, transfers and sets over unto KeyGlee Franchise, Inc., an Arizona corporation ("Assignee") all of Assignor's right, title and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as Exhibit 1 (the "Lease Agreement") with respect to the premises located at _____ (the "Premises"). This Assignment is for collateral purposes only and, except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from, or in connection with, this Assignment unless Assignee shall take possession of the Premises demised by the Lease Agreement pursuant to the terms hereof, and shall assume the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease Agreement and its interest therein and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease Agreement or the Premises.

Upon a default by Assignor under the Lease Agreement or under that certain franchise agreement for a KeyGlee Unit Franchise between Assignee and Assignor ("Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises, expel Assignor therefrom, and, in the event, Assignor shall have no further right, title or interest in the Lease Agreement.

Assignor agrees it will not suffer or permit any surrender, termination, amendment or modification of the Lease Agreement without the prior written consent of Assignee. Through the Initial Term of the Franchise Agreement and any Renewal Period thereof (as defined in the Franchise Agreement), Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease Agreement not less than thirty (30) days before the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease Agreement as stated herein, Assignor hereby irrevocably appoints Assignee as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to exercise the extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting the extension or renewal.

[Remainder of Page Left Intentionally Blank – Signature Page Follows]

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Collateral Assignment of Lease as of the Effective Date.

ASSIGNOR:

_____

By: _____

Name: _____

Its: _____

ASSIGNEE:

KEYGLEE FRANCHISE, INC.,
an Arizona corporation

_____

By: Jayden Hunter Runyon, CEO

D. EXHIBIT 4

TO THE KEYGLEE FRANCHISE, INC.'S FRANCHISE AGREEMENT

OWNERSHIP INTERESTS IN FRANCHISE OWNER

4-1. Full name and address of the owners of, and a description of the type of, all currently held Interests in Franchise Owner:

4-2. Minimum individual and aggregate Principal Owner ownership percentage required at all times during the term of this Agreement:

4-2.1 During the term of this Agreement, the Principal Owners together must have a "controlling interest" (i.e., a ninety percent (90%) "ownership interest" of the equity, voting control and profits) in Franchise Owner.

4-2.2 Unless otherwise permitted, the required minimum "ownership interest" of each Principal Owner during the term of this Agreement is:

Name	Ownership Percentage

EXHIBIT 5 TO THE KEYGLEE FRANCHISE, INC.'S FRANCHISE AGREEMENT

STATE-SPECIFIC ADDENDA

STATE OF CALIFORNIA'S SPECIFIC DISCLOSURE ADDENDUM

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.

Section 31125 of the California Franchise Investment Law requires us to give to you a disclosure document approved by the Commissioner of Financial Protection and Innovation before we ask you to consider a material modification of your Agreement.

Our website address is provided to you on the Cover Page of the Franchise Disclosure Document. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

Item 3 (The disclosures required to be made in Item 3 of this Disclosure Document are supplemented as follows):

Franchisor, persons or franchise brokers disclosed in Item 2 who are 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. 78 a *et seq.*, suspending or expelling such persons from membership in such association or exchange: None – (end of item 3 supplement).

Item 5 (The disclosures required to be made in Item 5 of this Disclosure Document are supplemented as follows):

The Department has determined that either the Franchisor has not demonstrated it is adequately capitalized or that the Franchisor must rely on franchise fees to fund operations. The Commissioner has imposed an impound of initial fees under California Corp. Code section 31113 and 10 C.C.R. sections 310.113 through 310.113.4. All of your initial fees will be placed in an escrow account with Allison-McCloskey Escrow Company. and released to the Franchisor only after Franchisor has completed its pre-opening obligations to you and you are open for business.

Item 17 (The disclosures required to be made in Item 17 of this Disclosure Document are supplemented as follows):

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Agreement contains a provision that is inconsistent with the law, the law will control.

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

The Agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281,

and the Federal Arbitration Act) to any provisions of an agreement restricting venue to a forum outside the State of California.

The Agreement requires application of the laws of another state than the State of California. This provision may not be enforceable under California law.

You must sign a general release of claims if you transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 through 31516). Business and Professions Code Section 30010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043) – (end of item 17 supplement).

No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

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

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF CONNECTICUT'S SPECIFIC DISCLOSURE ADDENDUM

The delivery date of the services to be provided by us is within ninety (90) days of signing the Agreement by you.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF ILLINOIS' SPECIFIC DISCLOSURE ADDENDUM

The conditions under which your franchise can be terminated and your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

The choice of forum and law may be different as provided by the Illinois Franchise Disclosure Act (815 ILCS 7054). In these cases Illinois, forum and law shall control.

For curable defaults, a 30-day time frame generally is considered a reasonable time period for all such cure periods unless the default deals with health or safety issues.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF INDIANA'S SPECIFIC DISCLOSURE ADDENDUM

There will be no indemnification for liability caused by your proper reliance on or use of procedures or materials provided by us or caused by our negligence.

We will not operate a substantially identical business to that of your franchise within your territory regardless of trade name.

The choice of law provision is subject to the superseding provisions of Indiana's Franchise Act, IC 23-2-2.5 and IC 23-2-2.7.

The reservation of right to injunctive relief, any specified remedy or limitation of the remedies available to either party and the release of any rights with regard to the Agreement shall not apply.

An estate has six (6) months to find a transferee or the Agreement can be terminated.

A franchisee will not be required to covenant not to compete with us for a period longer than three (3) years or in an area greater than the exclusive area granted by the Agreement or, in absence of such a provision in the Agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

IC 23-2-2.7-1(1) prohibits us from requiring you (if you are a resident of Indiana or a non-resident who will operate a franchise in Indiana) to purchase goods, supplies, inventories, or services exclusively from us or sources designated by us where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by us. However, the (i) publication by us of a list of approved suppliers of goods, supplies, inventories, or services, (ii) the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by us, and/or (iii) our reasonable right to disapprove a supplier does not constitute designation of a source. This above prohibition does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by us.

IC section 23-2-2.7-1(11) prohibits us from requiring you to participate in any (i) advertising campaign or contest, (ii) promotional campaign, (iii) promotional materials, or (iv) display decorations or materials, at an expense that is indeterminate, determined by a third party, or determined by a formula, unless the Agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that you may be required to pay.

IC 23-2-2.7.1-1(5) prohibits us from requiring you to prospectively assent to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability imposed under the Indiana Franchise Act.

We will not obtain money, goods, services, or any other benefit from any other person with whom you do business, on account of, or in relation to, the transaction between you and the other person, other than for compensation for services rendered by us, unless the benefit is promptly accounted for, and transmitted to you.

IC section 23-2-2.7-1(11) prohibits us from requiring you to participate in any (i) advertising campaign or contest, (ii) promotional campaign, (iii) promotional materials, or (iv) display decorations or materials, at an expense that is indeterminate, determined by a third party, or determined by a formula, unless the Agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that you may be required to pay.

IC section 23-2-2.7-1(7) prohibits the Agreement from permitting unilateral termination of your franchise if termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the Agreement.

IC section 23-2-2.7-1(8) prohibits us from failing to renew your Agreement without good cause or in bad faith. This provision does not prohibit your Agreement from providing that it is not renewable upon expiration, or that renewal is conditioned upon your meeting certain conditions specified in the Agreement.

IC section 23-2-2.7-1(10) prohibits the Agreement from limiting litigation brought for breach of the Agreement in any manner whatsoever.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF MARYLAND'S SPECIFIC DISCLOSURE ADDENDUM

The provisions in the Agreement relating to the general release that is required as a condition of renewal, sale and assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The provisions in Section 15 of the Franchise Agreement which provide for termination of the franchise upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. § 101 et seq.).

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

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF MICHIGAN'S SPECIFIC DISCLOSURE ADDENDUM

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:

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

A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into an agreement, from settling any and all claims.

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 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.

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.

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.

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.

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:

> The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
>
> The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
>
> The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
>
> The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the agreement existing at the time of the proposed transfer.

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 agreement and has failed to cure the breach in the manner provided in subdivision (c).

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, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations 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 enforcement by the Attorney General.

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48909
Telephone Number: (517) 373-1110

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____
By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF MINNESOTA'S SPECIFIC DISCLOSURE ADDENDUM

These franchises have been registered under the Minnesota Franchise Act. Registration does not constitute approval, recommendation or endorsement by the Commissioner of Commerce of Minnesota or a finding by the Commissioner that the information provided herein is true, complete and not misleading.

The Minnesota Franchise Act makes it unlawful to offer or sell any franchise in this state which is subject to registration without first providing to the prospective franchisee, at least seven days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, whichever occurs first, a copy of this public offering statement, together with a copy of all proposed agreements relating to the franchise.

This public offering statement contains a summary only of certain material provisions of the agreement. The contract or agreement should be referred to for an understanding of all rights and obligations of both the franchisor and the franchisee.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subdivisions 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Agreement.

We will protect your right to use the Mark(s), trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

You do not consent to us obtaining injunctive relief. However, you agree that we may seek injunctive relief. See Minn. Rules 2860.4400J.

Minnesota Rule part 2860.4400D prohibits requiring a franchisee to assent to a release, assignment, novation, or waiver that would relieve any person of liability imposed by the Minnesota Franchise Law, provided that this rule shall not bar the voluntary settlement of disputes.

We will not require you to assent to liquidated damages. Liquidated damage provisions are void.

Minn. Rule Part 2860.4400J prohibits you from waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minn. Rule 2860.4400J prohibits waiver of a jury trial. If any portion of the Franchise Disclosure Document or the Agreement provides for a waiver of jury trial, Minnesota law will control.

The Limitations of Claims section of the Franchise Disclosure Document must comply with Minnesota Statutes, Section 80C.17, Subd. 5. If any portion of the Franchise Disclosure Document or the Agreement is contrary to Minnesota Statutes, Section 80C.17, Subd. 5, Minnesota law will control.

The Minnesota Department of Commerce requires us to defer collection of initial franchise fees and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement or other agreements have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement. The Minnesota Department of Commerce has imposed the deferral requirement because of the franchisor's financial condition.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF NEW JERSEY'S SPECIFIC DISCLOSURE ADDENDUM

Liquidated damages are void if unreasonable under the totality of the circumstances, including whether a statute governs the relationship and concerns liquidated damages clauses; and the common practice in the industry.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF NEW YORK'S SPECIFIC DISCLOSURE ADDENDUM

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

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

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

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

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

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

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

   D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, state, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the securities and exchange act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective rev. March 17, 2021 2 injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

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

   Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF NORTH DAKOTA'S SPECIFIC DISCLOSURE ADDENDUM

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

Situs of Arbitration Proceedings: An agreement providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

Applicable Laws: An agreement that specifies that it is to be governed by the laws of a state other than North Dakota.

Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

General Release: An agreement that requires the franchisee to sign a general release upon renewal of the Agreement.

Limitation of Claims: An agreement that requires the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

Enforcement of Agreement: An agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Any contrary provision in this Agreement or the Franchise Disclosure Document will be void.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF RHODE ISLAND'S SPECIFIC DISCLOSURE ADDENDUM

Section 19-28.1-14 of the Rhode Island franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF SOUTH DAKOTA'S SPECIFIC DISCLOSURE ADDENDUM

You will receive thirty (30) days written notice with an opportunity to cure a breach of the Agreement, failure to meet performance and quality standard and failure to make royalty payments before termination.

Covenants not to compete upon termination or expiration of the Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.

Liquidated damage provisions are void.

Pursuant to SDCL 37-5B, any condition, stipulation or provision of the Agreement purporting to waive compliance with any provision of this chapter or any rule or order thereunder is void. Any acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in an agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter.

Any provision in an agreement that designates jurisdiction or venue or requires you to agree to jurisdiction or venue to a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in the State of South Dakota.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, the Agreement will be and remain subject to the application, construction, enforcement and interpretation under the governing law listed in the Governing Law section of the Agreement.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF VIRGINIA'S SPECIFIC DISCLOSURE ADDENDUM

Additional Disclosure. The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the 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.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF WASHINGTON'S SPECIFIC DISCLOSURE ADDENDUM

The state of Washington has a statute, RCW 19.100.180 that may supersede the Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions that may supersede the Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

If any of the provisions of this Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investor Protection Act (the "Act"), the provisions of the Act will prevail over the inconsistent provisions of the Agreement with regard to any franchise sold in Washington.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of law, the provision of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by you shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

The State of Washington's Department of Financial Institutions, Securities Division, requires us to defer payment of the initial franchise fee and other initial payments owed by franchisee to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

STATE OF WISCONSIN'S SPECIFIC DISCLOSURE ADDENDUM

The Wisconsin Fair Dealership Law applies to most, if not all, agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void. The Wisconsin Fair Dealership Law supersedes any provisions contained in the franchise or license agreement that are inconsistent with that Law.

Executed as of the Agreement Date

Franchisor: KeyGlee Franchise, Inc.

_____

By: Jayden Hunter Runyon, CEO

Franchise Owner:_____

_____

By:_____

Its:_____

ADDITIONAL STATE PROVISIONS

These states have statutes which may supersede the Agreement in your relationship with us, including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code Sections 2551-2556], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [ILCS, Ch.815, Sections 705/1-705/44], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-11], SOUTH DAKOTA [Codified Laws Section 37-5B], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03].

These states have statutes which limit our ability to restrict your activity after the Agreement has ended: California Business and Processions Code Section 16,600, Florida Statutes Section 542.33, Michigan Complied Laws Section 445.772 et seq., Montana Codes Section 30-14-201, North Dakota Century Code Section 9-08-06, Oklahoma Statutes Section 15-217-19, Washington Code Section 19.86.030. Other states have court decisions limiting our ability to restrict your activity after the Agreement has ended.

A provision in the Agreement which terminates the franchise upon the bankruptcy of the franchise may not be enforceable under Title 11, United States Code Section 101.

The following states have statutes which restrict or prohibit the imposition of liquidated damage provisions: California [Civil Code Section 1671], Indiana [1C 23-2-2.7-1(10)], Minnesota [Rule 2860.4400J], South Dakota. State courts also restrict the imposition of liquidated damages. The imposition of liquidated damages is also restricted by fair practice laws, contract law and state and federal court decisions.

If any provision of your Agreement violates any of these provisions then that specific provision may not apply to franchisees located in that particular state.

For franchises located in any state not specifically mentioned, if any provision of this Agreement violates the provision of any state law, then that specific provision may not apply to franchisees located in that particular state.

EXHIBIT C

FRANCHISE OPERATIONS MANUAL

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EXHIBIT D

FINANCIAL STATEMENTS

PRICE KONG
CPAs • Consultants

KEYGLEE FRANCHISE, INC.

FINANCIAL STATEMENTS

December 31, 2023

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PRICE KONG
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
KeyGlee Franchise, Inc.
Tempe, Arizona

Opinion

We have audited the financial statements of KeyGlee Franchise, Inc. (a wholly-owned subsidiary of KeyGlee, LLC) (the "Company"), which comprise the balance sheet as of December 31, 2023, and the related statements of income, stockholders' equity, and cash flows for the year then ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of KeyGlee Franchise, Inc. as of December 31, 2023, and the results of its operations and its cash flows for the year then ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Price, Kong & Co., CPA's, P.A.
Phoenix, Arizona
October 2, 2024

KeyGlee Franchise, Inc.
Balance Sheet
December 31, 2023

ASSETS

Current Assets		
Cash	$	48,588
Accounts receivable		180,436
Prepaids and other current assets		18,482
Notes receivable		50,641
Interest receivable		3,579
Due from related parties		428,460
Note receivable, related party		18,100
Total Current Assets		748,286
Non-Current Assets		
Deferred tax asset		181,000
Property and equipment, net		27,941
Total Non-Current Assets		208,941
Total Assets	$	957,227

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts payable	$	283,405
Accrued liabilities		124,497
Due to related parties		246,934
Income tax payable		50
Total Current Liabilities		654,886
Stockholders' Equity		
Common stock, no par value, 100,000 shares authorized and issued		20,000
Additional paid-in capital		11,500
Retained earnings		270,841
Total Stockholders' Equity		302,341
Total Liabilities and Stockholders' Equity	$	957,227

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

KeyGlee Franchise, Inc.
Statement of Income
For the Year Ended December 31, 2023

Revenues, net		
Royalty	$	2,476,098
Initial franchise fees		460,000
Franchise transfer fee		50,050
Franchise termination fee		22,432
Software stack		103,423
Vendor rebate		57,366
Discounts		(5,262)
Total revenues, net		3,164,107
Operating Expenses		
Payroll and payroll related expenses		3,065,431
Software		357,635
Bad debt expense		305,987
Professional services		209,527
Health insurance		76,658
Marketing		39,548
Office expense		28,145
Travel, meals, and entertainment		26,037
Depreciation		14,385
Bank fees		6,350
Legal and professional		2,528
Insurance		1,000
Education & training		962
Other operating expenses		7,609
Total Operating Expenses		4,141,802
Loss from Operations		(977,695)
Other Income		
Late fees		71,258
NSF fees		2,300
Interest income		38,878
Credit card redemptions income		5,609
Other income		114,071
		232,116
Loss Before Provision for Income Tax		(745,579)
Benefit from Income Tax		(184,776)
Net Loss	$	(560,803)

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

KeyGlee Franchise, Inc.
Statement of Stockholders' Equity
For the Year Ended December 31, 2023

	Common Stock		Additional Paid-in-	Retained	
	Shares	Amount	Capital	Earnings	Total
Balance at December 31, 2022	100,000	$ 20,000	$ 11,500	$ 1,031,644	$ 1,063,144
Dividends	-	-	-	(200,000)	(200,000)
Net loss	-	-	-	(560,803)	(560,803)
Balance at December 31, 2023	$ 100,000	$ 20,000	$ 11,500	$ 270,841	$ 302,341

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

KeyGlee Franchise, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2023

Cash Flows from Operating Activities		
Net loss	$	(560,803)
Adjustments to reconcile net loss to cash provided by operating activities:		
Bad debt expense		305,987
Depreciation		14,385
(Increase) decrease in operating assets:		
Accounts receivable		197,514
Prepaid expenses		86,263
Interest receivable		46,722
Due from related parties		(428,460)
Deferred tax asset		(181,000)
Increase (decrease) in operating liabilities:		
Accounts payable		266,313
Accrued liabilities		10,147
Due to related party		(293,937)
Income taxes payable		(184,943)
Deferred revenue		(100,000)
Net Cash Used For Operating Activities		(821,812)
Cash Flows from Investing Activities		
Payments from notes receivable		242,044
Furnitures and fixtures purchase		(10,824)
Payments from note receivable-related party		495,173
Net Cash Provided by Investing Activities		726,393
Cash Flows from Financing Activities		
Dividends		(200,000)
Net Cash Used for Financing Activities		(200,000)
Net Change in Cash		(295,419)
Cash - Beginning of Year		344,007
Cash - End of Year	$	48,588

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

KeyGlee Franchise, Inc., (the "Company" or "KeyGlee") is an Arizona corporation with headquarters in Tempe, Arizona, and is a wholly-owned subsidiary of KeyGlee, LLC. KeyGlee Franchise, Inc. was incorporated on October 17, 2019. The Company was merged into KeyGlee, LLC on August 31, 2021, through a related party restructuring wherein the former stockholders contributed their interest into the newly formed KeyGlee, LLC. KeyGlee Franchise, Inc. sells franchises that will license the franchisee the right to operate a business under the name "KeyGlee" ("Unit Franchise(s)") with a defined territory. The Company is marketing its franchises across the United States. The KeyGlee model specializes in sourcing undervalued real property, primarily single-family residences, and selling them at a profit. KeyGlee franchisees will pay to the Company a front-end franchise fee to establish the franchise, as well as a royalty fee of 15% or 9% of their gross profit on a monthly basis, in exchange for ongoing support.

Basis of Presentation

The Company presents its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates. Significant estimates include, but are not limited to, the collectability of accounts and notes receivable, the accrual of certain liabilities, income tax provisions, and the recognition of revenues.

Revenue Recognition

Franchise and Royalty Fees

The Company recognizes revenue in accordance with Accounting Standards Codification Topic 606 ("ASC 606"), *Revenues from Contracts with Customers*. Under ASC 606, the Company performs the following steps to recognize revenue:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenue when, or as, the Company satisfies a performance obligation

The Company is a franchisor with revenues consisting of two distinct sources: A) Initial franchise fees from KeyGlee franchisees, received at the time of acquisition of a franchise, and B) Royalties, which are based on a percent of monthly gross profit from the franchisee. Historically, the Company has not allowed any rescissions of franchise fees.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)
The Company has elected the practical expedient under ASC 606 Subtopic 952-606, *Franchisors – Revenues from Contract with Customers*. Under the practical expedient, a franchisor may account for certain pre-opening services as distinct from the franchise license. The pre-opening services can be recognized as a single performance obligation and recognized as revenue upon completion. Management has determined that 100% of the initial franchise fee should be allocated to the pre-opening services. This determination was made in contemplation of the level of pre-opening services made. The Company frequently pays commissions, which are paid to related parties, for referrals of franchisees. Pursuant to the practical expedient these commissions are expensed when the revenues are recognized. The Company also provides on-going support for the franchisees. This is paid for from the monthly royalty fees paid by the franchisees. Currently the franchise royalty fees are at 15 or 9 percent of the monthly gross profit of the franchisee's operations. Royalty fees are recognized at the point in time when they are earned and are recognized monthly.

Cash and Cash Equivalents
All highly liquid instruments with a maturity of three months or less at the time of purchase are considered to be cash equivalents. The Company maintains its cash in bank accounts with financial institutions which at times may exceed the Federal Deposit Insurance Corporation (FDIC) limit of $250,000.

Accounts Receivable
Accounts receivable consist primarily of royalty fees owed to the Company by its franchisees. The Company provides for potentially uncollectible accounts receivable by use of the allowance method. The allowance for doubtful accounts is based upon management's assessment of the collectability of specific customer accounts, the aging of accounts receivable, historical experience, and other available evidence. The Company charges accounts to the allowance when the Company has determined that collection is not likely. Factors considered in reaching this determination include the financial condition of the customer and the success that the Company has had in contacting and negotiating with the customer. For the year ended December 31, 2023, the Company charged off $305,987 receivables that were considered uncollectible.

At December 31, 2023 the Company deemed all accounts were collectible and no allowance was necessary.

Notes Receivable
The Company periodically extends credit terms primarily on initial franchise fees. As of December 31, 2023, the Company had one note receivable from a franchisee that matures in June 2024. The note bears interest at 8% per annum. The notes are collateralized by an interest in the franchisee's personal property and rights of the franchisee.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Notes Receivable (continued)
The Company provides for potentially uncollectible notes receivable by use of the allowance method. The allowance for doubtful accounts is based upon management's assessment of the collectability of specific customer notes, the aging of notes receivable, historical experience, and other available evidence. The Company charges accounts to the allowance when the Company has determined that collection is not likely. Factors considered in reaching this determination include the financial condition of the customer and the success that the Company has had in contacting and negotiating with the customer.

At December 31, 2023 the Company deemed all notes receivable collectible and no allowance was necessary.

Property and Equipment
Property and equipment are recorded at cost. Depreciation is provided for on the straight-line method, over the estimated useful lives of the assets. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Betterments or renewals are capitalized when incurred. Gains and losses on the disposition of property and equipment are recorded in the period incurred. The estimated useful lives of the office and computer equipment is five years.

Income Taxes
Income taxes for the Company (a C Corporation) are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related to temporary differences between the reported amounts of assets and liabilities and their tax basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are also recognized for operating losses that are available to offset future taxable income and tax credits which are available to offset future federal income taxes. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Consideration is given to the recognition and measurement of tax positions that meet a "more-likely-than-not" threshold. A tax position is a position taken in a previously filed tax return or a position expected to be taken in a future tax return that is reflected in measuring current or deferred income tax assets and liabilities.

The recognition and measurement of tax positions taken for various jurisdictions consider the amounts and probabilities of outcomes that could be realized upon settlement using the facts, circumstances, and information available at the reporting date. The Company has determined that there were no material unrecognized tax benefits or obligations as of December 31, 2023.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising
Advertising and promotion costs are expensed as incurred. Advertising and promotion expenses for the year ended December 31, 2023, was $39,548.

Subsequent Events
Management has evaluated subsequent events through October 2, 2024, which is the date the financial statements were available to be issued.

NOTE 2 – RELATED PARTY TRANSACTIONS

Prior to August 31, 2021, the Company had four shareholders. The Company restructured its ownership on August 31, 2021 to become a wholly owned subsidiary under KeyGlee, LLC, which was formed as a holding company to hold all related entities. The same four shareholders now hold ownership of KeyGlee, LLC, consequently, this is an equity restructuring and not a business combination. The related entities to KeyGlee Franchise, Inc. as of December 31, 2023 are as follows:

KeyGlee, LLC – This entity was formed on August 31, 2021 to be the parent holding company of most of the related entities.

KeyGlee Holdings, Inc. – This entity was formed in May 2018 and provides services similar to the services provided by KeyGlee Franchise, Inc.'s franchisees, just for the corporate entity, KeyGlee, LLC.

KeyGlee Careers, LLC – This entity was formed in April 2020 and employs individuals and leases their time to KeyGlee's related companies.

KeyGlee Capital, LLC – This entity was formed in March 2019 and it is anticipated that KeyGlee Capital, LLC will raise capital for use by KeyGlee franchisees as well as potential competitors of the franchise.

KeyGlee Realty, LLC – This entity was formed in March 2019 and it aims to become a brokerage so that real estate agents can operate under KeyGlee Realty, LLC and participate in traditional real estate and investment opportunities.

GDR Financial, LLC – This entity was formed in March 2016 and aims to provide different funding options to investors looking to purchase properties from KeyGlee Holdings, Inc or its competitors.

Skip Vault, LLC – This entity was formed in June 2019 and provides skip trace services to the franchisees.

NOTE 2 – RELATED PARTY TRANSACTIONS (continued)

There are various affiliated entities under the New Reach label that provide assorted training classes for any parties interested in learning real estate. They also generate a majority of the leads for potential franchisees for KeyGlee Franchise, Inc. and earn a commission for doing so. During the year ended December 31, 2023, entities under the New Reach label were responsible for 100% of the commission fees incurred by the Company.

As of December 31, 2023, the Company owed to related parties $246,934. The Company was owed from related parties $428,460 as of December 31, 2023. The Company also had $18,100 note receivable at zero interest from a related party.

The Company's payroll is processed by KeyGlee Careers, LLC. KeyGlee Careers, LLC then adds an administrative fee and any overhead costs and allocates the employee expense it deems appropriate to the Company. The Company incurred $3,065,431 payroll related expenses for its leased employees to KeyGlee Careers, LLC for the year ended December 31, 2023. As of December 31, 2023, the Company owed $59,510 to KeyGlee Careers, LLC, which is included in accrued liabilities in the accompanying balance sheet.

In addition, KeyGlee Franchise, Inc. operates out of facilities paid for by KeyGlee, LLC and its related entities. No rent is charged to KeyGlee Franchise, Inc. as it is deemed part of the overhead of the KeyGlee Career's charges.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment, net consists of the following as of December 31, 2023:

Fixtures and furniture	$ 63,329
Less: Accumulated depreciation	(35,388)
Net property and equipment	$ 27,941

Depreciation expense for property and equipment was $11,394 for the year ended December 31, 2023.

NOTE 4 – INCOME TAXES

Under Federal law, the Company is a taxable entity and is therefore subject to Federal income tax. The deferred tax asset was $181,000 from an accumulated NOL of $726,640 as of December 31, 2023. Benefit from income tax totaled $184,776 for the year ended December 31, 2023. The effective income tax rate for the Company is approximately 25% for the combined federal and state obligations.

NOTE 5 – STOCKHOLDERS' EQUITY

The Company's Articles of Incorporation authorize the issuance of 100,000 shares of common stock at no par value. Through August 31, 2021, the stock was held by the founders. Effective August 31, 2021, the founders contributed their stock to the parent holding company, KeyGlee, LLC, which is owned by the same four individuals. At December 31, 2023 all authorized stock was issued and outstanding.

NOTE 6 – FRANCHISE ARRANGEMENTS

The franchise agreements provide for the payment of an initial franchise fee of $100,000 upon signing the Franchise Agreement, as well as a monthly gross profit percentage franchise royalty fee of 15% or 9% due on the 10^{th} day of the following month. The Franchise Agreement also allows for a co-op advertising fee to be collected at a variable rate of up to 1% of the gross profit of the franchisees. To date, no such advertising program has been initiated. It is contemplated that any proceeds would be fully expended for advertising, and would not directly benefit the Company.

NOTE 7 – CONCENTRATIONS

For the year ended December 31, 2023, the Company had one related party franchisee that accounted for approximately 29% of total revenue. The same related party franchisee accounted for approximately 71% of accounts receivable as of December 31, 2023.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

In the ordinary course of business various legal proceedings, investigations, government inquiries or claims may arise, including, but not limited to, those relating to regulatory, commercial, and employment matters.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

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Basis of Presentation

The Company presents its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates. Significant estimates include, but are not limited to, the collectability of accounts and notes receivable, the accrual of certain liabilities, income tax provisions, and the recognition of revenues.

Revenue Recognition

Franchise and Royalty Fees

The Company recognizes revenue in accordance with Accounting Standards Codification Topic 606 ("ASC 606"), *Revenues from Contracts with Customers*. Under ASC 606, the Company performs the following steps to recognize revenue:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)
The Company has elected the practical expedient under ASC 606 Subtopic 952-606, *Franchisors – Revenues from Contract with Customers*. Under the practical expedient, a franchisor may account for certain pre-opening services as distinct from the franchise license. The pre-opening services can be recognized as a single performance obligation and recognized as revenue upon completion. Management has determined that 100% of the initial franchise fee should be allocated to the pre-opening services. This determination was made in contemplation of the level of pre-opening services made. The Company frequently pays commissions, which are paid to related parties, for referrals of franchisees. Pursuant to the practical expedient these commissions are expensed when the revenues are recognized. The Company also provides on-going support for the franchisees. This is paid for from the monthly royalty fees paid by the franchisees. Currently the franchise royalty fees are at 15 or 9 percent of the monthly gross profit of the franchisee's operations. Royalty fees are recognized at the point in time when they are earned and are recognized monthly.

Cash and Cash Equivalents
All highly liquid instruments with a maturity of three months or less at the time of purchase are considered to be cash equivalents. The Company maintains its cash in bank accounts with financial institutions which at times may exceed the Federal Deposit Insurance Corporation (FDIC) limit of $250,000.

Accounts Receivable
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At December 31, 2023 the Company deemed all accounts were collectible and no allowance was necessary.

Notes Receivable
The Company periodically extends credit terms primarily on initial franchise fees. As of December 31, 2023, the Company had one note receivable from a franchisee that matures in June 2024. The note bears interest at 8% per annum. The notes are collateralized by an interest in the franchisee's personal property and rights of the franchisee.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Notes Receivable (continued)
The Company provides for potentially uncollectible notes receivable by use of the allowance method. The allowance for doubtful accounts is based upon management's assessment of the collectability of specific customer notes, the aging of notes receivable, historical experience, and other available evidence. The Company charges accounts to the allowance when the Company has determined that collection is not likely. Factors considered in reaching this determination include the financial condition of the customer and the success that the Company has had in contacting and negotiating with the customer.

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Income Taxes
Income taxes for the Company (a C Corporation) are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related to temporary differences between the reported amounts of assets and liabilities and their tax basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are also recognized for operating losses that are available to offset future taxable income and tax credits which are available to offset future federal income taxes. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Consideration is given to the recognition and measurement of tax positions that meet a "more-likely-than-not" threshold. A tax position is a position taken in a previously filed tax return or a position expected to be taken in a future tax return that is reflected in measuring current or deferred income tax assets and liabilities.

The recognition and measurement of tax positions taken for various jurisdictions consider the amounts and probabilities of outcomes that could be realized upon settlement using the facts, circumstances, and information available at the reporting date. The Company has determined that there were no material unrecognized tax benefits or obligations as of December 31, 2023.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising
Advertising and promotion costs are expensed as incurred. Advertising and promotion expenses for the year ended December 31, 2023, was $39,548.

Subsequent Events
Management has evaluated subsequent events through October 2, 2024, which is the date the financial statements were available to be issued.

NOTE 2 – RELATED PARTY TRANSACTIONS

Prior to August 31, 2021, the Company had four shareholders. The Company restructured its ownership on August 31, 2021 to become a wholly owned subsidiary under KeyGlee, LLC, which was formed as a holding company to hold all related entities. The same four shareholders now hold ownership of KeyGlee, LLC, consequently, this is an equity restructuring and not a business combination. The related entities to KeyGlee Franchise, Inc. as of December 31, 2023 are as follows:

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KeyGlee Careers, LLC – This entity was formed in April 2020 and employs individuals and leases their time to KeyGlee's related companies.

KeyGlee Capital, LLC – This entity was formed in March 2019 and it is anticipated that KeyGlee Capital, LLC will raise capital for use by KeyGlee franchisees as well as potential competitors of the franchise.

KeyGlee Realty, LLC – This entity was formed in March 2019 and it aims to become a brokerage so that real estate agents can operate under KeyGlee Realty, LLC and participate in traditional real estate and investment opportunities.

GDR Financial, LLC – This entity was formed in March 2016 and aims to provide different funding options to investors looking to purchase properties from KeyGlee Holdings, Inc or its competitors.

Skip Vault, LLC – This entity was formed in June 2019 and provides skip trace services to the franchisees.

NOTE 2 – RELATED PARTY TRANSACTIONS (continued)

There are various affiliated entities under the New Reach label that provide assorted training classes for any parties interested in learning real estate. They also generate a majority of the leads for potential franchisees for KeyGlee Franchise, Inc. and earn a commission for doing so. During the year ended December 31, 2023, entities under the New Reach label were responsible for 100% of the commission fees incurred by the Company.

As of December 31, 2023, the Company owed to related parties $246,934. The Company was owed from related parties $428,460 as of December 31, 2023. The Company also had $18,100 note receivable at zero interest from a related party.

The Company's payroll is processed by KeyGlee Careers, LLC. KeyGlee Careers, LLC then adds an administrative fee and any overhead costs and allocates the employee expense it deems appropriate to the Company. The Company incurred $3,065,431 payroll related expenses for its leased employees to KeyGlee Careers, LLC for the year ended December 31, 2023. As of December 31, 2023, the Company owed $59,510 to KeyGlee Careers, LLC, which is included in accrued liabilities in the accompanying balance sheet.

In addition, KeyGlee Franchise, Inc. operates out of facilities paid for by KeyGlee, LLC and its related entities. No rent is charged to KeyGlee Franchise, Inc. as it is deemed part of the overhead of the KeyGlee Career's charges.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment, net consists of the following as of December 31, 2023:

Fixtures and furniture	$ 63,329
Less: Accumulated depreciation	(35,388)
Net property and equipment	$ 27,941

Depreciation expense for property and equipment was $11,394 for the year ended December 31, 2023.

NOTE 4 – INCOME TAXES

Under Federal law, the Company is a taxable entity and is therefore subject to Federal income tax. The deferred tax asset was $181,000 from an accumulated NOL of $726,640 as of December 31, 2023. Benefit from income tax totaled $184,776 for the year ended December 31, 2023. The effective income tax rate for the Company is approximately 25% for the combined federal and state obligations.

NOTE 5 – STOCKHOLDERS' EQUITY

The Company's Articles of Incorporation authorize the issuance of 100,000 shares of common stock at no par value. Through August 31, 2021, the stock was held by the founders. Effective August 31, 2021, the founders contributed their stock to the parent holding company, KeyGlee, LLC, which is owned by the same four individuals. At December 31, 2023 all authorized stock was issued and outstanding.

NOTE 6 – FRANCHISE ARRANGEMENTS

The franchise agreements provide for the payment of an initial franchise fee of $100,000 upon signing the Franchise Agreement, as well as a monthly gross profit percentage franchise royalty fee of 15% or 9% due on the 10^{th} day of the following month. The Franchise Agreement also allows for a co-op advertising fee to be collected at a variable rate of up to 1% of the gross profit of the franchisees. To date, no such advertising program has been initiated. It is contemplated that any proceeds would be fully expended for advertising, and would not directly benefit the Company.

NOTE 7 – CONCENTRATIONS

For the year ended December 31, 2023, the Company had one related party franchisee that accounted for approximately 29% of total revenue. The same related party franchisee accounted for approximately 71% of accounts receivable as of December 31, 2023.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

In the ordinary course of business various legal proceedings, investigations, government inquiries or claims may arise, including, but not limited to, those relating to regulatory, commercial, and employment matters.

* * * * * * * * * * * * * * * *

KeyGlee Franchise, Inc.

(A wholly-owned subsidiary of KeyGlee, LLC)

Financial Statements
For the Periods Ended
December 31, 2022, 2021
and 2020

SEMPLE, MARCHAL & COOPER, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

A COMMITMENT TO EXCELLENCE

KEYGLEE FRANCHISE, INC.
FINANCIAL STATEMENTS
For the Years Ended December 31, 2022, 2021 and 2020

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SEMPLE, MARCHAL & COOPER, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

3101 NORTH CENTRAL AVENUE, SUITE 1600, PHOENIX, ARIZONA 85012

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders of
KeyGlee Franchise, Inc.

Opinion

We have audited the financial statements of KeyGlee Franchise, Inc. (a wholly-owned subsidiary of KeyGlee, LLC) (the "Company"), which comprise the balance sheets as of December 31, 2022, 2021 and 2020, and the related statements of operations, changes in stockholders' equity, and cash flows for the years ended December 31, 2022, 2021 and 2020, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of KeyGlee Franchise, Inc. as of December 31, 2022, 2021 and 2020, and the results of its operations and its cash flows for the years ended December 31, 2022, 2021 and 2020 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design the 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Semple, Marchal & Cooper, LLP

Certified Public Accountants

Phoenix, Arizona
September 26, 2023, except for Note 11,
As to which the date is October 13, 2023

KEYGLEE FRANCHISE, INC.
BALANCE SHEETS
DECEMBER 31, 2022, 2021 and 2020

ASSETS

	2022	2021	2020
Assets:			
Current Assets:			
Cash and cash equivalents	$ 344,007	$ 779,625	$ 386,244
Accounts receivable	377,950	372,513	696,376
Prepaids and other current assets	104,745	31,755	1,489
Notes receivable - current portion, net of allowance for doubtful accounts of $0, $195,495 and $0 as of December 31, 2022, 2021 and 2020, respectively	598,672	1,308,900	165,000
Interest receivable	50,301	7,931	-
Loan receivable, related-party	513,273	549,250	-
Total Current Assets	1,988,948	3,049,974	1,249,109
Property and equipment, net	31,502	24,077	-
Notes receivable, long-term portion	-	40,585	64,908
Total Assets	$ 2,020,450	$ 3,114,636	$ 1,314,017

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:			
Current Liabilities:			
Accounts payable	$ 557,963	$ 456,013	$ 132,491
Accrued liabilities	114,350	129,089	114,817
Income taxes payable	184,993	620,240	327,217
Deferred revenue	100,000	560,000	-
Total Current Liabilities	957,306	1,765,342	574,525
Stockholders' Equity:			
Common stock, no par value, 100,000 shares authorized and issued	20,000	20,000	20,000
Additional paid-in capital	11,500	11,500	11,500
Retained earnings (deficit)	1,031,644	1,317,794	707,992
Total Stockholders' Equity	1,063,144	1,349,294	739,492
Total Liabilities and Stockholders' Equity	$ 2,020,450	$ 3,114,636	$ 1,314,017

The Accompanying Notes are an Integral Part
of the Financial Statements

KEYGLEE FRANCHISE, INC.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
Revenues, Net:			
Franchise fees, net	$ 4,155,503	$ 6,425,000	$ 2,140,000
Royalty revenue	2,857,280	2,191,355	140,808
Total Revenues, Net	7,012,783	8,616,355	2,280,808
Cost of Revenues:			
Commissions	1,096,951	1,997,000	411,000
Gross Profit	5,915,832	6,619,355	1,869,808
Operating Expenses	5,382,082	4,301,456	640,154
Income from Operations	533,750	2,317,899	1,229,654
Other Income:			
Interest income	88,746	51,308	300
Other income	138,148	30,286	150
Total Other Income	226,894	81,594	450
Income Before Income Taxes	760,644	2,399,493	1,230,104
Income Tax Expense	(210,482)	(619,841)	(327,217)
Net Income	$ 550,162	$ 1,779,652	$ 902,887

The Accompanying Notes are an Integral Part
of the Financial Statements

KEYGLEE FRANCHISE, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings (Deficit)	Total Stockholders' Equity
Balance at December 31, 2019	100,000	$ 20,000	$ -	$ (2,719)	$ 17,281
Additional paid-in capital	-	-	11,500	-	11,500
Dividends	-	-	-	(192,176)	(192,176)
Net income	-	-	-	902,887	902,887
Balance at December 31, 2020	100,000	20,000	11,500	707,992	739,492
Dividends	-	-	-	(1,169,850)	(1,169,850)
Net Income	-	-	-	1,779,652	1,779,652
Balance at December 31, 2021	100,000	20,000	11,500	1,317,794	1,349,294
Dividends	-	-	-	(836,312)	(836,312)
Net Income	-	-	-	550,162	550,162
Balance at December 31, 2022	100,000	$ 20,000	$ 11,500	$ 1,031,644	$ 1,063,144

The Accompanying Notes are an Integral Part
of the Financial Statements

KEYGLEE FRANCHISE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
Increase (decrease) in cash and cash equivalents:			
Cash flows from operating activities:			
Net income	$ 550,162	$ 1,779,652	$ 902,887
Adjustments to reconcile net income to net cash provided by operating activities:			
Allowance for doubtful accounts/Bad debts	1,490,254	195,495	-
Depreciation	9,803	6,020	5,180
Changes in operating activities:			
Accounts receivable	(471,502)	323,863	(696,376)
Prepaids and other current assets	(72,990)	(30,266)	(1,489)
Notes receivable	(273,376)	(1,315,072)	(229,908)
Interest receivable	(42,370)	(7,931)	-
Accounts payable	101,950	323,522	132,491
Accrued expenses	(14,739)	14,272	114,817
Income taxes payable	(435,247)	293,023	327,217
Deferred revenue	(460,000)	560,000	-
Net cash provided by operating activities	381,945	2,142,578	554,819
Cash flows from investing activities:			
Office and computer purchases	(17,228)	(30,097)	(5,180)
Loan receivable-related party	35,977	(549,250)	-
Net cash provided (used) in investing activities	18,749	(579,347)	(5,180)
Cash flows from financing activities:			
Proceeds from capital contributions	-	-	11,500
Dividends	(836,312)	(1,169,850)	(192,176)
Net cash used in financing activities	(836,312)	(1,169,850)	(180,676)
Increase (decrease) in cash and cash equivalents	(435,618)	393,381	368,963
Cash and cash equivalents, at beginning of period	779,625	386,244	17,281
Cash and cash equivalents, at end of period	$ 344,007	$ 779,625	$ 386,244

The Accompanying Notes are an Integral Part
of the Financial Statements

Note 1
Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

KeyGlee Franchise, Inc., (the "Company" or "KeyGlee") is an Arizona corporation with headquarters in Tempe, Arizona, and is a wholly-owned subsidiary of KeyGlee, LLC. KeyGlee Franchise, Inc. was incorporated on October 17, 2019. The Company was merged into KeyGlee, LLC on August 31, 2021, through a related party restructuring where in the former stockholders contributed their interest into the newly formed KeyGlee, LLC. KeyGlee Franchise, Inc. sells franchises that will license the franchisee the right to operate a business under the name "KeyGlee" ("Unit Franchise(s)") with a defined territory. The Company is marketing its franchises across the United States. The KeyGlee model specializes in sourcing undervalued real property, primarily single-family residences, and selling them at a profit. KeyGlee franchisees will pay to the Company a front-end franchise fee to establish the franchise, as well as a royalty fee of 15% of their gross profit on a monthly basis, in exchange for ongoing support. (See Note 10).

Basis of Presentation

The Company presents its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates. Significant estimates include, but are not limited to, the collectability of accounts and notes receivable, the accrual of certain liabilities, income tax provisions, and the recognition of revenues.

Revenue Recognition

Franchise and Royalty Fees

The Company recognizes revenue in accordance with Accounting Standards Codification Topic 606 ("ASC 606"), *Revenues from Contracts with Customers*. Under ASC 606, the Company performs the following steps to recognize revenue:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenue when, or as, the Company satisfies a performance obligation

The Company is a franchisor with revenues consisting of two distinct sources: A) Initial franchise fees from KeyGlee franchisees, received at the time of acquisition of a franchise, and B) Royalties, which are based on a percent of monthly gross profit from the franchisee. Historically, the Company has not allowed any rescissions of franchise fees. However, in 2023, the Company did rescind one full franchise fee and a partial franchise fee, for total rescissions of $123,497, which is shown net of franchise fee revenue.

Note 1
Nature of Operations and Summary of Significant Accounting Policies (Continued)

Revenue Recognition (continued)

The Company has elected the practical expedient under ASC 606 Subtopic 952-606, *Franchisors – Revenues from Contract with Customers*. Under the practical expedient, a franchisor may account for certain pre-opening services as distinct from the franchise license. The pre-opening services can be recognized as a single performance obligation and recognized as revenue upon completion. Management has determined that 100% of the initial franchise fee should be allocated to the pre-opening services. This determination was made in contemplation of the level of pre-opening services made. The Company frequently pays commissions, which are paid to related parties, for referrals of franchisees. Pursuant to the practical expedient these commissions are expensed when the revenues are recognized. The Company also provides on-going support for the franchisees. This is paid for from the monthly royalty fees paid by the franchisees. Currently the franchise royalty fees are at 15 percent of the monthly gross profit of the franchisee's operations. (See Note 10). Royalty fees are recognized at the point in time when they are earned and are recognized monthly.

Other income includes rebate fees earned from vendors and late fees.

Cash and Cash Equivalents

All highly liquid instruments with a maturity of three months or less at the time of purchase are considered to be cash equivalents.

Accounts Receivable

Accounts receivable consist primarily of royalty fees owed to the Company by its franchisees. The Company provides for potentially uncollectible accounts receivable by use of the allowance method. The allowance for doubtful accounts is based upon management's assessment of the collectability of specific customer accounts, the aging of accounts receivable, historical experience, and other available evidence. The Company charges accounts to the allowance when the Company has determined that collection is not likely. Factors considered in reaching this determination include the financial condition of the customer and the success that the Company has had in contacting and negotiating with the customer.

At December 31, 2022, 2021 and 2020 the Company deemed all accounts were collectible and no allowance was necessary.

Notes Receivable

The Company periodically extends credit terms primarily on initial franchise fees. As of December 31, 2022 the Company had approximately fifty-four notes outstanding from various franchisees. The notes bear interest at 8% per annum and are due over negotiated periods of from one to three years, although they generally are paid monthly over one year. The notes are collateralized by an interest in the franchisee's personal property and rights of the franchisee.

The Company provides for potentially uncollectible notes receivable by use of the allowance method. The allowance for doubtful accounts is based upon management's assessment of the collectability of specific customer notes, the aging of notes receivable, historical experience, and other available evidence. The Company charges accounts to the allowance when the Company has determined that collection is not likely. Factors considered in reaching this determination include the financial condition of the customer and the success that the Company has had in contacting and negotiating with the customer.

At December 31, 2022, 2021 and 2020 the Company deemed an allowance was necessary in the amount of nil, $195,495 and nil, respectively.

Note 1
Nature of Operations and Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided for on the straight-line method, over the estimated useful lives of the assets. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Betterments or renewals are capitalized when incurred. Gains and losses on the disposition of property and equipment are recorded in the period incurred. The estimated useful lives of the office and computer equipment is five years.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of the differences between the carrying amounts of assets and liabilities and their respective tax bases using enacted tax rates in effect for the year in which the temporary differences are expected to reverse. The effect on deferred taxes of a change in enacted tax rates is recognized in income in the period when the change is effective.

The Company will reduce deferred tax assets by a valuation allowance if, based on the weight of available evidence, it is more likely than not that the deferred tax assets will not be realized. As of December 31, 2022, 2021 and 2020 no deferred tax asset or liability had been recognized.

The Company will recognize interest and penalties accrued related to unrecognized tax benefits, if any, in interest expense and penalties in operating expenses in the period the Company becomes aware of such exposure. The tax returns are subject to audit for approximately the last three years.

After August 31, 2021 the Company became a wholly-owned subsidiary of KeyGlee, LLC, which is filed as a partnership. As KeyGlee Franchise, Inc. is a C-Corporation it will continue to file its return accordingly.

Deferred Revenue

Deferred revenue represents the liability to franchisees for funds received related to the of pre-opening activities under the franchise agreement that have yet to be completed.

Advertising

Advertising and promotion costs are expensed as incurred. Advertising and promotion expenses for the years ended December 31, 2022, 2021 and 2020 were $73,473, $87,640 and $8,222, respectively.

Note 2
Related Party Transactions

Prior to August 31, 2021, the Company had four shareholders. The Company restructured its ownership on August 31, 2021 to become a wholly owned subsidiary under KeyGlee, LLC, which was formed as a holding company to hold all related entities. The same four shareholders now hold ownership of KeyGlee, LLC, consequently, this is an equity restructuring and not a business combination. The related entities to KeyGlee Franchise, Inc. as of December 31, 2022 are as follows:

Note 2
Related Party Transactions (Continued)

KeyGlee, LLC – This entity was formed on August 31, 2021 to be the parent holding company of most of the related entities.

KeyGlee Holdings, Inc. – This entity was formed in May 2018 and provides services similar to the services provided by KeyGlee Franchise, Inc.'s franchisees, just for the corporate entity, KeyGlee, LLC.

KeyGlee Careers, LLC – This entity was formed in April 2020 and employs individuals and leases their time to KeyGlee's related companies.

KeyGlee Capital, LLC – This entity was formed in March 2019 and it is anticipated that KeyGlee Capital, LLC will raise capital for use by KeyGlee franchisees as well as potential competitors of the franchise.

KeyGlee Realty, LLC – This entity was formed in March 2019 and it aims to become a brokerage so that real estate agents can operate under KeyGlee Realty, LLC and participate in traditional real estate and investment opportunities.

GDR Financial, LLC – This entity was formed in March 2016 and aims to provide different funding options to investors looking to purchase properties from KeyGlee Holdings, Inc or its competitors.

Skip Vault, LLC – This entity was formed in June 2019 and provides skip trace services to the franchisees.

There are various affiliated entities under the New Reach label that provide assorted training classes for any parties interested in learning real estate. They also generate a majority of the leads for potential franchisees for KeyGlee Franchise, Inc. and earn a commission for doing so. During the years ended December 31, 2022, 2021 and 2020, entities under the New Reach label were responsible for 100%, 100% and 93%, respectively, of the commission fees incurred by the Company.

During the years ended December 31, 2022, 2021 and 2020, the Company owed to related parties $540,871, $444,301 and $245,289, respectively, which is included in accounts payable, accrued liabilities and income taxes payable, intercompany, in the accompanying balance sheets. The Company paid cash to related parties $988,736, $1,712,375 and $633,786, respectively. The Company reimbursed related parties $82,658, $1,212,950 and $39,120, respectively, for expenses. The Company was owed from a related party $669,082 $634,930 and nil, respectively, which is included in accounts receivable and loan receivable-related party in the accompanying balance sheets. The Company received from related parties $923,076, $974,416 and $55,420, respectively, which related to accounts receivable and loan receivable in the accompanying balance sheets.

Beginning in May 2021, the Company's payroll is processed by KeyGlee Careers, LLC. KeyGlee Careers, LLC then adds an administrative fee and any overhead costs and allocates the employee expense it deems appropriate to the Company. As of December 31, 2022 and 2021, the Company owed $97,612 and $125,242, respectively, which is included in accrued liabilities in the accompanying balance sheets. The Company paid $3,012,593 and $1,850,881 to KeyGlee Careers, LLC related to payroll for its leased employees during the years ended December 31, 2022 and 2021, respectively. From inception to April 2021, KeyGlee, LLC processed the Company's payroll. As of December 31, 2022, 2021 and 2020 the Company paid KeyGlee, LLC, or its predecessors, nil, $882,806 and $374,286 and owed nil, nil and $112,798, respectively, related to payroll expense.

All of the amounts owing to, and due from, related parties are without interest, which includes the loan receivable in the amount of $513,273 and $549,250 as of December 31, 2022 and 2021, respectively. These are all transactions that are short-term in nature.

In addition, KeyGlee Franchise, Inc. operates out of facilities paid for by KeyGlee, LLC and its related entities. No rent is charged to KeyGlee Franchise, Inc. as it is deemed part of the overhead of the KeyGlee Career's charges.

Note 3
Notes Receivable

The Company recorded an allowance for doubtful accounts of nil, $195,495 and nil for the years ended December 31, 2022, 2021 and 2020. The Company ceases accruing interest on the notes if the note goes into default. As of December 31, 2022, future minimum payments on the principal balances outstanding are as follows:

Year Ending December 31,	Amount
2023	$ 598,672
Total	$ 598,672

These notes are secured by the personal guarantee of the respective franchisees.

Note 4
Property and Equipment

Property and equipment, net consists of the following as of December 31, 2022, 2021 and 2020:

	2022	2021	2020
Office and computer equipment	$ 52,505	$ 35,277	$ 5,180
Less: accumulated depreciation	(21,003)	(11,200)	(5,180)
Property and equipment, net	$ 31,502	$ 24,077	$ -

Depreciation expense for property and equipment was $9,803, $6,020 and $5,180 for the years ended December 31, 2022, 2021 and 2020.

Note 5
Income Taxes

The provision for federal and state income tax expense consist of the following for the years ended December 31, 2022, 2021 and 2020.

	2022	2021	2020
Current tax expense	$ 210,482	$ 619,841	$ 327,217
Deferred tax expense	-	-	-
Total provision for income taxes	$ 210,482	$ 619,841	$ 327,217

The effective income tax rate for the Company is approximately 26% for the combined federal and state obligations.

Note 6
Stockholders' Equity

The Company's Articles of Incorporation authorize the issuance of 100,000 shares of common stock at no par value. Through August 31, 2021, the stock was held by the founders. Effective August 31, 2021, the founders contributed their stock to the parent holding company, KeyGlee, LLC, which is owned by the same four individuals. At December 31, 2022, 2021 and 2020 all authorized stock was issued and outstanding.

Note 7
Franchise Arrangements

The franchise agreements provide for the payment of an initial franchise fee of $100,000 upon signing the Franchise Agreement, as well as a monthly gross profit percentage franchise royalty fee of 15% due on the 10th day of the following month. (See Note 10). The Franchise Agreement also allows for a co-op advertising fee to be collected at a variable rate of up to 1% of the gross profit of the franchisees. To date, no such advertising program has been initiated. It is contemplated that any proceeds would be fully expended for advertising, and would not directly benefit the Company.

Note 8
Concentrations

For the year ended December 31, 2022, the Company had one related party franchisee that accounted for approximately 15% of total revenue. The same related party franchisee accounted for approximately 19% of accounts receivable as of December 31, 2022.

For the year ended December 31, 2021, the Company had no concentrations.

For the year ended December 31, 2020, the Company had one franchisee that accounted for approximately 51% of total revenue. The same franchisee accounted for approximately 88% of total accounts receivable as of December 31, 2020.

The Company maintains cash balances at one financial institution. At various times, the amount on deposit in the institution may exceed the $250,000 federally insured limit. As of December 31, 2022, 2021 and 2020 cash balances on deposit at this bank exceeded federally insured limits by approximately $83,000, $530,000 and $136,000. The Company has not experienced any losses related to these balances.

Note 9
Commitments and Contingencies

In the ordinary course of business various legal proceedings, investigations, government inquiries or claims may arise, including, but not limited to, those relating to regulatory, commercial, and employment matters.

During the year ended December 31, 2022, the Company agreed to refund certain amounts to two franchisees who requested abatements related to their franchise agreements. As of December 31, 2022, there is no threatened or pending litigation against the Company, although the company has entered into one mediation agreement with a franchisee. There is no accrual for any potential negative outcome as of December 31, 2022 in regards to the mediation, nor does management anticipate any material negative outcome.

Note 10
Subsequent Events

Management has evaluated subsequent events through October 13, 2023, which is the date the financial statements were available to be issued.

Subsequent to the year end, management has decided to reduce the franchise royalty fee from 15% of the franchise monthly gross profit to 9%. The change will be effective as of September 1, 2023, and will apply to all existing, as well as new franchisees.

Note 11
Reissuance

Management has determined that the amounts originally shown as allowance for bad debts in the amounts of $466,065 against accounts receivable and $1,219,684 against notes receivable in the original issuance will not be collectable and the reserve should be directly charged against the respective accounts and notes receivable. The change had no material effect on the financial position or operations of the Company.

KeyGlee Franchise, Inc.

Unaudited

Balance Sheet

As of August 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	$15,138.96
Accounts Receivable	$215,852.30
Other Current Assets	$262,074.67
Total Current Assets	$493,065.93
Fixed Assets	$29,005.15
Other Assets	$0.00
TOTAL ASSETS	$522,071.08
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	$1,249,183.76
Total Liabilities	$1,249,183.76
Equity	$ -727,112.68
TOTAL LIABILITIES AND EQUITY	$522,071.08

KeyGlee Franchise, Inc. Unaudited

Profit and Loss

January - August, 2024

	TOTAL
Income	$1,305,851.28
GROSS PROFIT	$1,305,851.28
Expenses	$2,302,865.20
NET OPERATING INCOME	$ -997,013.92
Other Income	$21,446.13
Other Expenses	$ -14,089.79
NET OTHER INCOME	$35,535.92
NET INCOME	$ -961,478.00

KeyGlee Franchise, Inc.

Unaudited

Statement of Cash Flows

January - August, 2024

	TOTAL
OPERATING ACTIVITIES	
Net Income	-961,478.00
Adjustments to reconcile Net Income to Net Cash provided by operations:	**891,056.49**
Net cash provided by operating activities	**$ -70,421.51**
INVESTING ACTIVITIES	**$ -3,133.82**
FINANCING ACTIVITIES	**$40,106.20**
NET CASH INCREASE FOR PERIOD	**$ -33,449.13**
Cash at beginning of period	48,588.09
CASH AT END OF PERIOD	**$15,138.96**

EXHIBIT E

CONFIDENTIALITY/NONDISCLOSURE AGREEMENT

CONFIDENTIALITY/NONDISCLOSURE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between KeyGlee Franchise Inc., an Arizona corporation, (hereinafter referred to as "the Company") and _____, whose address is _____ (hereinafter referred to as "Prospective Franchisee") and each owner of Prospective Franchisee and his or her spouse (individually, an "Owner," and collectively, the "Owners") (collectively, Franchisor, Franchisee, and Owners are referred to hereinafter as the "Parties").

WITNESSETH THAT:

WHEREAS, Prospective Franchisee desires to obtain certain confidential and proprietary information from the Company for the sole purpose of inspecting and analyzing said information in an effort to determine whether to purchase a franchise from the Company; and

WHEREAS, the Company is willing to provide such information to Prospective Franchisee for the limited purpose and under the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

1. DEFINITION. "Confidential Information" is used herein to mean all information, documentation and devices disclosed to or made available to Prospective Franchisee by the Company, whether orally or in writing, as well as any information, documentation or devices heretofore or hereafter produced by Prospective Franchisee in response to or in reliance on said information, documentation and devices made available by the Company.

2. TERM. The parties hereto agree that the restrictions and obligations of Paragraph 4 of this Agreement shall be deemed to have been in effect from the commencement on the _____ day of _____, 20____, of the ongoing negotiations between Prospective Franchisee and the Company and continue in perpetuity until disclosed by the Company.

3. TRADE SECRET ACKNOWLEDGEMENT. Prospective Franchisee acknowledges and agrees the Confidential Information is a valuable trade secret of the Company and that any disclosure or unauthorized use thereof will cause irreparable harm and loss to the Company.

4. TREATMENT OF CONFIDENTIAL INFORMATION. In consideration of the disclosure to Prospective Franchisee of Confidential Information, Prospective Franchisee agrees to treat Confidential Information in confidence and to undertake the following additional obligations with respect thereto:

(a) To use Confidential Information for the sole purpose of inspecting and analyzing the information in an effort to determine whether to purchase a franchise from the Company and solely in its operation of the Company Franchise;

(b) Not to disclose Confidential Information to any third party;

(c) To limit dissemination of Confidential Information to only those of Prospective Franchisee's officers, directors and employees who have a need to know to perform the limited tasks set forth in Item 4 (a) above; and who have agreed to the terms and obligations of this Agreement by affixing their signatures hereto;

(d) Not to copy Confidential Information or any portions thereof; and

(e) To return Confidential Information and all documents, notes or physical evidence thereof, to the Company upon a determination that Prospective Franchisee no longer has a need therefor, or a request therefor, from the Company, whichever occurs first.

5. SURVIVAL OF OBLIGATIONS. The restrictions and obligations of this Agreement shall survive any expiration, termination or cancellation of this Agreement and shall continue to bind Prospective Franchisee, his heirs, successors and assigns in perpetuity.

6. NEGATION OF LICENSES. Except as expressly set forth herein, no rights to licenses, expressed or implied, are hereby granted to Prospective Franchisee as a result of or related to this Agreement.

7. APPLICABLE LAW. This Agreement shall be construed and enforced in accordance with the laws of the State of Arizona.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed.

FRANCHISOR:

KEYGLEE FRANCHISE INC.

_____

By: Jayden Hunter Runyon
Its: Chief Executive Officer

FRANCHISE OWNER:

_____

_____

By:_____

Its:_____

[Remainder of Page Left Intentionally Blank – Signature of Owners Follows]

OWNERS OF PROSPECTIVE FRANCHISEE:

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date:	, 20

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date:	, 20

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date:	, 20

[Remainder of Page Left Intentionally Blank – Signature of Owners Continues]

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

EXHIBIT F

OWNER'S GUARANTY AND ASSUMPTION OF OBLIGATIONS

OWNER'S GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Franchise Agreement, dated as of this _____ day of _____, 20__ (the "Agreement"), by and between KeyGlee Franchise Inc., an Arizona corporation ("we" or "us") and _____ ("the Franchisee"), each of the undersigned owners of the Franchisee and their respective spouses ("you," for purposes of this Guaranty only), hereby personally and unconditionally agree to perform and keep during the terms of the Agreement, each and every covenant, obligation, payment, agreement, and undertaking on the part of the Franchisee contained and set forth in the Agreement (the "Guaranty"). Each of you agree that all provisions of the Agreement relating to the obligations of the Franchisee, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the Agreement, shall be binding on you.

Each of you waives (1) protest and notice of default, demand for payment or nonperformance of any obligations guaranteed by this Guaranty; (2) any right you may have to require that an action be brought against the Franchisee or any other person as a condition of your liability; (3) all right to payment or reimbursement from, or subrogation against, the Franchisee which you may have arising out of your guaranty of the Franchisee's obligations; and (4) any and all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantor.

Each of you consents and agrees that (1) your direct and immediate liability under this Guaranty shall be joint and several; (2) you will make any payment or render any performance required under the Agreement on demand if the Franchisee fails or refuses to do so when required; (3) your liability will not be contingent or conditioned on our pursuit of any remedies against the Franchisee or any other person; (4) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to the Franchisee or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) this Guaranty will continue and be irrevocable during the term of the Agreement and afterward for so long as the Franchisee has any obligations under the Agreement.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we will be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Guaranty, you agree to reimburse us for any of the above-listed costs and expenses incurred by us.

[Remainder of Page Left Intentionally Blank – Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Guaranty to be duly executed.

OWNERS OF FRANCHISEE:

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20	

[Remainder of Page Left Intentionally Blank – Signature of Owners Continues]

_____	Owner's Residential Address:	Owner's % Ownership of Franchisee:
Signature of Owner	_____	
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

_____	Owner's Residential Address:	Owner's % Ownership of Franchisee:
Signature of Owner	_____	
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

_____	Owner's Residential Address:	Owner's % Ownership of Franchisee:
Signature of Owner	_____	
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

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NOTARY PUBLIC

STATE OF _____)
) ss.
COUNTY OF _____)

I, _____, do hereby certify that the foregoing Owner's Guaranty and Assumption of Obligations was acknowledged before me this _____ day of _____, _____, by the following person(s):

_____

_____

_____

_____

_____

_____

who is (are) personally known to me or who has (have) produced identification demonstrating his/her identity.

_____
Signature of Person Taking Acknowledgement

SEAL My Commission Expires: _____

EXHIBIT G

LIST OF KEYGLEE FRANCHISE, INC. FRANCHISE OWNERS

KEYGLEE FRANCHISE, INC. Unit Franchises (as of December 31, 2023):

Territory: Los Angeles, California
Equity AZ Homes, LLC
353 N. Sunnyvale Avenue
Gilbert, AZ 85234
480-329-0413

Territory: Los Angeles, California
Prime Home Buyers LLC
231 East Alessandro Blvd. A-285
Riverside, CA 92508
562-293-2806

Territory: Los Angeles, California
SoCal 5 LLC
327 Salta Verde Point
Long Beach, CA 90803
323-842-6222

Territory: Los Angeles, California
No Bad Days Real Estate, Inc.
1812 Evelyn Cir.
Colton, CA 92324
909-224-1153

Territory: San Bernardino, California
No Bad Days Real Estate, Inc.
1812 Evelyn Cir.
Colton, CA 92324
909-224-1153

Territory: San Francisco, California
D & C Capital Partners
22620 N. Samra Hayer Lane
Acampo, CA 95220
415-384-5943

Territory: Colorado Springs, Colorado
Clayter Investments
1532 West Comstock Dr.
Chandler, AZ 85224
719-624-8349

Territory: Denver, Colorado
5280 Haus, LLC
1553 S Lincoln Street
Denver, CO 80210
831-521-7748

Territory: Denver, Colorado
Next Step Offers
8985 S. Eastern Ave., Ste 100
Las Vegas, NV 89123
702-278-8738

Territory: Denver, Colorado
STING HOMES, LLC
1532 West Comstock Dr.
Chandler, AZ 85224
719-624-5349

Territory: Denver, Colorado
KSW Real Estate, LLC
6299 E 123rd Drive
Denver, CO 80602
303-726-4850

Territory: Denver, Colorado
Peak Real Estate Partners, LLC
11100 Bonita Beach Rd, Suite 108-A
Bonita Beach, FL 34135
770-880-7956

Territory: Fort Myers, Florida
SW Florida Investment Group, LLC
11100 Bonita Beach Rd, Suite 108-A
Bonita Beach, FL 34135
770-880-7956

Territory: Fort Myers, Florida
SWF Ventures, LLC
10800 Corkscrew Rd.
Estero, FL 33928
248-761-1629

Territory: Jacksonville, Florida
Bolton REI, LLC
6751 Langford St.
Jacksonville, FL 32219
707-771-4495

Territory: Jacksonville, Florida
Property Abundance LV LLC
6545 Market Avenue N., Suite 100
North Canton, Ohio 44721
725-215-8199

Territory: Jacksonville, Florida
New Home Investments, LLC
1860 Clarence St.
White Bear Lake, MN 55110
651-564-9522

Territory: Miami, Florida
MJF Investment Group, LLC
2800 W Oakland Park Blvd , #220
Fort Lauderdale, FL 33311
954-231-4064

Territory: Orlando, Florida
SWF Ventures, LLC
15020 Blue Bay Circle
Ft. Myers, FL 33913
239-299-7820

Territory: Tampa, Florida
Grand Slam Deal, LLC
476 Waterford Circle W.
Tarpon Springs, FL 34688
727-505-5320

Territory: Atlanta, Georgia
TCAI Realty LLC
3247 Wedgehill Cove
Memphis, TN 38125
754-888-3161

Territory: Atlanta, Georgia
O&O Property Investments, LLC
1915 Gene Sarazen Way
Braselton, GA. 30517
770-880-7956

Territory: Atlanta, Georgia
Sharpstone Properties, LLC
2488 Lakewood Ave SW, Suite A
Atlanta, GA 30315
770-685-6564

Territory: Savannah, Georgia
Expansive Real Estate LLC
463 Pooler Pkwy, Suite 17
Pooler, GA 31322
912-584-3516

Territory: Boise, Idaho
Eight24 Properties, LLC
1506 S Blanca Ave
Boise, ID 83709
208-577-8348

Territory: Boise, Idaho
REALNVEST, LLC
3428 W. 5th Ave
Spokane, WA 99224
509-655-6669

Territory: Iowa
Happy Key, LLC
1770 Andrews Dr.
Pleasant Hill, IA 50327
515-316-3581

Territory: Boston, Massachusetts
Zen Property Investments, LLC
148 Willow St.
Acton, MA 01720
617-766-1881

Territory: Boston, Massachusetts
Bing Bang Realty Group, LLC
3 Porter Ave.
Revere, MA 02151
617-553-1815

Territory: Detroit, Michigan
DET RE, LLC
1674 Eisenhower Rd.
De Pere, WI 54115
248-462-4993

Territory: Minneapolis, Minnesota
New Home Investments, LLC
1860 Clarence St.
White Bear Lake, MN 55110
651-564-9522

Territory: Las Vegas, Nevada
Property Abundance LV LLC
6545 Market Avenue N., Suite 100
North Canton, Ohio 44721
330-366-8776

Territory: Las Vegas, Nevada
NLS Enterprises, LLC
2831 St. Rose Pkwy, Ste. 100
Henderson, NV 89052
702-383-5877

Territory: Las Vegas, Nevada
Brittain Brothers, LLC
4428 E. Maldonado Dr.
Phoenix, AZ 85042
402-842-9524

Territory: Las Vegas, Nevada
Next Step Offers LLC
8985 S. Eastern Ave., Sute 100
Las Vegas, NV 89123
720-764-9486

Territory: Newark, New Jersey
Solutions Based Home Buyers, LLC
139 Bushey Ave.
Yonkers, NY 10710
973-397-5612

Territory: Albuquerque, New Mexico
Leonidas Investments, LLC
30 N. Gould St., Suite R
Sheridan, WY 82801
505-370-7323

Territory: Charlotte, North Carolina
Blue Point Holdings, LLC
74 Pompano St.
Inlet Beach, FL 32461
404-578-6898

Territory: Cleveland, Ohio
Property Abundance Global, LLC
6545 Market Avenue N., Suite 100
Canton, OH 44721
330-366-8776

Territory: Tulsa, Oklahoma
Koinonia Investments, LLC
1814 E. 47th Place
Tulsa, OK 74105
918-704-6061

Territory: Abilene, Texas
Patriot Home Buyers, LLC
1400 Westbrook Ave.
Odessa, TX 79761
432-556-8229

Territory: Austin/San Antonio, Texas
Philco Properties, LLC
900 E. Pecan Street, Suite 300-276
Pflugerville, TX 78660
512-890-0278

Territory: Dallas, Texas
Gamble Unlimited, LLC
600 Westing House Rd.
Georgetown, TX. 78626
512-788-0131

Territory: Dallas, Texas
East Dallas House Buyers, LLC
1393 Ridge Rd.
Rockwall, TX 75087
972-316-4407

Territory: Houston, Texas
Kahanek Holdings LLC
14846 El Miranda Dr.
Houston, TX 77095
281-941-6365

Territory: Southern Texas
Skyview Investment Properties, LLC
2317 South 48th St.
McAllen, TX 78503
956-450-8564

Territory: Waco, Texas
Dwell & Flourish, LLC
2608 Old Oaks Dr.
Waco, TX 76710
916-910-3380

Territory: Utah
Elevated Homes, LLC
11348 S Daytide Ave
South Jordan, UT 84009
801-980-7683

Territory: Utah
PAR Investments, LLC
2122 W 1800 N, # 360
Clinton, UT 84015
801-877-6858

Territory: Seattle, Washington
Alta 1st, LLC
2717 Western Ave, Apt. 3000
Seattle, WA 98121
206-888-2478

Territory: Washington D.C.
HomeKey Solutions LLC
13025 Chaddsford Terrace
Manassas, VA 20112
301-965-1850

Territory: Milwaukee, Wisconsin
BSL Ventures, LLC
1850 Windridge Dr.
Lake Forest, IL 60045
614-738-8995

Territory: Milwaukee, Wisconsin
GMG3 Innovations, LLC
6030 Shooting Star Court
McFarland, WI 53558
608-609-5642

Territory: Milwaukee, Wisconsin
Twelve Blankets, LLC
361 Falls Rd. #622
Grafton, WI 53024
414-409-9486

KEYGLEE FRANCHISE, INC. Unit Franchises Transferred in 2023:

Territory:	Original Owner:	Transferred To:
Los Angeles, California	Flipur, Inc. 17151 Newhope Street Fountain Valley, CA 92708 949-284-2590	Prime Home Buyers LLC 231 East Alessandro Blvd. A-285 Riverside, CA 92508 562-293-2806
Los Angeles, California	Real Estate Administrators, LLC 1925 Kerns Ave. San Marino, CA 91108 213-513-5602	No Bad Days Real Estate, Inc. 1812 Evelyn Cir. Colton, CA 92324 909-224-1153
Denver, Colorado	Five Rivers, Ltd. 11766 Olive St. Thornton, CO 80233 913-602-0673	STING HOMES, LLC 1532 West Comstock Dr. Chandler, AZ 85224 719-624-5349
Jacksonville, Florida	Inward Outward Projects, LLC 7840 SW 103 Place Miami, FL 33173 786-414-0347	Bolton REI, LLC 6751 Langford St. Jacksonville, FL 32219 707-771-4495
Jacksonville, Florida	Rivertree Investments, LLC 13308 Highworth Ln. Jacksonville, FL 32226 910-548-1130	Property Abundance LV LLC 6545 Market Avenue N., Suite 100 North Canton, Ohio 44721 725-215-8199
Jacksonville, Florida	QR Ventures, LLC 7801 Point Meadows Dr., Unit 6410 Jacksonville, FL 32256 406-231-2416	New Home Investments, LLC 1860 Clarence St. White Bear Lake, MN 55110 651-564-9522
Las Vegas, Nevada	JES Enterprises, LLC 1825 W Knudsen Dr, Ste 100C Phoenix, AZ 85027 623-262-6816	Brittain Brothers, LLC 4428 E. Maldonado Dr. Phoenix, AZ 85042 402-842-9524
Dallas, Texas	Abazix, LLC 1108 East 10th Street Casa Grande, AZ 85122 214-983-9761	Gamble Unlimited, LLC 600 Westing House Rd. Georgetown, TX. 78626 512-788-0131
Washington D. C.	Schneider Ventures, LLC 1720 Arlington Ave. Halethorpe, MD 21227 240-278-0714	HomeKey Solutions LLC 13025 Chaddsford Terrace Manassas, VA 20112 301-965-1850
Milwaukee, Wisconsin	New Legacy Investments, LLC W1439 E Van Ess Rd. Oostburg, WI 53070 219-629-0887	Twelve Blankets, LLC 361 Falls Rd. #622 Grafton, WI 53024 414-409-9486

KEYGLEE FRANCHISE, INC. Unit Franchises Dissolved/Terminated in 2023:

Territory: Tucson, Arizona
Equity Path, LLC
8021 W McLellan
Glendale AZ 85295
520-210-5319

Territory: Fresno, California
TGP Investments LLC
1398 W. Herndon, Suite 205
Fresno, CA 993711
559-871-3356

Territory: Los Angeles, California
HugoJoseph, LLC
500 La Serna Ave.
La Habra, CA 90631
562-383-8064

Territory: Los Angeles, California
Ornelas Investments, LLC
4263 Granada St.
Montclair, CA 91763
323-827-7486

Territory: Los Angeles, California
Zora Transactions
7008 Geese Gathering St.
North Las Vegas, NV 89084
213-340-2883

Territory: Los Angeles, California
So Cal Venture Group LLC
7410 Oxford Place
Rancho Cucamonga, CA 91730
714-947-1831

Territory: Los Angeles, California
Readitly LLC
10600 Trademark Pkwy., Suite 400
Rancho Cucamonga, CA 91730
949-241-2475

Territory: San Diego, California
KNEST LLC
555 W. Country Club Ln., Suite C315
Escondido, CA 92026
858-500-1778

Territory: San Francisco, California
Anngela Investments LLC
25912 Hayward Blvd., Unit 110
Hayward, CA 94542
415-323-6564

Territory: Denver, Colorado
Psalm 112 Ventures, LLC
403 16th St., Suite 358
Denver, CO 80202
720-712-2505

Territory: Fort Myers, Florida
NRG, LLC
172 Shrewsbury St.
Worcester, MA 01604
508-796-8268

Territory: Jacksonville, Florida
JG Trinity Enterprise, LLC
1628 Mathews Manor Dr.
Jacksonville, FL 32211
850-405-3472

Territory: Miami, Florida
Jealex Enterprises, LLC
3500 N. State Road 7, Suite 333
Lauderdale Lakes, FL 33319
954-466-8651

Territory: Miami, Florida
Jot and Tittle Ventures, LLC
538 SW Baoy Ave.
Port St. Lucie, FL 34953
772-291-0363

Territory: Orlando, Florida
The Online Trend, LLC
138 Wisteria
Longwood, FL 32779
425-246-2574

Territory: Orlando, Florida
Capri Realty of Brevard
4298 Trovita Cir.
Melbourne, FL 32904
407-759-3134

Territory: Sarasota, Florida
Coastal Property Kings, LLC
3440 Conway Blvd., #1C
Port Charlotte, FL 33952
941-740-5127

Territory: Tampa, Florida
Remyden, LLC
1277 Kass Circle
Spring Hill, FL 34606
813-491-9485

Territory: Tampa, Florida
Battle Borne Solutions
11910 Winterset Cove Dr.
Riverview, FL 33579
813-590-1469

Territory: Atlanta, Georgia
Elite Satellite Communications, LLC
3023 Hanover Ln. SE
Conyers, GA 30094
678-776-0228

Territory: Atlanta, Georgia
H2H Property Group, LLC
4341 N 24th Street, #118
Phoenix, AZ 85016
414-551-4906

Territory: Atlanta, Georgia
Eagle Property Solutions, LLC
100 Holly Park Ct., # 1104
Holly Springs, GA 30115
404-583-7179

Territory: Boise, Idaho
KG Hope, LLC
2936 Butte Street
Pocatello, ID 83201
208-589-0891

Territory: Kentucky
Creative Homebuyers LLC
212 North 2nd Street, Suite 100
Richmond, KY 40475
859-762-2383

Territory: Boston, Massachusetts
NRG, LLC
172 Shrewsbury St.
Worcester, MA 01604
508-796-8268

Territory: Detroit, Michigan
JCF Company, LLC
20186 W. Old U.S. Hwy 12
Chelsea, MI 48118
734-245-2996

Territory: Grand Rapids, Michigan
Complex Investors, LLC
8637 Algoma Ave NE
Rockford, MI 49341
616-893-1661

Territory: Kansas City, Missouri
Triple Win Realty
4035 W. Lonbard St.
Springfield, MO 65802
816-327-7725

Territory: St. Louis, Missouri
Greenwood Property Investments, LLC
117 South Lexington Street, Ste 100
Harrisonville, MO 64701
618-444-3972

Territory: Trenton, New Jersey
PLG Ventures, LLC
30 Knightsbridge Rd.
Piscataway, NJ 08854
732-641-8547

Territory: New York City, New York
We Find Housez LLC
90 State St., Suite 700, Office 40
Albany, NY 12207
646-379-1462

Territory: Charlotte, North Carolina
Goode Win Investment, LLC
5009 Shocco Lane
Charlotte, NC 28215
980-441-5896

Territory: Raleigh/Durham, North Carolina
38th Street Family Trust, LLC
3203 Venus Drive
Durham, NC 27703
984-230-3850

Territory: Philadelphia, Pennsylvania
Sozo Capital Partners, LLC
90 S. Calder Way
Phoenixville, PA 19460
267-253-6066

Territory: Philadelphia, Pennsylvania
Buy Equity Keys, LLC
851 Duportail Road, 2nd Floor
Chesterbrook, PA 19087
610-426-1716

Territory: Pittsburgh, Pennsylvania
Steel City Services, Inc.
604 Rembrandt Cir.
Irwin, PA 15642
412-432-9681

Territory: Pittsburgh, Pennsylvania
US Property Partners, LLC
5834 West Bluthe Bridge Avenue
Las Vegas, NV 89141
412-207-3196

Territory: Charleston, South Carolina
Young Strategies, LLC
823 Windsor Dr.
Georgetown, SC 29440
843-241-3166

Territory: Columbia, South Carolina
A Longer Table, LLC
204 Scotts Bluff Dr.
Simpsonville, SC 29681
803-902-4293

Territory: Greenville, South Carolina
J&J Home Solutions, LLC
13 Brunner Court
Greer, SC 29650
814-475-2660

Territory: Greenville, South Carolina
Southern Legacy Investments, LLC
252 Cherokee Lake Rd.
Tamassee, SC 29686
864-940-0295

Territory: Knoxville, Tennessee
Anchor Investment, LLC
9039 Crosspark Dr., # 30695
Knoxville , TN 37930
865-217-0655

Territory: Abilene, Texas
GM Properties and Investments, LLC
4524 Corsair Ct.
Midland TX 79707
432-664-1543

Territory: Austin, Texas
Prized Optima Ventures, LLC
440 Louisiana, Suite 952
Houston, TX 77002
240-404-8465

Territory: Austin, Texas
Gamble Unlimited, LLC
600 Westing House Rd.
Georgetown, TX. 78626
512-788-0131

Territory: Dallas, Texas
K&S Marks REI, LLC
911 Caublestone Hill Drive
Argyle, TX 76226
480-231-9970

Territory: Houston, Texas
MSRM Properties, LLC
2100 E Domingo Rd.
Queen Creek, AZ 85142
281-916-2135

Territory: Houston, Texas
Enercom Group, LLC
4639 Regent Manor Drive
Kingwood TX 77345
832-573-7608

Territory: Lubbock, Texas
GM Properties and Investments, LLC
4524 Corsair Ct.
Midland, TX 79707
432-664-1543

Territory: Richmond/Hampton Roads, Virginia
Fit Home Buyers, LLC
2000 Bloomsbury Crescent
Virginia Beach, VA 23454
757-971-8635

KEYGLEE FRANCHISE, INC. Unit Franchises Ceased Operations for Other Reasons in 2023:

None

KEYGLEE FRANCHISE, INC. Area Representation Franchises (as of December 31, 2023):

None

EXHIBIT H

GENERAL RELEASE AGREEMENT

KEYGLEE FRANCHISE INC.

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT ("Release") is made and entered into this _____ day of _____, 20__, by and between KeyGlee Franchise Inc., an Arizona corporation ("Franchisor"), and _____, a _____ corporation/limited liability company/partnership (circle one) ("Franchisee"), and each owner of Franchisee and his or her spouse (individually, an "Owner," and collectively, the "Owners") (collectively, Franchisor, Franchisee, and Owners are referred to hereinafter as the "Parties").

WITNESSETH

WHEREAS, the Parties previously entered into that certain Franchise Agreement dated _____, 20___ (the "Agreement"), granting Franchisee the right to operate a Franchise of Franchisor ("Franchise") for a specific Term (as defined in the Agreement); and

WHEREAS, Franchisee desires to renew the Agreement for an additional Term (as defined in the Agreement); and

WHEREAS, the Agreement requires Franchisee and each of its Owners and their respective spouses to execute, in favor of Franchisor and its officers, directors, agents, and employees, and Franchisor's affiliates and their officers, directors, agents, and employees, as a condition to renew the Agreement, a general release from liability of all claims that Franchisee, its Owners, and their respective spouses may have against Franchisor, its affiliates, and their respective owners, officers, directors, employees, and agents; and

WHEREAS, the Parties desire to enter into this Release to comply with the requirements of the Agreement and preserve Franchisee's eligibility to renew the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other valuable consideration, the Parties hereby agree as follows:

1. Recitals. The foregoing Recitals are incorporated into and made part of this Release.

2. Release. Franchisee, each Owner and his or her spouse, and their present or former affiliated entities, officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through them (the "Releasing Entities"), hereby fully release Franchisor and its present or former officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, and Franchisor's affiliates and their respective present or former officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through Franchisor (the "Released Entities") from any and all liabilities, claims, demands, debts, damages, obligations and causes of action of any nature or kind, whether presently known or unknown, which the Releasing Entities may have against the Released Entities as of the date this Release is executed.

3. Miscellaneous.

A. This Release contains the entire agreement and representations between the Parties hereto with respect to the subject matter hereof. This Release supersedes and cancels any prior understanding or agreement between the parties hereto whether written or oral, express or implied. No modifications or amendments to this Release shall be effective unless in writing, signed by all Parties.

B. In the event any provision hereof, or any portion of any provision hereof shall be deemed to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect the remaining portion of any provision, or of any other provision hereof, and each provision of this Release shall be deemed severable from all other provisions hereof.

C. This Release shall be governed by the laws of the State of Arizona. Any litigation or court action arising under or related to this Release shall be filed in state or federal court in Maricopa County, State of Arizona.

D. In the event a court action is brought to enforce or interpret this Release, the prevailing Party in that proceeding or action shall be entitled to reimbursement of all of its legal expenses, including, but not limited to, reasonable attorneys' fees and court costs incurred. The prevailing Party shall be entitled to reimbursement of all such expenses both in the initial proceeding or action and on any appeal therefrom.

E. This Release is binding on the Parties hereto and their respective successors, heirs, beneficiaries, agents, legal representatives, and assigns, and on any other persons claiming a right or interest through the Parties.

F. This Release may be executed in any number of counterparts, all of which shall be deemed to constitute one and the same instrument, and each counterpart shall be deemed an original.

[Remainder of Page Left Intentionally Blank – Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto affix their signatures and execute this Release as of the day and year first above written.

FRANCHISOR:

KEYGLEE FRANCHISE INC.

_____

By: Jayden Hunter Runyon
Its: Chief Executive Officer

FRANCHISEE:

_____

_____

By:_____

Its:_____

OWNERS OF FRANCHISEE:

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____ Signature of Owner	_____	
_____ Printed/Typed Name of Owner	_____	_____%
	Owner's Title/Position with Franchisee:	
_____ Signature of Owner's Spouse	_____	
_____ Printed/Typed Name of Spouse	Date: _____, 20___	

[Remainder of Page Left Intentionally Blank – Signature of Owners Continues]

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

[Remainder of Page Left Intentionally Blank – Signature of Owners Continues]

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20	

EXHIBIT I

TRANSFER AGREEMENT

KEYGLEE FRANCHISE INC.

TRANSFER AGREEMENT
(For Location Franchises)

THIS TRANSFER AGREEMENT (the "Agreement") is made and entered into this _____ day of _____, 20___, by and between KeyGlee Franchise Inc., an Arizona corporation ("Franchisor"), and _____, a _____ corporation/limited liability company/partnership (circle one) ("Franchisee"), and each undersigned owner of Franchisee and his or her spouse (individually, an "Owner," and collectively, the "Owners"), and _____, a _____ corporation/limited liability company/partnership (circle one) ("Assignee") (collectively, Franchisor, Franchisee, Owners, and Assignee are referred to hereinafter as the "Parties").

WITNESSETH:

WHEREAS, Franchisor and Franchisee previously entered into that certain Franchise Agreement dated _____, 20___ (the "FA"), granting to Franchisee that certain KeyGlee franchise ("Franchise") located at _____
_____
_____ (the "Franchise");

WHEREAS, the FA provides as follows with respect to the Transfer (as defined below) of the FA, the Franchise, or any interest therein:

a. Section 14.4 of the FA states that any Transfer (as defined below) of the Franchisee's interest in the FA or of Franchisee's rights or privileges under the FA must be approved by Franchisor in writing before such Transfer may be made or become effective;

b. Section 14.5 of the FA sets forth certain terms and conditions that must be complied with, or that Franchisor may require be complied with, before any Transfer may be made or become effective; and

WHEREAS, Franchisee and/or each undersigned Owner wish(es) to Transfer (as set forth in Section 14 of the FA) to Assignee the following interest (the "Transferred Interest"):_____
_____
_____
_____
_____
_____
_____;

WHEREAS, Franchisor is willing to consent to the above Transfer of the Transferred Interest, and the Parties desire that the Transfer be made in accordance with the following terms and conditions;

NOW, THEREFORE, in consideration of the mutual agreements, covenants and undertakings herein contained and other valuable consideration, the adequacy of which is acknowledged by all Parties, the Parties hereby agree as follows:

1. Recitals. The above Recitals and sections of the FA referred therein are hereby incorporated into and made part of this Agreement.

2. Consent to TransferFranchisor hereby consents to the Transfer of the Transferred Interest as described in the Recitals.

3. Conditions for Approval of Transfer. Franchisee, and/or each undersigned Owner and his or her spouse, and Assignee each hereby represent and warrant that the conditions for approval of Transfer as set forth in Section 14.5 of the FA, to the extent such conditions are not specifically addressed or resolved under this Agreement, have been fully and completely satisfied as provided in such Section 14.5 and to Franchisor's satisfaction.

4. Release. Franchisee and/or each undersigned Owner and his or her spouse, and their present or former affiliated entities, officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through them (the "Releasing Entities"), hereby fully release Franchisor and its present or former affiliated entities, and their respective officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through it (the "Released Entities") from any and all liabilities, claims, demands, debts, damages, obligations and causes of action of any nature or kind, whether presently known or unknown, which the Releasing Entities may have against the Released Entities as of the date this Agreement is executed.

5. Non-Competition; Non-Solicitation; Confidentiality.

A. Definitions. Wherever used in this Section 5, the term "Franchisor" shall refer to Franchisor and any affiliate, subsidiary, or any successor or assign of Franchisor. Wherever used in this Section, the phrase "directly or indirectly" includes, but is not limited to, acting, either personally or as principal, owner, shareholder, employee, independent contractor, agent, manager, partner, joint venturer, consultant, or in any other capacity or by means of any corporate or other device, or acting through the spouse, children, parents, brothers, sisters, or any other relatives, friends, trustees, agents, or associates of any of the undersigned parties. Wherever used in this Section, the term "employees" shall refer to employees of Franchisor; any affiliate, subsidiary, or any successor or assign of Franchisor; and any franchisee of Franchisor existing as of the date of this Agreement and, to the extent allowable by law, any other person that has been an employee (as defined above) in the twelve (12) months preceding the date of this Agreement. Whenever used in this Section, the term "Confidential Information" shall be defined as provided in Section 9.1 of the FA, which provisions are hereby incorporated by reference.

B. Consideration. The undersigned Parties acknowledge that consideration for this Agreement has been provided and is adequate. The consideration includes, but is not limited to, the granting of the Franchise to Franchisee and/or each undersigned Owner, and Franchisor's consent to the Transfer of the Transferred Interest as provided in this Agreement.

C. Need for this Agreement. The undersigned Parties recognize that in the highly competitive business in which Franchisor and its affiliates and franchisees are engaged, preservation of Confidential Information is crucial and personal contact is important in securing new franchisees and employees, and retaining the goodwill of present franchisees, employees, customers, and suppliers. Personal contact is a valuable asset and is an integral part of protecting the business of Franchisor.

Franchisee and/or each undersigned Owner recognize that it has had substantial contact with Franchisor's employees, customers, and suppliers and Confidential Information. For that reason, Franchisee and/or each undersigned Owner may be in a position to take for his or her benefit the Confidential Information and goodwill Franchisor has with its employees and Confidential Information now or in the future. If Franchisee and/or each undersigned Owner, after the Transfer of the Transferred Interest as provided in this Agreement, takes advantage of such Confidential Information or goodwill for Franchisee's and/or each undersigned Owner's own benefit, then the competitive advantage that Franchisor has created through its efforts and investment will be irreparably harmed.

D. Non-Competition with Franchisor. Franchisee and/or each undersigned Owner of Franchisee agrees that for twelve (12) months following the date of this Agreement, neither Franchisee, nor any Owner, nor any member of Franchisee's or an Owner's immediate family will have any direct or indirect interest (e.g., through a spouse) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent, or in any other capacity, in any Competitive Business located or operating: (a) within the Franchise's current territory; (b) within seven (7) miles of the outside perimeter of the Franchise's current territory; (c) within the territory of any currently-operating KeyGlee franchise; and (d) within ten (10) miles of any corporate owned or affiliate-owned KeyGlee outlet, as of the date of this Agreement. The term "Competitive Business" means any business which derives revenue from the sale of products and services similar to those offered by KeyGlee franchises, or any business which grants franchises or licenses to others to operate such a business, other than a KeyGlee franchise operated under a franchise agreement with us.

E. Non-Solicitation of Franchisor's Employees. Franchisee and/or each undersigned Owner agrees that for twenty-four (24) months after the date of this Agreement, it will not directly or indirectly: (a) induce, canvas, solicit, or request or advise any employees of Franchisor, the Franchise, or any KeyGlee franchise to accept employment with any person, firm, or business that competes with any business of Franchisor, the Franchise, or any KeyGlee franchise; or (b) induce, request, or advise any employee of Franchisor, the Franchise, or any KeyGlee franchise to terminate such employee's relationship with Franchisor, the Franchise, or any KeyGlee franchise; or (c) disclose to any other person, firm, partnership, corporation or other entity, the names, addresses or telephone numbers of any of the employees of Franchisor, the Franchise, or any KeyGlee franchise, except as required by law.

F. Non-Solicitation of Franchisor's Customers. Franchisee and/or each undersigned Owner agrees that for twenty-four (24) months after the date of this Agreement, it will not directly or indirectly: (a) induce, canvas, solicit, or request or advise any customers of Franchisor, the Franchise, or any KeyGlee franchise to become customers of any person, firm, or business that competes with any business of Franchisor, the Franchise, or any KeyGlee franchise; or (b) induce, request or advise any customer of Franchisor, the Franchise, or any KeyGlee franchise to terminate or decrease such customer's relationship with Franchisor, the Franchise, or any KeyGlee franchise; or (c) disclose to any other person, firm, partnership, corporation or other entity, the names, addresses or telephone numbers of any of the customers of Franchisor, the Franchise, or any KeyGlee franchise, except as required by law.

G. Confidential Information. Franchisee and/or each undersigned Owner agrees at all times following the date of this Agreement, to hold the Confidential Information in the strictest confidence and not to use such Confidential Information for Franchisee's and/or each undersigned Owner's personal benefit, or the benefit of any other person or entity other than Franchisor, or disclose it directly or indirectly to any person or entity without Franchisor's express authorization or written consent. Franchisee and each undersigned Owner fully understand the need to protect the Confidential Information and all other confidential materials and agree to use all reasonable care to prevent unauthorized persons from obtaining access to Confidential Information at any time.

6. Subordination. Franchisee and/or each undersigned Owner and Assignee each agrees that all of Assignee's obligations to make any installment payments to or for the benefit of Franchisee and/or an undersigned Owner in connection with the Transfer of the Transferred Interest as provided under this Agreement shall be subordinate to Assignee's obligations under the FA or any New FA (as defined below) to pay to us or our affiliates any fees and payments provided for therein.

7. New FA. Assignee agrees that in connection with the Transfer of the Transferred Interest to it, Assignee shall sign at Franchisor's request the form of Franchisee Agreement currently used by Franchisor in selling and offering franchises like the Franchise (the "New FA").

8. Guaranty of Obligations. In consideration of, and as an inducement to, the execution of this Agreement by Franchisor, each undersigned Owner, and his or her respective spouse, hereby personally and unconditionally (a) guarantees to Franchisor and its successors and assigns that the Owner will punctually pay and perform each and every undertaking, agreement and covenant of Assignee set forth in the FA or any New FA; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the FA or any New FA, including without limitation, monetary obligations, the obligations to take or refrain from taking certain actions and arbitration of disputes. Each undersigned Owner waives (1) protest and notice of default, demand for payment or nonperformance of any obligations guaranteed by this Section 8; (2) any right the Owner may have to require that an action be brought against Franchisor or any other person as a condition of the Owner's liability; (3) all right to payment or reimbursement from, or subrogation against, Franchisor which Owner may have arising out of this guaranty of Assignee; and (4) any and all other notices and legal or equitable defenses to which Owner may be entitled in its capacity as guarantor. Each undersigned Owner consents and agrees that (1) its direct and immediate liability under this Section shall be joint and several; (2) it will make any payment or render any performance required under the FA or any New FA on demand if Assignee fails or refuses to do so when required; (3) its liability will not be contingent or conditioned on our pursuit of any remedies against Assignee or any other person; (4) its liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Assignee or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) the guaranty under this Section will continue and be irrevocable during the term of the FA or any New FA and afterward for so long as Assignee has any obligations under the FA or any New FA. If Franchisor is required to enforce the guaranty provided for under this Section in a judicial or arbitration proceeding, and prevail in such proceeding, then each undersigned Owner agrees that Franchisor will be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by any undersigned Owner to comply with the guaranty provisions of this Section, then the Owner shall reimburse Franchisor for any of the above-listed costs and expenses incurred by Franchisor.

9. Breach. The Parties hereby agree that each of the matters stated herein are important, material, and confidential, and substantially affect the effective and successful conduct of the business of Franchisor and its reputation, and goodwill. Any breach of the terms of this Agreement is a material breach of this Agreement, which will result in substantial and irreparable injury to Franchisor, for which the breaching Party may be preliminarily and permanently enjoined and for which the breaching Party shall also pay to Franchisor all damages (including, but not limited to, compensatory, incidental, consequential and lost profits damages) which arise from the breach, together with interest, costs and Franchisor's reasonable attorneys' fees (through final unappealable judgment) to enforce this Agreement. This Agreement does not limit any other remedies available at law or in equity available to Franchisor.

10. No Waiver. Franchisor may waive a provision of this Agreement only in writing executed by an authorized representative. No Party shall rely upon any oral representations as to a waiver of any provision of this Agreement. No waiver by a Party of a breach by another Party of any provision of this Agreement shall operate or be construed as a waiver of any subsequent breach by the breaching Party.

11. Assignment. This Agreement is fully transferable by Franchisor. Franchisee and/or each undersigned Owner and Assignee shall not assign, convey, sell, delegate, otherwise transfer this Agreement or any right or duty hereunder without obtaining Franchisor's prior written consent.

12. Binding Agreement. This Agreement shall be binding upon the Parties' heirs and legal representatives. This Agreement shall be enforceable by the successors and assigns of Franchisor, any person or entity which purchases substantially all of the assets of Franchisor, and any subsidiary, affiliate or operation division of Franchisor.

13. Tolling. To ensure that Franchisor will receive the full benefit of this Agreement, the provisions of this Agreement will not run, for purposes of the prohibitions on any competition and solicitation, statute of limitations, or for laches, at any time that a party to this Agreement is actually acting in any way in contravention to this Agreement.

14. Headings. The paragraph headings of this Agreement are not a substantive part of this Agreement and shall not limit or restrict this Agreement in any way.

15. Choice of Law and Venue. This Agreement shall be construed in accordance with and governed for all purposes by the laws of Arizona. If any action or proceeding shall be instituted by any Party, or any representative thereof, all Parties and their representatives hereby consent and will submit to the jurisdiction of, and agree that venue is proper in Maricopa County, State of Arizona.

16. Severance and Reformation. In case any one or more of the provisions or restrictions contained in this Agreement, or any part thereof, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions or restrictions of this Agreement. In case any one or more of the provisions or restrictions contained in this Agreement shall, for any reason, be held to be unreasonable, improper, overbroad or unenforceable in any manner, it is agreed that they are divisible and separable and should be valid and enforceable to the extent allowed by law. The intention of the Parties is that Franchisor shall be given the broadest protection allowed by law with respect to this Agreement.

17. Entire Agreement. No change, addition, deletion or amendment of this Agreement shall be valid or binding upon any Party unless in writing and signed by the Parties. Insofar as matters within the scope of this Agreement are concerned, this Agreement is the entire Agreement between the Parties and replaces and supersedes all prior agreements and understandings pertaining to the matters addressed in this Agreement. There are no oral or other agreements or understandings between the Parties affecting this Agreement.

18. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall be deemed to constitute one and the same instrument, and each counterpart shall be deemed an original

19. Opportunity to Seek Independent Advice. The undersigned Parties recognize that this Agreement is an important document that affects their legal rights. For this reason, the Parties may wish to seek independent legal advice before accepting the terms stated herein. The undersigned Parties acknowledge that they have had an opportunity to seek such independent legal advice. They acknowledge

that they have read and understand the provisions contained herein and acknowledge receipt of a copy of this Agreement.

IN WITNESS WHEREOF, the Parties hereto affix their signatures and execute this Agreement as of the day and year first above written.

FRANCHISOR:

KEYGLEE FRANCHISE INC.

_____

By: Jayden Hunter Runyon
Its: Chief Executive Officer

FRANCHISEE:

_____

_____

By:_____

Its:_____

ASSIGNEE:

_____

_____

By:_____

Its:_____

[Remainder of Page Left Intentionally Blank – Signature of Owners Follows]

OWNERS OF FRANCHISEE:

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

[Remainder of Page Left Intentionally Blank – Signature of Owners Continues]

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

OWNERS OF ASSIGNEE:

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20___	

[Remainder of Page Left Intentionally Blank – Signature of Owners Continues]

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

	Owner's Residential Address:	Owner's % Ownership of Franchisee:
_____	_____	
Signature of Owner		
_____	_____	_____%
Printed/Typed Name of Owner		
	Owner's Title/Position with Franchisee:	
_____	_____	
Signature of Owner's Spouse		
_____		
Printed/Typed Name of Spouse	Date: _____, 20__	

EXHIBIT J

FORM OF UCC-1 FINANCING STATEMENT

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) – do not abbreviate or combine names

1a. ORGANIZATION'S NAME

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	TOWN	STATE	POSTAL CODE	COUNTRY

1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
				☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) – do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	TOWN	STATE	POSTAL CODE	COUNTRY

2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATIO	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	TOWN	STATE	POSTAL CODE	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

All of Debtor's inventory, equipment, furnishings, fixtures, and supplies now owned or after-acquired; all of Debtor's accounts now existing or subsequently arising, together with all interest of Debtor, now existing or subsequently arising, together with all chattel paper, documents, and instruments relating to such accounts; all of Debtor's contract rights, now existing or subsequently arising; and all of Debtor's general intangibles, now owned or existing, or after-acquired or subsequently arising.

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

FILING OFFICER COPY – NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

Instructions for National UCC Financing Statement (Form UCC1)

Please type or laser-print this form. Be sure it is completely legible. Read all Instructions, especially Instruction 1; correct Debtor name is crucial. Follow Instructions completely.

Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. Filing office cannot give legal advice.

Do not insert anything in the open space in the upper portion of this form; it is reserved for filing office use.

When properly completed, send Filing Office Copy, with required fee, to filing office. If you want an acknowledgment, complete item B and, if filing in a filing office that returns an acknowledgment copy furnished by filer, you may also send Acknowledgment Copy; otherwise detach. If you want to make a search request, complete item 7 (after reading instruction 7 below) and send Search Report Copy, otherwise detach. Always detach Debtor and Secured Party Copies.

If you need to use attachments, use 8-1/2 X 11 inch sheets and put at the top of each sheet the name of the first Debtor, formatted exactly as it appears in item 1 of this form; you are encouraged to use Addendum (Form UCC1Ad).

A. To assist filing offices that might wish to communicate with filer, filer may provide information in item A. This item is optional.

B. Complete item B if you want an acknowledgment sent to you. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form a carbon or other copy of this form for use as an acknowledgment copy.

---

1. **Debtor name:** Enter only one Debtor name in item 1, an organization's name (1a) or an individual's name (1b). Enter Debtor's exact full legal name. Don't abbreviate.

1a. Organization Debtor. "Organization" means an entity having a legal identity separate from its owner. A partnership is an organization; a sole proprietorship is not an organization, even if it does business under a trade name. If Debtor is a partnership, enter exact full legal name of partnership; you need not enter names of partners as additional Debtors. If Debtor is a registered organization (e.g., corporation, limited partnership, limited liability company), it is advisable to examine Debtor's current filed charter documents to determine Debtor's correct name, organization type, and jurisdiction of organization.

1b. Individual Debtor. "Individual" means a natural person and a sole proprietorship, whether or not operating under a trade name. Don't use prefixes (Mr., Mrs., Ms.). Use suffix box only for titles of lineage (Jr., Sr., III) and not for other suffixes or titles (e.g., M.D.). Use married woman's personal name (Mary Smith, not Mrs. John Smith). Enter individual Debtor's family name (surname) in Last Name box, first given name in First Name box, and all additional given names in Middle Name box.

For both organization and individual Debtors: Don't' use Debtor's trade name, DBA, AKA, FKA, Division name, etc. in place of or combined with Debtor's legal name; you may add such other names as additional Debtors if you wish (but this is neither required nor recommended.

1c. An address is always required for the Debtor named in 1a or 1b.

1d. Debtor's taxpayer identification number (tax ID #) – social security number or employer identification number – may be required in some states.

1e,f,g. "Additional information re organization Debtor" is always required. Type of organization and jurisdiction of organization as well as Debtor's exact legal name can be determined from Debtor's current filed charter document. Organizational ID #, if any, is assigned by the agency where the charter document was filed; this is different from taxpayer ID #; this should be entered preceded by the 2-character U.S. Postal identification of state of organization if one of the United States (e.g., CA12345, for a California corporation whose organizational ID # is 12345); if agency does not assign organizational ED #, check box in item 1g indicating "none."

Note: If Debtor is a trust or a trustee acting with respect to property held in trust, enter Debtor's name in item 1 and attach Addendum (Form UCC1Ad) and check appropriate box in item 17. If Debtor is a decedent's estate, enter name of deceased individual in item 1b and attach Addendum (Form UCC1Ad) and check appropriate box in item 17. If Debtor is a transmitting utility or this Financing Statement is filed in connection with a Manufactured-Home Transaction or a Public-Finance Transaction as defined in applicable Commercial Code, attach Addendum (Form UCC1Ad) and check appropriate box in item 18.

2. If an additional Debtor is included, complete item 2, determined and formatted per Instruction 1. To include further additional Debtors, or one or more additional Secured Parties, attach either Addendum (Form UCC1Ad) or other additional page(s), using correct name format. Follow Instruction 1 for determining and formatting additional names.

3. Enter information for Secured Party or Total Assignee, determined and formatted per Instruction 1. If there is more than one Secured Party, see Instruction 2. If there has been a total assignment of the Secured Party's interest prior to filing this form, you may either (1) enter Assignor S/P's name and address in item 3 and file an Amendment (Form UCC3) [see item 5 of that form]; or (2) enter Total Assignee's name and address in item 3 and, if you wish, also attaching Addendum (Form UCC1Ad) giving Assignor S/Ps name and address in item 12.

4. Use item 4 to indicate the collateral covered by this Financing Statement. If space in item 4 is insufficient, put the entire collateral description or continuation of the collateral description on either Addendum (Form UCC1Ad) or other attached additional page(s).

5. If filer desires (at filer's option) to use titles of lessee and lessor, or consignee and consignor, or seller and buyer (in the case of accounts or chattel paper), or bailee and bailor instead of Debtor and Secured Party, check the appropriate box in item 5. If this is an agricultural lien (as defined in applicable Commercial Code) filing or is otherwise not a UCC security interest filing (e.g., a tax lien, judgment lien, etc.), check the appropriate box in item 5, complete items 1-7 as applicable and attach any other items required under other law.

6. If this Financing Statement is filed as a fixture filing or if the collateral consists of timber to be cut or as-extracted collateral, complete items 1-5, check the box in item 6, and complete the required information (items 13, 14 and/or 15 on Addendum (Form UCC1Ad)..

7. This item is optional. Check appropriate box in item 7 to request Search Report(s) on all or some of the Debtors named in this Financing Statement. The Report will list all Financing Statements on file against the designated Debtor on the date of the Report, including this Financing Statement. There is an additional fee for each Report. If you have checked a box in item 7, file Search Report Copy together with Filing Officer Copy (and Acknowledgment Copy). Note: Not all states do searches and not all states will honor a search request made via this form; some states require a separate request form.

8. This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in item 8 any identifying information (e.g., Secured Party's loan number, law firm file number, Debtor's name or other identification, state in which form is being filed, etc.) that filer may find useful.

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

	9a. ORGANIZATION'S NAME		
OR	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) – do not abbreviate or combine names

	11a. ORGANIZATIONS' NAME				
OR	11b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX
11c. MAILING ADDRESS		TOWN	STATE	POSTAL CODE	COUNTRY

11d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATIONAL ID #, if any ☐ NONE

12. ☐ADDITIONAL SECURED PARTY'S or ☐ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

	12a. ORGANIZATION'S NAME				
OR	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX
12c. MAILING ADDRESS		TOWN	STATE	POSTAL CODE	COUNTRY

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☐ fixture filing.

14. Description of real estate:

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.
Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.
☐ Debtor is a TRANSMITTING UTILITY
☐ Filed in connection with a Manufactured-Home Transaction – effective 30 years
☐ Filed in connection with a Public-Finance Transaction – effective 30 years

6. REQUIRED SIGNATURE(S)

FILING OFFICE COPY – NATIONAL UCC FINANCING STATEMENT ADDENDUM (FORM UCC1Ad) (REV. 07/29/98)

Instructions for National UCC Financing Statement Addendum (Form UCC1Ad)

9. Insert name of first Debtor shown on Financing Statement to which this Addendum s related, exactly as shown in item 1 of Financing Statement.

10. Miscellaneous: Under certain circumstances, additional information not provided on Financing Statement may be required. Also, some states have non-uniform requirements. Use this space to provide such additional information or to comply with such requirements; otherwise, leave blank.

11. If this Addendum adds an additional Debtor, complete item 11 in accordance with Instruction 1 on Financing Statement. To add more than one additional Debtor, either use an additional Addendum form for each additional Debtor or replicate for each additional Debtor the formatting of Financing Statement item 1 on an 8-1/2 X 11 inch sheet (showing at the top of the sheet the name of the first Debtor shown on the Financing Statement), and in either case give complete information for each additional Debtor in accordance with Instruction 1 on Financing Statement. All additional Debtor information, especially the name, must be presented in proper format exactly identical to the format of item 1 of Financing Statement.

12. If this Addendum adds an additional Secured Party, complete item 12 in accordance with Instruction 3 on Financing Statement. In the case of a total assignment of the Secured Party's interest before the filing of this Financing Statement, if filer has given the name and address of the Total Assignee in item 3 of the Financing Statement, filer may give the Assignor S/P's name and address in item 12.

13-15. If collateral is timber to be cut or as-extracted collateral, or if this Financing Statement is filed as a fixture filing, check appropriate box in item 13; provide description of real estate in item 14; and, if Debtor is not a record owner of the described real estate, also provide, in item 15, the name and address of a record owner. Also provide collateral description in item 4 of Financing Statement. Also check box 6 on Financing Statement. Description of real estate must be sufficient under the applicable law of the jurisdiction where the real estate is located.

16. Use this space to provide continued description of collateral, if you cannot complete description in item 4 of Financing Statement.

17. If Debtor is a trust or a trustee acting with respect to property held in trust or is a decedent's estate, check the appropriate box.

18. If Debtor is a transmitting utility or if the Financing Statement relates to a Manufactured-Home Transaction or a Public-Finance Transaction as defined in the applicable Commercial Code, check the appropriate box.

EXHIBIT K

CLOSING QUESTIONNAIRE

CLOSING QUESTIONNAIRE

The undersigned ("Franchisee") desires to enter into a Franchise Agreement with KeyGlee Franchise, Inc. ("Franchisor"). Franchisor requires that Franchisee complete this Questionnaire in order to enable Franchisor to confirm that Franchisor and its employees and representatives have fully complied with all applicable franchise registration and disclosure laws.

1. **Full name of Franchisee**:

_____

2. **Franchised Location**:

_____
_____

3. (a) **Franchisee is: (Check applicable box)**

[ ] An individual
[ ] A corporation
[ ] A general partnership
[ ] A limited partnership
[ ] Other (please explain):_____

(b) **If Franchisee is other than an individual, please provide the name and address of each of Franchisee's owners, members, or general and limited partners:**

NAME	**ADDRESS**	**NUMBER OF SHARES OR PERCENTAGE INTEREST** (if applicable)

4. **If Franchisee is other than an individual, indicate the capacity in which the undersigned is authorized to act on behalf of Franchisee: (Check applicable box)**

[ ] Officer (insert title):_____
[ ] General Partner:_____
[ ] Other (please explain):_____

5. **Did Franchisee receive a Franchise Disclosure Document?** [ ] Yes [ ] No

6. **On what date was the Disclosure Document received, and by whom?**

Recipient:_____ Date:_____

7. **Contracts proposed to be executed by Franchisee and date that the final form of such Agreement were delivered to Franchisee:**

Agreement	**Date Received**
[ ] Franchise Agreement	_____
[ ] _____	_____
[ ] _____	_____

8. **Name of salesperson(s) handling this sale for Franchisor**:

_____

9. **Were any oral or written statements made to Franchisee by Franchisor, the salesperson(s) listed above, or any other representatives of Franchisor concerning the actual sales, profits or earnings of any franchised or company-owned store(s), or potential sales, profits or earnings that could be anticipated at any location?** [ ] Yes [ ] No

If yes, please explain in detail (attach additional sheet if necessary) and if none, write "none":

_____
_____
_____
_____

10. **Was Franchisee given or did Franchisee rely upon any information about Franchisor's parent or affiliated companies?** [ ] Yes [ ] No

If yes, please explain:

_____
_____
_____

11. **Did Franchisee carefully review and understand the Franchise Disclosure Document and the Franchise Agreement and the other agreements delivered to Franchisee by Franchisor (collectively the "Agreements")?** [ ] Yes [ ] No

If no, please explain:

_____
_____
_____

12. **Did Franchisee ask Franchisor any questions concerning the Franchise Disclosure Document or Agreements that were not satisfactorily answered?** [ ] Yes [ ] No

If yes, please explain:

_____
_____
_____

13. **Did the salesperson(s) listed above, or any other employee or representative of Franchisor, make any statement to Franchisee which is inconsistent with the information described in the Franchise Disclosure Document?** [ ] Yes [ ] No

If yes, please explain:

_____
_____
_____

14. **Did Franchisee contact other franchisees of Franchisor to discuss Franchisee's possible execution of the Agreements?** [ ] Yes [ ] No

If yes, please identify such franchisees (attach extra sheets if necessary):

_____
_____
_____

15. **Did Franchisee employ an attorney to render advice to Franchisee concerning the execution of the Agreements?** [ ] Yes [ ] No

If yes, please insert the name, address, and telephone number of such attorney:

_____
_____
_____

16. **Did Franchisee consult with an accountant or other financial advisor in connection with the execution of the Agreements?** [ ] Yes [ ] No

If yes, please insert the name, address, and telephone number of such accountant or financial advisor:

[ ] Accountant

_____
_____
_____

[ ] Other (please describe):_____
_____
_____
_____

17. **Has Franchisee, directly or through one or more affiliated business entities, previously <u>operated</u> a KeyGlee Unit Franchise?** [ ] Yes [ ] No

If "yes", for how long? _____

18. **If Franchisee has checked "yes" to question 13 and/or 14, Franchisee represents and agrees that Franchisee is entering into the Agreements based on Franchisee's own knowledge of, and experience with, the KeyGlee system, and Franchisee's other KeyGlee unit franchises and not in reliance upon any statements or information made or provided, or alleged to have been made or provided, by Franchisor or its affiliates, or any of its or their officers, directors, agents, employees or representatives.**

AGREED: _____
FRANCHISEE'S INITIALS

19. **Franchisee agrees that any action brought by either party against the other in any court, whether federal or state, shall be brought within the State of Arizona in the county in which Franchisor has its principal place of business at the time the action is initiated.**

AGREED: _____
FRANCHISEE'S INITIALS

20. **Franchisee acknowledges and agrees that Franchisee has conducted an independent investigation of the KeyGlee franchise, and recognizes that the business venture contemplated by Agreements involves business risks and that Franchisee's success will be largely dependent upon the ability of Franchisee as an independent business person. Franchisee acknowledges that Franchisee has not received any warranty or guarantee, express or implied, as to the potential sales, income, profits, or success of the business venture contemplated by the Agreements, or of other KeyGlee unit franchises.**

AGREED: _____
FRANCHISEE'S INITIALS

21. **Franchisee represents and warrants that the information in this questionnaire is accurate and complete in all material respects.**

AGREED: _____
FRANCHISEE'S INITIALS

FRANCHISEE UNDERSTANDS THAT FRANCHISOR IS ACTING IN RELIANCE ON THE TRUTHFULNESS AND COMPLETENESS OF FRANCHISEE'S RESPONSES TO THE QUESTIONS ABOVE IN ENTERING INTO THE AGREEMENTS WITH FRANCHISEE. FRANCHISEE ACKNOWLEDGES AND AGREES THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE SHALL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND FRANCHISEE HEREBY WAIVES, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

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

FRANCHISEE:

Signed: _____

Print Name: _____

Date: _____

Signed: _____

Print Name: _____

Date: _____

Signed: _____

Print Name: _____

Date: _____

Signed: _____

Print Name: _____

Date: _____

EXHIBIT K

STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date
California	11/23/2021
Hawaii	08/22/2022
Illinois	09/27/2021
Indiana	05/28/2020
Maryland	Pending
Michigan	05/14/2020
Minnesota	02/28/2022
New York	06/28/2022
North Dakota	07/06/2022
Rhode Island	05/27/2020
South Dakota	06/27/2022
Virginia	12/23/2020
Washington	Pending
Wisconsin	05/20/2020

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

EXHIBIT M

RECEIPTS

RECEIPT

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

If KeyGlee Franchise, Inc. offers you a franchise, it must provide this Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable law.

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

Date of Issuance: October 18, 2024

See Exhibit A for our registered agents authorized to receive service of process.

FRANCHISE SELLER 1 Name:_____ Address:_____ _____ Phone:_____	**FRANCHISE SELLER 2** Name:_____ Address:_____ _____ Phone:_____
FRANCHISE SELLER 3 Name:_____ Address:_____ _____ Phone:_____	**FRANCHISE SELLER 4** Name:_____ Address:_____ _____ Phone:_____

I have received a Franchise Disclosure Document dated October 18, 2024. This Disclosure Document included the following Exhibits:

A. State Administrators/Agents for Service of Process
B. Franchise Agreement
C. Operations Manual– Table of Contents
D. Financial Statements
E. Confidentiality/Nondisclosure Agreement
F. Guaranty and Assumption of Obligations
G. List of Franchise Owners
H. General Release Agreement
I. Transfer Agreement
J. Form UCC-1 Financing Statement
K. Closing Questionnaire
L. State Effective Dates Page
M. Receipts

_____
Signature of Potential Franchise Owner

_____ _____
Date Print Name of Potential Franchise Owner

RECEIPT

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

If KeyGlee Franchise, Inc. offers you a franchise, it must provide this Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable law.

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

Date of Issuance: October 18, 2024

See Exhibit A for our registered agents authorized to receive service of process.

FRANCHISE SELLER 1 Name:_____ Address:_____ _____ Phone:_____	**FRANCHISE SELLER 2** Name:_____ Address:_____ _____ Phone:_____
FRANCHISE SELLER 3 Name:_____ Address:_____ _____ Phone:_____	**FRANCHISE SELLER 4** Name:_____ Address:_____ _____ Phone:_____

I have received a Franchise Disclosure Document dated October 18, 2024. This Disclosure Document included the following Exhibits:

A. State Administrators/Agents for Service of Process
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I. Transfer Agreement
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K. Closing Questionnaire
L. State Effective Dates Page
M. Receipts

_____
Signature of Potential Franchise Owner

_____ _____
Date Print Name of Potential Franchise Owner