FRANCHISE DISCLOSURE DOCUMENT

OUR TOWN AMERICA, A FRANCHISING CORPORATION
A Florida corporation
13900 US 19 N
Clearwater, Florida 33764
(727) 345-0811
www.ourtownamerica.com

The franchise offered is for the operation of a regional development business promoting the sale of *Our Town America* unit franchises and providing certain support services to these franchisees.

The total investment necessary to begin operation of a regional development franchise for four unit franchises ranges from $124,750 to $196,200. This includes $100,250 that must be paid to us.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Our Town America, A Franchising Corporation, at the address and telephone number above.

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

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

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

Issuance Date: May 12, 2022

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 Addend (if any).

See the Table of Contents for the location of the State Specific Addenda.

Special Risk(s) to Consider About *This* Franchise

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

> **Out-of-State Dispute Resolution.** The Regional Development Agreement requires you to resolve disputes with the franchisor by mediation, arbitration and litigation only in Florida. Out-of-state mediation, arbitration and litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate and litigate with the franchisor in Florida 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.

NOTICE MANDATED BY SECTION 8 OF MICHIGAN'S FRANCHISE INVESTMENT ACT

The following is applicable to you if you are a Michigan resident or your franchise will be located in Michigan.

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

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

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

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

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

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

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

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

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

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

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

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

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

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

If the franchisee has any questions regarding this notice, those questions should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Attn.: Franchise, 525 West Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48909, telephone: (517) 373-7117.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor is OUR TOWN AMERICA, A FRANCHISING CORPORATION, referred to as "we," "us," or "our." We also do business under the name, "*Our Town America*." "You" means a person who buys a franchise from us. If you are a corporation, partnership or other entity, the provisions of our Regional Development Agreement and any other agreements with us or our affiliate will also apply to your owners by virtue of the Owners Guaranty your owners sign as a condition to the grant of a franchise.

We are a Florida corporation, incorporated on August 2, 2004. We do not have a parent company. Our principal business address is 13900 US 19 N, Clearwater, Florida 33764. Our agents for service of process are disclosed in Exhibit G.

We offer two types of franchises, unit franchises and regional development franchises. Unit franchisees operate franchised businesses under the *Our Town America* logo that offer high quality, personalized direct mail marketing services and products that promote local businesses for distribution to individuals and families that have indicated a change of address within the local community. These franchisees will solicit local businesses and sell them monthly direct mail marketing that is produced and distributed exclusively by our affiliate Our Town, Inc. ("OTI"). As of December 31, 2021, there were 50 *Our Town America* unit franchisees.

Regional development franchisees (also known as area representatives) are granted the right to refer prospective unit franchise owners to us to determine their qualifications and suitability to become an *Our Town America* unit franchisee. The proposed unit franchisees must be located in a territory that we grant to the regional development franchisee. We refer to this territory as the "Granted Territory." Sometimes we refer to these regional development franchisees as "regional developers". A potential regional developer must meet all of our qualifications including that the prospect has successfully owned and operated an *Our Town America* unit franchise for one year or has other experience we deem appropriate. We sign all Franchise Agreements with *Our Town America* unit franchise owners. The regional developer must also provide certain support to our franchise owners within the Granted Territory. However, we do not grant regional developers any management responsibility relating to the sale or operation of franchises.

We began offering franchises under the *Our Town* logo in December 2004 and in 2014 transitioned to the *Our Town America* logo. Other than the unit franchises described above, we do not offer and have not previously offered franchises in any other line of business. Beginning in January 2011 we began servicing various corporate accounts by providing them with certain direct mail marketing services. Other than this, and the production services we offer disclosed below, we are not engaged in any other line of business.

Other than OTI, we do not have any predecessors or affiliates. OTI was incorporated in Florida on January 23, 1997, and its address is the same as ours. OTI operates a direct mail marketing sales, production and distribution facility that produces and coordinates the monthly mailing of envelopes containing customers' gift certificates or other promotional materials. These envelopes are sent to residents of the customers' community who have recently indicated a change of address, as determined by OTI's tracking system. From 1972 to the incorporation of OTI, these services were performed by the prior owner of OTI. Beginning in 1997, OTI offered licenses for independent dealers to market *Our Town*™ products and services. OTI no longer offers licenses for independent dealers. OTI does not and has not previously offered franchises in this or in any other line of business. Through 2011, it did offer and sell production services. In 2012 we began selling these services, although OTI still provides these services.

You will offer your services to those interested in purchasing an *Our Town America* unit franchise. We are one of a number of franchisors in the direct mail industry. As a regional developer looking for qualified unit franchisees, you will likely face competition from other franchisors attempting to sell franchises as well as brokers and other third parties brokering franchise sales. The franchise market is generally well developed.

You must comply with all local, state and federal, privacy, health and sanitation laws that apply to *Our Town America* regional development businesses. You must comply with workers' compensation, equal protection and workplace safety laws and regulations, including Title VII and the ADA. You must comply with all laws, rules and regulations governing the operation of businesses in general, including federal and state sales and use taxes, and you must obtain all permits and licenses necessary to operate the development business. You must also comply with all applicable franchise sales laws.

ITEM 2

BUSINESS EXPERIENCE

President: Michael Plummer, Jr.

Mr. Plummer has been our acting President and the acting President of OTI since October 2009. He served as our Vice President of Information Technologies from February 2007 to October 2009.

Chief Financial Officer: Cliff Hallmark

Mr. Hallmark has been our Chief Financial officer since January 2009.

Director of Services: Wendie Manly

Ms. Manly has been our Director of Services since May 2013.

ITEM 3

LITIGATION

In the Matter of Our Town America, a Franchising Corporation (Maryland Division of Securities, Case No. 2006-0686, February 23, 2007). This matter arose out of the sale of a franchise in Maryland after our registration in Maryland expired. We were initially registered to sell franchises in the State of Maryland in 2005, which registration was conditioned upon our deposit of all initial fees we received from Maryland franchisees into an escrow account until our initial obligations under the Franchise Agreement had been satisfied. Our 2005 registration expired on September 7, 2006. On the same date we accepted a check for $15,000 from a prospect. We did not place that amount into the escrow. However, we did give the prospect a franchise disclosure document but that franchise disclosure document did not reference the escrow account. We were investigated by the Maryland Division of Securities with respect to this sale. We entered into a Consent Order with the State of Maryland under which we were required to register our franchise disclosure document in the State of Maryland, provide a copy of that document to the franchisee in Maryland who we had taken the $15,000 check from, provide that franchisee an opportunity to rescind his Franchise Agreement, and enroll an officer of ours responsible for franchise compliance in a franchise law compliance program approved by Maryland. The franchise sale was rescinded and we refunded all monies paid to the franchisee.

Other than this action, no litigation must be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy information must be disclosed in this Item.

ITEM 5

INITIAL FEES

You must pay us an initial fee determined by multiplying $25,000 by the number of unit franchises you must develop, which is at least 4 units ($100,000 initial fee). You must pay this fee in a lump sum when you sign the Regional Development Agreement. This fee is fully earned when paid and is nonrefundable. You must also purchase at least one package of franchise advertising materials from our affiliate. The cost for these materials is $250 per package. This amount is due upon receipt of an invoice and is nonrefundable.

ITEM 6

OTHER FEES

Type of Fee[(1)]	Amount	Due Date	Remarks
Franchise Materials	Currently, $250 per package	Upon receipt of an invoice	You must pay us for franchise materials we sell to you for use in developing your Granted Territory.
Renewal Fee	$2,500	Upon renewal	Only payable if we renew your regional development franchise.
Audit Expenses	All costs and expenses associated with audit	Upon demand	Audit costs payable only if the audit shows that you have collected amounts from a franchisee in your Granted Territory, you fail to provide us with the information we request or you provide us with incomplete information.
Transfer Fee	$6,500	At the time of transfer	Payable when you sell, assign, transfer or convey your business.
Additional Training	Currently, $250 per day, plus our expenses	Before the training	You pay for additional training if you request it and we agree to provide it or we require it because you are not in compliance with your Regional Development Agreement.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are sued or held liable for claims arising from your business operations.
Attorneys' Fees and Legal Expenses	Will vary under circumstances	Upon demand	If we are successful in any legal action or arbitration we bring against you or in defending a claim you bring against us or if you ask us to amend the Regional Development Agreement.

Type of Fee[1]	Amount	Due Date	Remarks
Convention Fee[2]	Currently $350 per person	Before the convention	You must pay this fee even if you do not attend the convention.

1. Unless otherwise noted, all fees are imposed by and payable to us. All fees are nonrefundable. None of these fees are imposed by a cooperative. We currently intend to impose these fees uniformly on our regional developers. We may change the stated fees based upon changes in market conditions, our cost to provide services and future policy changes. We can collect all of these amounts by electronic funds transfer or direct debit.

2. Currently, we do not have a separate convention for regional developers and regional developers must attend the convention, if any, we hold for unit franchisees.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Estimated Amount (Low / High)	Method of Payment	When Due	To Whom Payment Is Made
Initial Franchise Fee[1]	$100,000 (See Note 1)	Lump Sum	Payable upon signing Regional Development Agreement	Us
Real Estate/Rent[2]	$0 - $450	As Arranged	Before beginning business operations	Lessor
Leasehold Improvements[3]	$0 - $500	Lump Sum	As incurred	Third Parties
Equipment and Supplies[4]	$750 - $5,250	Lump Sum	As Incurred, but Prior to Opening	Suppliers
Vehicle Lease Payments[5]	$0 - $700	Varies	As Incurred, but Prior to Opening	Third Parties
Insurance[6]	$250 - $750	As Arranged	As Incurred	Suppliers
Training Expenses[7]	$2,500 - $5,000	As Incurred	As Incurred, but Prior to Opening	Third Parties
Legal and Accounting[8]	$1,000 - $2,500	Varies	As Incurred	Third Parties
Miscellaneous[9]	$250 - $1,050	As Arranged	As Incurred, but Prior to Opening	Suppliers
Additional Funds – 3 months[10]	$20,000 - $80,000	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT[11]	$124,750 - $196,200			

1. Initial Franchise Fee. The Initial Franchise Fee is an amount determined by multiplying $25,000 by the total number of *Our Town America* unit franchises for which you agree to promote the sale and development. You must agree to promote the sale and development of at least 4 unit franchises. This fee is nonrefundable. See Item 5 for more information.

2. Real Estate/Rent. You may operate your regional development business out of your home office or from rented space. If you lease office space, we have assumed that you will not be leasing more than 100 square feet of space and you would incur the costs described above in the high range for a security deposit for that space.

3. Leasehold Improvements. The low estimate assumes you operate from your home and make no capital improvements. The high estimate assumes you operate from an office and make very limited capital improvements.

4. Equipment and Supplies. You must purchase general office supplies including computer equipment and software, stationery, business cards and other typical office equipment such as a facsimile machine. You will also need a smart phone. If you already have equipment that meets our standards, you will not have to purchase many of the items we require and the low range assumes that you have most of these items. The high range assumes you purchase these items along with a computer for use in your business. These ranges assume you purchase only one package of franchise materials. The package is currently made up of 20 advertising brochures marketing our concept.

5. Vehicle Lease Payments. We have assumed that you already have a vehicle suitable for use in the business. The high estimate assumes you will lease a luxury car and make a deposit of $700.

6. Insurance. You must obtain insurance that meets our minimum requirements.

7. Training Expenses. You are responsible for all travel and living expenses while attending our initial training program. The low estimate assumes only one person attends training. The high estimate assumes you and one other person attend the training. Each estimate assumes discounted airline ticket(s), and the trainee(s) stay in a moderately priced hotel. Depending upon the distance you must travel, the accommodations you select, and your standard of living, travel and living expenses while training will vary.

8. Legal and Accounting. You may choose to hire an attorney to review your Regional Development Agreement, or to form your regional development business.

9. Miscellaneous. Includes utility deposits, business licenses, and permits.

10. Additional Funds. This estimates your initial 3-month start-up expenses. These figures are just estimates and we cannot guarantee that you will not have higher costs. These expenses include lease payments for a vehicle at $700 per month, rent for 100 square feet of office space at $12.50 per square foot, transportation costs, utilities, operating expenses and other miscellaneous expenses, but do not include payroll costs or a salary for you or any other owners. In putting together these estimates, we relied on our experience in opening single-unit franchised *Our Town America* businesses.

11. Total Investment. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors like: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; and competition. You should review these figures carefully with a business advisor before making any decision to purchase an *Our Town America* development franchise. We do not offer financing directly or indirectly for any part of the initial investment for your business. The availability and terms of financing will depend on factors like the availability of financing generally, your creditworthiness, collateral you may have and lending policies of financial institutions from which you may request a loan. Our estimates do not include any finance charges, interest or debt service obligations, nor do they assume that we or a third party have financed any of your initial investment. You should have additional funds available to you to fund your operations. Neither we nor our affiliate have opened or operated a Regional Development business.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases from Us or Our Affiliate

Other than the franchise advertising materials including samples of envelopes, you are not required to currently purchase any goods or services from us. We do not expect to approve another source of supply for these items. No officer of ours owns any interest in any approved supplier. We and our affiliates expect to earn a profit on any goods or services we or our affiliates sell to you. We may also only approve a sole source of supply for certain items. That sole source of supply may be a third party, us or an affiliate. We may at any time become an approved supplier of any item that you purchase for use or sale in your business. Although we do not currently receive any rebates from any approved suppliers, we or our affiliates may in the future. If any supplier pays us or any affiliate a rebate we and our affiliate will keep all of these amounts.

In our last fiscal year (ended December 31, 2021), we did not receive any revenue from required purchases and leases from our regional development franchisees, in connection with their regional development businesses.

The purchase of items in accordance with our standards and specifications will represent approximately 95% of your purchases in opening your business and approximately 95% of your annual purchases in operating the business on an ongoing basis.

Standards and Specifications

In order to maintain the quality of the goods and services sold by regional development businesses operated under the *Our Town America* logo and the reputation of our regional development franchise network, all equipment and supplies, products and related items, including insurance, that you use in your business must meet our standards and specifications. Our standards may regulate, among other things, the types, models and brands of business materials and operating assets, including the equipment, signs, software, materials, products, services, computer system and supplies to be used in operating the business. We will notify you in our Manual or other communications of our standards and specifications. We may modify these standards at any time and will provide you with notice of the modification. You must maintain the following types of insurance in the following amounts: general liability insurance ($1,000,000 coverage minimum); automobile liability insurance ($1,000,000 coverage minimum); and workers' compensation insurance (minimum amount required by state law). We may modify the types or amounts of insurance at any time. Your marketing and advertising materials must be approved by us, and you may not establish or have established any websites, web pages, social media and/or social networking sites relating to or making reference to us, our franchise network or your business, without our approval.

Approved Suppliers

You must purchase nearly all products, equipment, and supplies for your regional development business from suppliers that we designate or approve. If you want to purchase from a supplier that has not yet been approved, you must first submit sufficient information, specifications and samples so we can determine if the item complies with our system standards and the supplier meets our approved supplier criteria. We do not charge a fee for this review. We will, within 30 days after we receive all requested information, notify you of our decision. Approval of a supplier may be conditioned on requirements relating to product quality, frequency of delivery, standards of service and concentration of purchases with one or more suppliers in order to obtain better prices and service and may be temporary, pending our further evaluation of the supplier. Our criteria for approving suppliers is not available to you. We may revoke approval of an approved supplier at any time. We will provide you with notice of this revocation. We will not approve other suppliers for the products and services we or our affiliates sell to you.

Miscellaneous

There currently are no purchasing or distribution cooperatives. We do not have any purchase arrangements with suppliers for the benefit of franchisees. We do not provide material benefits to our franchisees based upon a franchisee's purchase of certain products or services or use of a particular supplier.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Regional Development Agreement. It will help you find more detailed information about your obligations in this agreement and in other items of this Disclosure Document.

Obligation	Paragraph in Regional Development Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	Not applicable	Items 7 and 11
(b) Pre-opening purchases/leases	Paragraph 7	Items 5, 6, 7, 8, 11 and 16
(c) Site development and other pre-opening requirements	Paragraph 7	Items 7 and 11
(d) Initial and ongoing training	Paragraphs 4 and 7	Item 11
(e) Opening	Paragraph 7	Item 11
(f) Fees	Paragraphs 3, 5, and 10	Items 5, 6 and 7
(g) Compliance with standards and policies / Operating Manual	Paragraph 7	Item 11
(h) Trademarks and proprietary information	Paragraphs 6 and 8	Items 13 and 14
(i) Restrictions on products/services offered	Paragraphs 7 and 9	Items 11 and 16
(j) Warranty and customer service requirements	Paragraph 7	None
(k) Territorial development and sales quotas	Paragraphs 2, 7, and Exhibit A	None
(1) On-going product/service purchases	Paragraph 7	Item 8

Obligation	Paragraph in Regional Development Agreement	Disclosure Document Item
(m) Maintenance, appearance and remodeling requirements	Not applicable	Items 11 and 17
(n) Insurance	Paragraph 13	Items 7 and 8
(o) Advertising	Paragraph 7	Items 6, 7 and 11
(p) Indemnification	Paragraph 15	Item 6
(q) Owner's participation / management /staffing	Paragraph 7	Items 11 and 15
(r) Records and reports	Paragraph 7	Item 11
(s) Inspections and audits	Paragraph 17	Items 6 and 11
(t) Transfer	Paragraph 10	Items 6 and 17
(u) Renewal	Paragraph 3	Items 6 and 17
(v) Post-termination obligations	Paragraphs 9 and 12	Item 17
(w) Non-competition covenants	Paragraph 9	Item 17
(x) Dispute resolution	Paragraph 17	Item 17
(y) Other: Guarantee of Obligations	Not applicable. See Owner's Guaranty.	Item 15

ITEM 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your notes, leases or other obligations.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Before you open your business, we will:

1. Designate a territory in which you may refer us prospective franchise owners located in this territory for our determination of their qualifications and suitability to become a unit *Our Town America* franchisee (Regional Development Agreement, Paragraph 2(a)).

2. Provide initial training to you in the promotion of *Our Town America* unit franchises (Regional Development Agreement, Paragraph 4(a)).

3. Loan or make accessible to you one copy of the Regional Development Manual (Regional Development Agreement, Paragraph 4(a)). The Table of Contents of the Regional Development Manual is included as Exhibit H to this Disclosure Document. As of December 31, 2021, there were 16 pages in this Manual.

During your operation of the business:

1. We may periodically conduct conventions at locations and times designated by us. You must attend and participate in these conventions if we have them, and you must pay a registration fee to us for each of your attending participants. You will be responsible for your and any of your other attendees' travel, hotel accommodations and living expenses during these conventions. (Regional Development Agreement, Paragraph 7)

2. We will sell to you a stock of standard franchise advertising and marketing materials, including sample envelopes and other items promoting the *Our Town America* system. (Regional Development Agreement, Paragraph 7(a))

3. We will pay you one-half of the initial franchise fee we collect from unit franchisees you refer to us and we license to operate within your Granted Territory even if these franchisees are you or an affiliate. (Regional Development Agreement, Paragraph 5). We do not pay you one-half of the initial franchise fee paid by franchisees not located in your Granted Territory or by those franchisees located in your Granted Territory before you became a regional developer.

4. We will pay you a monthly "Developer Fee" equal to 20% of the amount collected by us in the prior month for "Production Charges" from each unit franchisee you refer to us that operates under the *Our Town America* logo within your Granted Territory. Production Charges are the unit franchisee's core and Flat Rate Costs, Solo Cost and Custom Welcome Charge as set forth on the invoice from us to the unit franchisee and collected from the unit franchisee by us during the prior month for the production of *Our Town America* direct marketing materials by us for the unit franchisee. We do not pay you a Developer Fee on the Production Charges of franchisees not located in your Granted Territory or for those franchisees located in your Granted Territory before you became a regional developer. (Regional Development Agreement, Paragraph 5.)

5. Maintain appropriate registrations or permits as required by any applicable franchise investment law or regulation, regulating the offer and sale of franchises in the Granted Territory. (Regional Development Agreement – Section 6(e)).

Site

You may locate your office anywhere within your Granted Territory. Because we anticipate that most franchisees will work from their home offices, we do not provide you with any site selection assistance or any assistance regarding the construction, remodeling, furnishing or decoration of your office or conforming the premises to local ordinances or building codes or obtaining any required permits. We do not negotiate the purchase or lease of a site for you, plus we do not own premises and lease them to you. We will either approve or disapprove your site within 60 days after the date you provide us with all information we request about your site. The site you select must meet our criteria. Currently, our criteria includes that the site be located in your Granted Territory. We can terminate the Regional Development Agreement if we do not approve a site for your business within 90 days of the date you sign the Regional Development Agreement.

Advertising

We have no obligation to conduct advertising for our regional development franchise system. All advertising, promotion and marketing must be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and the promotion policies we specify. Samples of all advertising, promotional and marketing materials that we have not prepared or previously approved must be submitted for our approval before you use them. If you do not receive written disapproval within 15 days after we receive the materials, you may use the materials. You may not use any advertising or promotional materials that we have disapproved. You must comply with all of our policies and requirements relating to the use of the Internet and any websites, web pages, and social media and/or social networking sites, hashtags, profiles and accounts (Regional Development Agreement, Paragraph 7(l)).

There are no advertising councils comprised of regional developers that advise us on advertising policies. You are not required to participate in a local or regional advertising cooperative. You are not required to participate in any advertising or marketing fund.

Computer System

If you do not already have a computer with Internet access and email capabilities, you must purchase a computer with this functionality. The cost of purchasing a computer is between $400 and $3,000. You must also purchase certain off-the-shelf software we require. You must update the computer system at your sole cost, to meet our then current standards and specifications. There is no limitation on the frequency of our request. Your computer will be used in your business to correspond with us, including communication with our website, general word processing and to interface with franchisees in your territory. You will store correspondence and other documents you create in your computer system. Neither we nor any affiliate nor any third parties have any obligation to provide ongoing maintenance, repairs, updates or upgrades to your computer system. There is no optional or required maintenance, updating, upgrading or support contracts that we are aware of. We do not have independent access to the information stored in your computer.

Time to Opening

We estimate that there will be an interval of 60 to 90 days between the signing of the Regional Development Agreement and opening of your business. You may not open your business for business until: (1) we approve the business as having been developed according to our specifications and standards; (2) pre-opening training has been completed to our satisfaction; (3) the Initial Franchise Fee, and all other amounts then due to us

have been paid; and (4) we have been furnished with copies of all required insurance policies, or other evidence of insurance coverage and payment of premiums as we request. This length of time may be affected by whether you lease space, any financing you seek to obtain, and how quickly you can attend our training program. You must open for business within 60 days after you successfully complete the initial training program. (Regional Development Agreement, Paragraph 7(c))

We will conduct an initial training program that you must attend and complete to our satisfaction within 30 days after you sign the Regional Development Agreement. No one else can attend this training. If you do not, we can terminate the Regional Development Agreement. This training will be held at our headquarters in Clearwater, Florida. The initial training program consists of approximately 2 days of training. You must pay any expenses you incur in attending this training. We do not hire your employees for you.

We expect that this training will occur after your Regional Development Agreement is signed. We intend to be flexible in scheduling training to accommodate our personnel and you. There currently are no fixed training schedules. Training is provided to protect our brand not to control the day-to-day operation of your business. The following table will give you additional information about the content of our regional developer initial training program as of the date of the end of our last fiscal year.

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Franchise Marketing	16	0	Clearwater, Florida
Total	16	0	

The corporate officer in charge of this training is Michael Plummer. He has been with our company for approximately 20 years. His experience in the direct mail industry and with franchise sales and marketing has come from his time as our President, which began in October 2009. This training will be conducted by Mr. Plummer, an outside instructor or a combination of the two. Any outside instructor will have at least 3 years of experience in franchise sales and marketing. We use our Regional Development Manual as the instructional materials for this training.

Additional Training

From time to time we may provide additional training programs. These training programs will be optional with the exception of our refresher course which you must attend if you are not in compliance with your Regional Development Agreement. We will determine the location for this training and it may be held electronically. We may charge the hourly fees we establish for this training, plus we can require that you reimburse us for our costs.

We may also hold periodic conventions for all of our franchisees. You must attend or you must send a representative that we approve before the convention to this convention. Regardless of whether you attend the convention, you must also pay any convention registration fee that we establish. You are responsible for all travel and living expenses that you or your representatives incur while attending the convention.

ITEM 12

TERRITORY

If you enter into a Regional Development Agreement, you will receive the right to refer prospective franchise owners to us who are interested in opening an *Our Town America* unit franchise in your Granted

Territory. We will determine if they meet our qualifications to become an *Our Town America* unit franchisee. If we grant a franchise to any of these individuals you must provide certain services to these franchisees. The number of franchisees operating under the *Our Town America* logo you must develop under your Regional Development Agreement will vary depending upon the size of your Granted Territory. We will negotiate this number with you, but generally speaking we expect you to develop one business operating under the *Our Town America* logo in a geographic area of contiguous zip codes having a combined historical average of at least 2,500 households per month that indicate a change of address. We will designate the Granted Territory at the time you sign your Regional Development Agreement. As long as your Regional Development Agreement is in effect, and you are not in default under the Regional Development Agreement or under any agreement with us or any affiliate, we will not grant anyone else the right to refer prospects to us for the purchase of an *Our Town America* unit franchise to be located in the Granted Territory. This is the only restriction on us in the Granted Territory.

We retain the right, on behalf of ourselves or through affiliates, and without granting any rights to you, to:

(a) establish and grant to others the right to establish, other businesses operated under the *Our Town America* logo or otherwise anywhere outside your Granted Territory and to market and sell services and products whether under the *Our Town America* logo or otherwise, to anyone outside your Granted Territory;

(b) operate and grant franchises to others to operate franchises, whether inside or outside your Granted Territory, for businesses selling products or services, other than those sold by *Our Town America* unit franchises in your Granted Territory, under the *Our Town America* logo or other marks;

(c) operate and grant franchises to others to operate franchises offering any products or services, whether inside or outside your Granted Territory, that do not use the *Our Town America* logo;

(d) establish co-branding relationships with persons or entities for the operation or establishment of a business offering complementary or related products and services through or in connection with businesses operated under the *Our Town America* logo; and

(e) sell or grant third parties the right to sell, products and services under the *Our Town America* logo or otherwise to corporate and institutional accounts in your Granted Territory or to businesses in your Granted Territory as long as they are a part of a corporate or institutional account as described below. We can require advertisements of corporate or institutional accounts and/or businesses that are a part of a corporate or institutional account to be mailed into your Granted Territory, irrespective of where the account or business is located.

Because of our rights above, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive businesses that we control. We do not place any restrictions on you from soliciting prospects located outside of your Granted Territory to open franchises, except for the following: (i) all prospects must open unit franchises physically located in your Granted Territory; and (ii) although you have the right to use other channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing, any website or advertising must be approved by us before use or publication. As long as your Regional Development Agreement is in effect, you retain the rights we have initially given to you, even though the number of households or the population may increase, but you must meet the development schedule contained in your Regional Development Agreement. If you fail to meet this schedule or otherwise breach your Regional Development Agreement, we may terminate your Regional Development Agreement. The Regional Development Agreement does not grant any options, rights of first refusal, or similar rights to you to acquire additional development rights in the Granted Territory or contiguous areas. You do not have the right to change your Granted Territory.

ITEM 13

TRADEMARKS

Principal Trademarks

We grant you the right to use certain trademarks, services marks and other commercial symbols in operating your franchised business. The principal trademark we license to you is the *Our Town America* logo. This mark is registered, in various iterations, as well as the word mark "Our Town America," on the Principal Register of the United States Patent and Trademark Office ("USPTO"), as discussed below.

MARK	REGISTRATION NUMBER	REGISTRATION DATE
Our Town America plus Design logo	4,666,228	January 6, 2015
Our Town America plus Design logo	4,698,507	March 10, 2015
Our Town America plus Design logo	4,666,225	January 6, 2015
Our Town America	5,441,986	April 10, 2018

Other Marks

We have registrations on the Principal Register of the USPTO for the trademarks discussed below (except that the initial trademark below was registered on the Supplemental Register of the USPTO).

MARK	REGISTRATION NUMBER	REGISTRATION DATE
America's Welcoming Organization	3,134,552	August 22, 2006
Housewarming Gifts From Your Neighborhood	3,217,791	March 13, 2007

License of the Marks

There are no agreements currently in effect that significantly limit our rights to use or license these marks in a manner material to our franchise system. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, any state trademark administrator or any court, nor are there any pending infringement, cancellation or opposition proceedings involving the mark, our use of the mark or our affiliate's ownership of the mark. We have filed all required affidavits of use and renewal applications with the USPTO in connection with the trademarks listed above.

Use of the Marks

You must follow our rules when you use the marks. You cannot use any mark as part of your corporate or legal business name or with modifying words, designs or symbols (except for those we license to you specifically for that purpose), or as part of a domain name, account name, hashtag, profile or URL without our written approval.

You cannot use any mark 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.

Infringements

We are not required to protect your right to use marks we license to you. However, we will protect you against claims of infringement or unfair competition from your use of the marks as long as you are properly using them. We can in this situation take any action we think is appropriate to handle the claim. You must notify us immediately of any apparent infringement or challenge to your use of any mark we grant you the right to use, or of any claim by any person of any rights in any mark, and you may not communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We can take the action we deem appropriate and can control any litigation, USPTO proceeding or any other administrative proceeding arising from such infringement, challenge or claim or otherwise relating to any mark. You must provide the assistance and take any action that, in our opinion, may be necessary or advisable to protect and maintain our interests in any proceeding or otherwise to protect and maintain our interests in the marks. The Regional Development Agreement does not require us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving any mark licensed to you by us regardless of how the proceeding is resolved. We are not aware of any superior rights or infringing uses that can materially affect your use of our principal mark. However, we are aware of an annual festival held in Coral Springs, Florida, named "OurTownAmerica" and there are various companies in various industries using the term "Our Town" alone or in combination with other terms as a part of their corporate name or to describe their business or business services.

Changes to the Marks

If it becomes advisable at any time for us and/or you to modify or discontinue the use of any mark and/or use one or more additional or substitute trade or service marks, you must comply with our directions after receiving notice. We will not reimburse you for any loss of revenue from any modified or discontinued mark or for any expenditures you make to promote a modified or substitute trademark or service mark.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or pending patent applications that are material to the purchase of a regional development franchise operated under the *Our Town America* logo. We claim copyright protection for our confidential Operations Manual and any advertising materials we provide to you. Our Manual is proprietary and confidential. You may use it only as long as you are a franchisee, and only as provided in your Regional Development Agreement. You may not use our Manual or any of our other confidential or proprietary information in an unauthorized manner and must take reasonable steps to prevent their disclosure to others.

There are no current material determinations of the United States Patent and Trademark Office, the United States Copyright Office, or a court regarding any of our copyrighted materials. The only agreement limiting our use of the copyrighted materials is the License Agreement disclosed in Item 13.

All ideas, concepts, techniques or materials relating to *Our Town America* businesses (including any specific to your business), whether or not constituting protectable intellectual property, and whether created by or on behalf of you or your owners, must be promptly disclosed to us, will be considered our property and part of our franchise system and will be considered to be works made-for-hire for us. You and your owners must sign whatever documents we request to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.

Infringements

We have no obligation to protect the copyrighted materials nor any obligation to defend you against claims arising from your use of the copyrighted items. We have no obligation to participate in your defense or to indemnify you for expenses or damages in a proceeding involving any of the copyrighted items. You must notify us immediately, in writing, of any apparent infringement of any of our copyrighted items, or any challenge to your use of any of these items, or of any claim by any person of any rights in any copyrighted items. You must not communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We can take the action we deem appropriate, including any affirmative action and control any litigation. You must provide the assistance and do the acts and things as, in our opinion, may be necessary or advisable to protect and maintain our interests in any proceeding or otherwise to protect and maintain our interests in the copyrighted materials. You may not at any time during or after the term of the Regional Development Agreement, contest the validity or ownership of any of the copyrighted items, or assist any person in contesting the validity of ownership of any of the copyrighted materials. There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. Furthermore, there are no infringing uses known to us that could materially affect your use of the copyrighted materials.

Discontinue Use

You must immediately modify or discontinue the use of any of the copyrighted materials as we direct. We will not reimburse you for any loss of revenue from any discontinued use of any copyrighted materials or for any expenditures you make to promote a modified or a substitute item.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must at all times perform your obligations under the Regional Development Agreement, continuously exert your best efforts to promote and enhance the business and not engage in any other business or activity that conflicts with your obligations to operate the business in compliance with the Regional Development Agreement. You must participate personally in the direct operation of the business. If you are a business entity, you may not have a manager or other on-premises supervisor, unless we otherwise approve. If we do, this manager or on-premises supervisor need not own an equity interest in your business. All personnel working in the business must sign confidentiality and noncompetition agreements restricting their activities as to disclosure and competition to the same extent as you are restricted by the Regional Development Agreement.

If you are a corporation, limited liability company or partnership, or you transfer your business to one of these entities, your owners (excluding their spouses) must personally guarantee your obligations under the Regional Development Agreement, and any other agreement with us or our affiliate. The form of "Owners Guaranty" is attached to the Regional Development Agreement. You must complete an "Owners Statement" in the form attached to the Regional Development Agreement. The Owners Statement describes all of your owners and their interests in you.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Under the Regional Development Agreement, you may only promote franchises operated under the *Our Town America* logo and you may only promote to the unit franchisees in your Granted Territory the sale of our proprietary *Our Town America* direct marketing materials. You may not promote for sale to the *Our Town America*

franchisees located in your Granted Territory any marketing products or services that we have not specifically authorized in writing. We can change the types of required and/or authorized goods and services from time to time, and there are no limits on our right to do so. You may only use advertising and promotional materials and programs promoting the sale and operation of *Our Town America* franchises that we provide to you or approve in writing before your use.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Regional Development Agreement. You should read these provisions in the Regional Development Agreement attached to this Disclosure Document.

Provision	Paragraph in Regional Development Agreement	Summary
A Length of franchise term	Paragraph 3(a)	5 years
B. Renewal or extension of the term	Paragraph 3(b)	5 years. Must not be in default under any agreement with us during the last 6 months of your Regional Development Agreement and give us notice at least 180 days before the date your Regional Development Agreement will expire.
C. Requirements for you to renew or extend	Paragraph 3(b)	Sign our current form of Regional Development Agreement which may have materially different terms than those in your Regional Development Agreement, and ancillary agreements, sign a release and pay us a $2,500 renewal fee.
D. Termination by you	Paragraph 11(b)	You may terminate if we commit a material breach of the Regional Development Agreement and do not cure the breach within 60 days of you giving us written notice (subject to state law).
E. Termination by us without cause	None	Not applicable
F. Termination by us with cause	Paragraph 11(a)	We can terminate only if you commit one of several violations.
G. "Cause" defined - curable defaults	Paragraph 11(a)	Failure to comply with any law or regulation 15 days after notice, breach of Regional Development Agreement or failure to operate your business as specified by us in the Manual, which breach or failure is not cured within 30 days after notice, failure to meet your development schedule within 60 days after notice.

Provision	Paragraph in Regional Development Agreement	Summary
H. "Cause" defined – non-curable defaults	Paragraph 11(a)	Bankruptcy, making of a false statement in connection with the acquisition of the franchise, failure to comply with the transfer provisions of the Regional Development Agreement, same default twice in any 12-month period, breach of any covenant of confidentiality or nondisclosure, conviction of a felony or a crime of moral turpitude, default under any other agreement that is not cured, revocation of any license necessary to offer unit franchises.
I. Your obligations on termination/nonrenewal	Paragraph 12(a)	Pay all sums you owe us, return the Manual and all confidential information to us, provide us with a list of your clients and customers and prospects and their contact information, transfer all trade names to us, cease using any advertising and de-identify your business.
J. Assignment of contract by us	Paragraph 10(a)	No restriction on our right to assign.
K. "Transfer" by you - defined	Paragraph 10(b)	Voluntary or involuntary assignment, direct or indirect assignment, sale, gift or other disposition of any interest in the regional development business or the Regional Development Agreement.
L. Our approval of transfer by you	Paragraph 10(f)	We must approve all transfers, even to a business entity to be controlled by you.
M. Conditions for our approval of transfer	Paragraph 10(f)	The new franchisee meets our standards and we approve them, we approve the sale price, all your obligations have been fully satisfied, you have paid us a transfer fee, you have signed a general release, you subordinate amounts due to you and you sign other documents we require (also see R. below).
N. Our right of first refusal to acquire your business	Paragraph 10(h)	If you receive an offer to purchase your business, you must notify us and we can purchase your business on the terms and conditions of the offer.
O. Our option to purchase your business	None	Not applicable.
P. Your death or disability	Paragraph 10(g)	Your heirs can assume the business but they must meet the requirements for transfer.
Q. Non-competition covenants during the term of the franchise	Paragraph 9(a)	You may not engage in any capacity in any "competitive business", nor can you sell any franchises or business opportunities. A competitive business includes any business that offers, sells, markets or advertises primarily direct marketing materials or related services (subject to state law).

Provision	Paragraph in Regional Development Agreement	Summary
R. Non-competition covenants after the franchise is terminated or expires	Paragraph 9(b)	For 2 years after the expiration, termination or transfer of the Agreement, you may not engage in any competitive business that is located in your Granted Territory or within a 10 mile radius of your Granted Territory nor may you be involved in a business or other venture that grants licenses or franchises for competitive businesses to be located in this area (subject to state law).
S. Modification of the Agreement	Paragraph 16(b)	No modifications except by written agreement, but Manual and system standards are subject to change.
T. Integration/merger clause	Paragraph 19(f)	Only the terms of the Regional Development Agreement and any Franchise Agreements 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 arbitration or mediation	Paragraph 17(c) and (e)	Except for certain claims, all disputes must be mediated at a mutually agreeable location, or at our headquarters. If the dispute is not resolved within 60 days, the dispute must be arbitrated at the office of the American Arbitration Association in Tampa, Florida (subject to state law).
V. Choice of forum	Paragraph 17(j)	Litigation must generally be in Florida (subject to state law).
W. Choice of law	Paragraph 17(i)	Florida law generally applies (subject to state law).

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Michael Plummer, at

13900 US 19 N, Clearwater, Florida 33764; Email at jplummer@ourtownamerica.com; and Telephone at (727) 345-0811, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2019 to 2021[1]

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2019	7	6	-1
	2020	6	6	0
	2021	6	6	0
Company Owned	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Totals	2019	7	6	-1
	2020	6	6	0
	2021	6	6	0

1 The numbers for each year are as of December 31.

Table No. 2

Transfers of Outlets from Franchisee to New Owners
(Other than the Franchisor)
For Years 2019 to 2021[1]

State	Year	Number of Transfers
California	2019	0
	2020	0
	2021	1
Totals	2019	0
	2020	0
	2021	1

1 The numbers for each year are as of December 31.

Table No. 3

Status of Franchised Outlets
For Years Ended 2019 to 2021[(1)]

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
California	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Florida	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Michigan	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Minnesota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
North Carolina	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Texas	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Totals	2019	7	0	0	0	0	1	6
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6

1 The numbers for each year are as of December 31.

Table No. 4

Status of Company-Owned Outlets
For Years 2019 to 2021[(1)]

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
All States	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Totals	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0

[1] All numbers for each year are as of December 31.

Table No. 5

Projected Openings
As of December 31, 2021

State	Regional Development Agreement Signed but Outlet Not Open	Projected New Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	0	0-1	0
California	0	0-1	0
Colorado	0	0-1	0
Illinois	0	0-1	0
Each Other State	0	0-1	0
Total	0	0-5	0

We are looking for regional developers throughout most of the United States and cannot know in advance where we might find prospects. In total, however, we expect to open up to 4 new regional development outlets in 2022.

The name of each of our regional developers and the address and telephone number of each of their outlets as of December 31, 2021, is attached as Exhibit E. Also attached as Exhibit E is the contact information for each regional developer who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Regional Development Agreement during the fiscal year ended December 31, 2021, or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. There is one regional developer on this list.

No regional development franchisees have signed confidentiality clauses during the last 3 fiscal years that would prevent them from speaking openly about their experiences with us. There are no trademark specific franchise organizations associated with this franchise system.

ITEM 21

FINANCIAL STATEMENTS

Our audited financial statements for fiscal years ending December 31, 2019, 2020 and 2021 are attached to this Disclosure Document as Exhibit A. Exhibit A also contains our unaudited balance sheet and a Statement of Operations as of and for the 3-month period ended March 31, 2022. THE FINANCIAL STATEMENTS AS OF MARCH 31, 2022 ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENTS AND FORM.

ITEM 22

CONTRACTS

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

(1) Forms of Regional Development Agreement, Owners Statement, and Owners Guaranty – Exhibit C

(2) Riders to Regional Development Agreement – Exhibit D

(3) Form of Franchise Compliance Certificate – Exhibit F

ITEM 23

RECEIPTS

The last two pages of this Disclosure Document are detachable documents acknowledging receipt of this Disclosure Document. Please sign and date both receipts and return one to us.

EXHIBIT A TO THE FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

OF

OUR TOWN AMERICA, A FRANCHISING CORPORATION

Our Town America
Balance Sheet Standard
As of March 31, 2022

13:17
4/29/2022
Accrual Basis

	Mar 31, '22
ASSETS	
Cash	$2,210,869.96
Accounts Receivable	$155,246.19
Undeposited Funds	$3,467.00
Total Current Assets	**$2,369,583.15**
Fixed Assets	$0.00
Other Assets	-$3,847.95
Total Fixed Assets	**-$3,847.95**
TOTAL ASSETS	**$2,365,735.20**
LIABILITIES & EQUITY	
Liabilities	
Accounts Payable	$53,690.38
Total Current Liabilities	**$53,690.38**
Total Other Current Liabilities	-$838,689.39
Total Liabilities	**-$784,999.01**
Equity	
Retained Earnings	$3,208,529.81
Common Stock	$1.00
Net Income	-$57,796.60
Total Equity	**$3,150,734.21**
TOTAL LIABILITIES & EQUITY	**$2,365,735.20**

Our Town America

13:15

Profit and Loss Standard

4/29/22

January through March 2022

	Jan - Mar '22
Income	$1,529,516.51
Cost of Goods Sold	$876,714.46
Gross Profit	**$652,802.05**
Expense	
Salaries & Wages	$368,449.79
Legal & Professional	$11,815.58
Advertising	$41,498.87
Trade Show	$14,016.61
Convention	$44,074.41
General Office Operation	$154,055.56
Rents	$26,687.52
Total Expense	**$660,598.34**
Net Income	**-$7,796.29**

Our Town America, A Franchising Corporation

Financial Statements

December 31, 2021

Our Town America, A Franchising Corporation

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WALTERS & ASSOCIATES
CPAs
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders of
Our Town America, A Franchising Corporation

Opinion

We have audited the accompanying financial statements of **Our Town America, A Franchising Corporation** which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Our Town America, A Franchising Corporation** as of December 31, 2021 and 2020, and the results of its operations, changes in stockholders' equity and its cash flows for the years then ended 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. 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 **Our Town America, A Franchising Corporation** 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 **Our Town America, A Franchising Corporation's** ability to continue as a going concern within one year after the date that the financial statements are 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 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. ASB-CL-15 2 ASB 1/22 -

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 **Our Town America, A Franchising Corporation '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 **Our Town America, A Franchising Corporation'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.

Godels & Solomon, LLC
A Division of Walters & Associates, CPAs
St. Petersburg, Florida

April 26, 2022

Our Town America, A Franchising Corporation
Balance Sheet
December 31, 2021 and 2020

Assets	2021	2020
Current Assets		
Cash	$ 2,224,257	$ 2,110,653
Accounts Receivable (less Allowance for Doubtful Collection)	153,585	179,259
Deferred Income Taxes	2,292	14,300
Due from Affliate	1,316,243	980,556
Total Current Assets	$ 3,696,377	$ 3,284,768
Notes Receivable	$ 7,000	$ 13,000
Property and Equipment, net of accumulated depreciation		
$9,726 and $9,726 respectfully	0	0
Total Assets	$ 3,703,377	$ 3,297,768
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts Payable and Accrued Expenses	$ 480,821	$ 471,158
Income Taxes Payable	$ 14,026	$ (212,117)
Total Current Liabilities	$ 494,847	$ 259,041
Long Term Liabilities		
Due to Affiliate	0	0
Total Liabilities	$ 494,847	$ 259,041
Stockholders' Equity		
Common Stock		
$.001 Par, 100,000 authorized		
697 shares Issued and Outstanding	1	1
Additional Paid-in Capital	0	20,299
Retained Earnings	3,208,529	3,018,427
Total Stockholders' Equity	3,208,530	3,038,727
Total Liabilities and Stockholders' Equity	$ 3,703,377	$ 3,297,768

See accompanying notes and auditor's report.

Our Town America, A Franchising Corporation
Statement of Operations
For the Years Ended December 31, 2021 and 2020

	2021	2020
Sales	$ 6,550,244	$ 6,178,237
Less: Cost of Sales	3,850,676	3,558,800
Gross Profit (Loss)	$ 2,699,568	$ 2,619,437
Advertising	220,731	218,484
Bad Debt	(47,461)	7,483
Brokers Fees	16,000	54,000
Salaries & Wages	1,530,986	1,589,275
Professional Fees	51,909	48,452
Rent	102,805	102,447
Trade Shows	27,045	2,864
General Administrative Expenses	501,153	507,771
Total Operational Expenses	$ 2,403,168	$ 2,530,776
Other Income		
PPP and SBA Grant	$ 345,500	$ 401,700
Income (Loss) from Operations before Income Taxes	$ 641,900	$ 490,361
Income Tax Expense	$ 86,059	$ 31,191
Net Income (Loss)	$ 555,841	$ 459,170

See accompanying notes and auditor's report.

Our Town America, A Franchising Corporation
Statement of Changes in Stockholder's Equity
For the Years Ended December 31, 2021 and 2020

	Shares	Common	Additional Paid-in Capital	Accumulated Earnings (Deficit)	Total
Balance at December 31, 2009	1,000	1	20,299	11,287	31,587
Net Income (Loss)	0			(25,707)	(25,707)
Distributions	0			0	0
Balance at December 31, 2010	1,000	1	20,299	(14,420)	5,880
Net Income (Loss)	0			(216,160)	(216,160)
Distributions	0			0	0
Balance at December 31, 2011	1,000	1	20,299	(230,580)	(210,280)
Net Income (Loss)	0			198,946	198,946
Distributions	0			(90,669)	(90,669)
Balance at December 31, 2012	1,000	1	20,299	(122,303)	(102,003)
Net Income (Loss)	0			382,136	382,136
Distributions	0			6,344	6,344
Balance at December 31, 2013	1,000	1	20,299	266,177	286,477
Net Income (Loss)	0			166,053	166,053
Distributions	0			(103,656)	(103,656)
Balance at December 31, 2014	1,000	1	20,299	328,574	348,874
Net Income (Loss)	0			255,060	255,060
Distributions	0			0	0
Balance at December 31, 2015	1,000	1	20,299	583,634	603,934
Net Income (Loss)	0			328,017	328,017
Distributions	0			(207,587)	(207,587)
Balance at December 31, 2016	1,000	1	20,299	704,064	724,364
Net Income (Loss)	0			530,686	530,686
Distributions	0			0	0

Balance at December 31, 2017	1,000	1	20,299	1,234,750	1,255,050
Net Income (Loss)	0			746,108	746,108
Distributions	0			0	0
Balance at December 31, 2018	1,000	1	20,299	1,980,858	2,001,158
Net Income (Loss)	0			741,851	741,851
Distributions	0			0	0
Balance at December 31, 2019	1,000	1	20,299	2,722,709	2,743,009
Net Income (Loss)	0			459,170	459,170
Distributions	0			(163,452)	(163,452)
Balance at December 31, 2020	1,000	1	20,299	3,018,427	3,038,727
Net Income (Loss)	0			555,841	555,841
Stock Redemption	(303)	(0.31)	(20,299)	(294,013)	(314,313)
Distributions	0			(71,726)	(71,726)
Balance at December 31, 2021	697	0.69	0	3,208,529	3,208,530

See accompanying notes and auditor's report.

Our Town America, A Franchising Corporation
Statement of Cash Flows
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Net Income (Loss)	$ 555,841	$ 459,170
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation	0	0
Increase (Decrease) in:		
Net Accounts Receivable	25,674	41,729
Deferred Income Taxes	12,009	11,062
Due to Affiliate	(335,687)	0
(Increase) Decrease in:		
Accounts Payable and Accrued Expenses	9,663	(77,410)
Income Tax Payable	226,143	(264,947)
Net Cash Provided by Operating Activities	493,643	169,604
Cash Flows from Investing Activities		
Net Cash Provided by Investing Activities	0	0
Cash Flows from Financing Activities		
Notes Receivable	6,000	5,500
Loans Receivable	0	0
Contributions/(Distributions) from/(to) Shareholders	(386,039)	(163,452)
Net Cash Provided (Used) by Financing Activities	(380,039)	(157,952)
Net Change in Cash	$ 113,604	$ 11,652
Cash at Beginning of Year	2,110,653	2,099,001
Cash at End of Year	$ 2,224,257	$ 2,110,653
Supplemental Disclosures of Cash Flow Information		
Interest Paid	$ 571	$ 787
Income Taxes Paid	$ 18,844	$ 294,416

See accompanying notes and auditor's report

Note A - Nature Of Business And Summary Of Significant Accounting Policies

The Company is a franchising organization headquartered in Clearwater, Florida, which provides trademark licensing with the conveyance of a business format to franchisees for relocation services to new movers from local businesses. The franchisee is required to comply with the Company's guidelines governing the operation, appearance, and location of the business. The Company has franchisees operating in various States.

Notes and Accounts Receivables

Notes and accounts receivable consist of amounts billed to franchisees and accrued unbilled fees, including related service fees. Franchisees are billed for services when the franchise fee period is completed and the franchise fee is processed. The Company performs ongoing credit evaluations of its franchisees' financial condition and generally requires no collateral from its franchisees. Follow-up correspondence is made if unpaid accounts receivable exceeds 3 days. Payments of accounts receivable are applied to specific invoices.

Notes and accounts receivable are stated at the amount management expects to collect from outstanding balances. Management individually reviews all accounts receivable balances that exceed the due date by 10 days and, based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Management provides for probable uncollectible amounts through a charge to earnings and a credit to valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts or notes receivable.

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation of property and equipment is provided using the straight-line and double declining balance methods over the following estimated useful lives of the assets as follows:

Computer Equipment	5 years
Software	3 years

Valuation of Long-Lived Assets

The Company periodically evaluates the carrying value of long-lived assets, when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the indicators of impairment are present and undiscounted cash flows estimated to be generated by the asset are less than the assets carrying amount. In that event, loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined primarily using anticipated cash flows discounted at a rate commensurate with the risk involved.

Note A - Nature Of Business And Summary Of Significant Accounting Policies – (Continued)

Revenue Recognition

The gross billings that the Company charges its franchisees under its Franchise Agreement include a franchise fee and a royalty. The franchise fee is an up-front payment, which is paid upon entering into the agreement. The royalty is a service fee, which is a percentage of the gross revenue of the franchisee. All fees charged by the Company are invoiced along with the close of each franchise fee period.

As part of the adoption of the Accounting Standards Update (ASU), the Company elected to used the following transaction practical expedients: (i) completed contracts that begin and end in the same annual reporting period have not been restated; (ii) the company used the known transaction price for completed contracts; (iii) to exclude disclosures of transaction prices allocated to remaining performance obligations when the Company expects to recognize such revenue for all periods prior to the date to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining the transaction prices, and allocating the transaction price.

The majority of the Company's revenue is recognized at a point in time based on the transfer of control. Revenue recognized over time primarily consists of performance obligations that are satisfied within one year or less. In addition, the majority of the Company's contracts do not contain variable consideration and contract modifications are generally minimal. For these reasons, there is not a significant impact as a result of electing these transition practical expedients.

The adoption of this ASU did not have a significant impact on the Company's financial statements. The majority of the Company's revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. Based on the Company's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of the adoption.

Income Taxes

Effective January 1st, 2017, the Company elected to be treated as a C corporation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management .to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Note A - Nature Of Business And Summary Of Significant Accounting Policies – (Continued)

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Company maintains its cash balances at various commercial banks. The Company is potentially exposed to a concentration of credit risk when cash deposits in banks are in excess of federally insured limits.

Organizational Costs

The Company expenses organizational and start-up costs as incurred in accordance with the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants Statement of Position 98-5.

Advertising

Advertising costs of $218,484 and $220,731 were incurred during the years ended December 31, 2020 and 2021.

Segment Reporting

The Company operates in one reportable segment under the Statement of Financial Accounting Standards (SFAS) No. 131, Disclosures about Segments of an Enterprise and Related Information due to its centralized structure.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and accounts payable approximate their fair values due to the short-term maturities of these instruments.

Accounting Pronouncements

The Financial Accounting Standards Board and other entities issued new or modifications to, or interpretations of, existing accounting guidance during 2021. The Company has carefully considered the new pronouncements that altered generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the Company's reported financial position or operations in the near term.

Note B-Stockholders' Equity

The Company was organized under the laws of the State of Florida in July 2004 through the issuance of 1,000 shares of $.001 Par Value common stock. On August 18, 2021 the Company executed a Stock Purchase Agreement to acquire all 302.87 shares of the minority shareholder's common stock for $314,312.50. These shares were subsequently retired.

Note C -Property And Equipment

	December 31, 2020	December 31, 2019
Computer equipment	$1,365	$1,365
Software	8,361	8,361
Less accumulated depreciation	(9,726)	(9,726)
	$ 0	$ 0

Depreciation expense was $0 and $0 for the years ending December 31, 2021 and 2020, respectively.

Note D - Notes Receivable

On December 31, 2017, the Company converted various accounts receivables into Promissory Notes. The Notes have various terms ranging from twenty to sixty monthly installments and one that requires repayment in six quarterly installments. The Notes are interest free. During the year ended December 31, 2019 two notes in the amount of $121,901. were written off as a bad debt. No notes were written off as bad debts during the year ended December 31, 2021.

Note E - Related Party Transactions

The Company incurs a number of costs and expenses by way of allocating a portion of such costs and expenses based on management's judgment and experience in the franchising industry. These expenses are allocated from Our Town, Inc, a commonly controlled company. The amount owed from Our Town, Inc. was $980,556 and $1,316,243 at December 31, 2020 and at December 31, 2021.

Note F-Income Taxes

Income Tax Expense for the years ended December 31, 2020 and 2021 consists of the following:

	December 31, 2020	December 31, 2021
Current Federal Income Tax	$ 18,443	$ 60,693
Current State Income Tax	1,686	8,921
Tax Assessment-Prior Year		4,437
Deferred Income Tax	11,062	12,008
Total Income Taxes	$ 31,191	$ 86,059

Note F – Income Taxes –(continued)

Temporary timing differences between book and taxable income are created due to various items that are recognized differently for tax purposes than for book purposes. These temporary timing differences may create a deferred tax liability or a deferred tax asset. The following is a summary of the Company's deferred taxes for the current year.

Description	Beginning of Year Asset/(Liability)	Current Year Benefit/(Expense)	End of Year Asset/(Liability)
Reserve for Bad Debts	$14,300	$(12,008)	$2,292
Net Total	$14,300	$(12,008)	$2,292

Note G – Franchise Fee Revenue

The total franchise fee income amounts of $309,932 and $270,890 were received during the years ended December 31, 2020 and 2021, respectively. The amount of initial franchise fee income amount of $47,500 and $0 were received during the years ended December 31, 2020 and 2021, respectively. The number of franchises sold during the years ended December 31, 2020 and 2021 were 1 and 0, respectively. The number of franchises operated during the years ended December 31, 2020 and 2021 were 50 and 49, respectively.

Note H – Date of Management's Review

Management has evaluated subsequent events through April 26, 2022, the date the financial statements were available to be issued.

NOTE J – PPP Loan Forgiveness

On April 22, 2020, the Company was granted a loan in the amount of $391,700.00 pursuant to the Paycheck Protection Program (the "PPP"). The PPP was established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), and provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The Company applied for loan forgiveness on November 16, 2020 by representing and certifying that the Company utilized the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintained its payroll levels. The entire amount of the Company's PPP Loan was considered forgiven as of December 31, 2020.

On March 1, 2021, the Company was granted a second loan in the amount of $345,500.00 pursuant to the Paycheck Protection Program (the "PPP"). The Company applied for loan forgiveness on December 30, 2020 by representing and certifying that the Company utilized the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintained its payroll levels. The entire amount of the Company's PPP Loan was considered forgiven as of December 31, 2021 as acknowledged on January 5, 2022.

Our Town America, A Franchising Corporation

Financial Statements

December 31, 2020

Our Town America, A Franchising Corporation

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April 16, 2021

Independent Auditor's Report

To the Stockholders and Board of Directors
Our Town America, A Franchising Corporation
Clearwater, Florida

We have audited the accompanying financial statements of Our Town America, A Franchising Corporation (a C corporation), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Our Town America, A Franchising Corporation as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

GODELS & SOLOMON, LLC

Our Town America, A Franchising Corporation
Balance Sheet
December 31, 2020 and 2019

Assets	2020	2019
Current Assets		
Cash	$ 2,110,653	$ 2,099,001
Accounts Receivable (less Allowance for Doubtful Collection)	179,259	220,988
Deferred Income Taxes	14,300	25,362
Due from Affliate	980,556	980,556
Total Current Assets	$ 3,284,768	$ 3,325,907
Notes Receivable	$ 13,000	$ 18,500
Property and Equipment, net of accumulated depreciation		
$9,726 and $9,726 respectfully	0	0
Total Assets	$ 3,297,768	$ 3,344,407
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts Payable and Accrued Expenses	$ 471,157	$ 548,568
Income Taxes Payable (Overpayment)	$ (212,117)	$ 52,830
Total Current Liabilities	$ 259,040	$ 601,398
Long Term Liabilities		
Due to Affiliate	0	0
Total Liabilities	$ 259,040	$ 601,398
Stockholders' Equity		
Common Stock		
$.001 Par, 100,000 authorized		
1,000 shares Issued and Outstanding	1	1
Additional Paid-in Capital	20,299	20,299
Retained Earnings	3,018,427	2,722,709
Total Stockholders' Equity	3,038,727	2,743,009
Total Liabilities and Stockholders' Equity	$ 3,297,768	$ 3,344,407

See accompanying notes and auditor's report.

Our Town America, A Franchising Corporation
Statement of Operations
For the Years Ended December 31, 2020 and 2019

	2020	2019
Sales	$ 6,178,237	$ 8,873,351
Less: Cost of Sales	3,558,800	4,874,410
Gross Profit (Loss)	$ 2,619,437	$ 3,998,941
Advertising	218,484	248,998
Bad Debt	7,483	107,278
Brokers Fees	54,000	114,847
Salaries & Wages	1,589,275	1,756,720
Professional Fees	48,452	72,360
Rent	102,447	99,363
Trade Shows	2,864	55,242
General Administrative Expenses	507,771	599,197
Total Operational Expenses	$ 2,530,776	$ 3,054,005
Other Income		
PPP Loan Forgiveness and SBA Grant	401,700	0
Income (Loss) from Operations before Income Taxes	$ 490,361	$ 944,936
Income Tax Expense	$ 31,191	$ 203,085
Net Income (Loss)	$ 459,170	$ 741,851

See accompanying notes and auditor's report.

Our Town America, A Franchising Corporation
Statement of Changes in Stockholder's Equity
For the Years Ended December 31, 2020 and 2019

	Shares	Common	Additional Paid-in Capital	Accumulated Earnings (Deficit)	Total
Balance at December 31, 2009	1,000	1	20,299	11,287	31,587
Net Income (Loss)	0			(25,707)	(25,707)
Distributions	0			0	0
Balance at December 31, 2010	1,000	1	20,299	(14,420)	5,880
Net Income (Loss)	0			(216,160)	(216,160)
Distributions	0			0	0
Balance at December 31, 2011	1,000	1	20,299	(230,580)	(210,280)
Net Income (Loss)	0			198,946	198,946
Distributions	0			(90,669)	(90,669)
Balance at December 31, 2012	1,000	1	20,299	(122,303)	(102,003)
Net Income (Loss)	0			382,136	382,136
Distributions	0			6,344	6,344
Balance at December 31, 2013	1,000	1	20,299	266,177	286,477
Net Income (Loss)	0			166,053	166,053
Distributions	0			(103,656)	(103,656)
Balance at December 31, 2014	1,000	1	20,299	328,574	348,874
Net Income (Loss)	0			255,060	255,060
Distributions	0			0	0
Balance at December 31, 2015	1,000	1	20,299	583,634	603,934
Net Income (Loss)	0			328,017	328,017
Distributions	0			(207,587)	(207,587)
Balance at December 31, 2016	1,000	1	20,299	704,064	724,364
Net Income (Loss)	0			530,686	530,686
Distributions	0			0	0

Balance at December 31, 2017	1,000	1	20,299	1,234,750	1,255,050
Net Income (Loss)	0			746,108	746,108
Distributions	0			0	0
Balance at December 31, 2018	1,000	1	20,299	1,980,858	2,001,158
Net Income (Loss)	0			741,851	741,851
Distributions	0			0	0
Balance at December 31, 2019	1,000	1	20,299	2,722,709	2,743,009
Net Income (Loss)	0			459,170	459,170
Distributions	0			(163,452)	(163,452)
Balance at December 31, 2020	1,000	1	20,299	3,018,427	3,038,727

See accompanying notes and auditor's report.

Our Town America, A Franchising Corporation
Statement of Cash Flows
For the Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Net Income (Loss)	$ 459,170	$ 741,851
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation	0	0
Increase (Decrease) in:		
Net Accounts Receivable	41,729	108,814
Deferred Income Taxes	11,062	(25,362)
Due From Affiliate	0	189
(Increase) Decrease in:		
Accounts Payable and Accrued Expenses	(77,410)	27,675
Income Tax Payable	(264,947)	117,809
Net Cash Provided by Investing Activities	169,604	970,975
Cash Flows from Investing Activities		
Net Cash Provided by Investing Activities	0	0
Cash Flows from Financing Activities		
Notes Receivable	5,500	169,010
Contributions/(Distributions) from/(to) Shareholders	(163,452)	0
Net Cash Provided (Used) by Financing Activities	(157,952)	169,010
Net Change in Cash	$ 11,652	$ 1,139,985
Cash at Beginning of Year	2,099,001	959,015
Cash at End of Year	$ 2,110,653	$ 2,099,000
Supplemental Disclosures of Cash Flow Information		
Interest Paid	$ 787	$ -
Income Taxes Paid	$ 294,416	$ 110,656

See accompanying notes and auditor's report

Note A - Nature Of Business And Summary Of Significant Accounting Policies

The Company is a franchising organization headquartered in Clearwater, Florida, which provides trademark licensing with the conveyance of a business format to franchisees for relocation services to new movers from local businesses. The franchisee is required to comply with the Company's guidelines governing the operation, appearance, and location of the business. The Company has franchisees operating in various States.

Notes and Accounts Receivables

Notes and accounts receivable consist of amounts billed to franchisees and accrued unbilled fees, including related service fees. Franchisees are billed for services when the franchise fee period is completed and the franchise fee is processed. The Company performs ongoing credit evaluations of its franchisees' financial condition and generally requires no collateral from its franchisees. Follow-up correspondence is made if unpaid accounts receivable exceeds 3 days. Payments of accounts receivable are applied to specific invoices.

Notes and accounts receivable are stated at the amount management expects to collect from outstanding balances. Management individually reviews all accounts receivable balances that exceed the due date by 10 days and, based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Management provides for probable uncollectible amounts through a charge to earnings and a credit to valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts or notes receivable.

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation of property and equipment is provided using the straight-line and double declining balance methods over the following estimated useful lives of the assets as follows:

Computer Equipment	5 years
Software	3 years

Valuation of Long-Lived Assets

The Company periodically evaluates the carrying value of long-lived assets, when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the indicators of impairment are present and undiscounted cash flows estimated to be generated by the asset are less than the assets carrying amount. In that event, loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined primarily using anticipated cash flows discounted at a rate commensurate with the risk involved.

Note A - Nature Of Business And Summary Of Significant Accounting Policies – (Continued)

Revenue Recognition

The gross billings that the Company charges its franchisees under its Franchise Agreement include a franchise fee and a royalty. The franchise fee is an up-front payment, which is paid upon entering into the agreement. The royalty is a service fee, which is a percentage of the gross revenue of the franchisee. All fees charged by the Company are invoiced along with the close of each franchise fee period.

As part of the adoption of the Accounting Standards Update (ASU), the Company elected to used the following transaction practical expedients: (i) completed contracts that begin and end in the same annual reporting period have not been restated; (ii) the company used the known transaction price for completed contracts; (iii) to exclude disclosures of transaction prices allocated to remaining performance obligations when the Company expects to recognize such revenue for all periods prior to the date to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining the transaction prices, and allocating the transaction price.

The majority of the Company's revenue is recognized at a point in time based on the transfer of control. Revenue recognized over time primarily consists of performance obligations that are satisfied within one year or less. In addition, the majority of the Company's contracts do not contain variable consideration and contract modifications are generally minimal. For these reasons, there is not a significant impact as a result of electing these transition practical expedients.

The adoption of this ASU did not have a significant impact on the Company's financial statements. The majority of the Company's revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. Based on the Company's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of the adoption.

Income Taxes

Effective January 1st, 2017, the Company elected to be treated as a C corporation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management .to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Note A - Nature Of Business And Summary Of Significant Accounting Policies – (Continued)

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Company maintains its cash balances at various commercial banks. The Company is potentially exposed to a concentration of credit risk when cash deposits in banks are in excess of federally insured limits.

Organizational Costs

The Company expenses organizational and start-up costs as incurred in accordance with the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants Statement of Position 98-5.

Advertising

Advertising costs of $218,484 and $248,998 were incurred during the years ended December 31, 2020 and 2019.

Segment Reporting

The Company operates in one reportable segment under the Statement of Financial Accounting Standards (SFAS) No. 131, Disclosures about Segments of an Enterprise and Related Information due to its centralized structure.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable and accounts payable approximate their fair values due to the short-term maturities of these instruments.

Accounting Pronouncements

The Financial Accounting Standards Board and other entities issued new or modifications to, or interpretations of, existing accounting guidance during 2020. The Company has carefully considered the new pronouncements that altered generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the Company's reported financial position or operations in the near term.

Note B- Stockholders' Equity

The Company was organized under the laws of the State of Florida in July 2004 through the issuance of 1,000 shares of $.001 Par Value common stock.

Note C -Property And Equipment

	December 31, 2020	December 31, 2019
Computer equipment	$1,365	$1,365
Software	8,361	8,361
Less accumulated depreciation	(9,726)	(9,726)
	$ 0	$ 0

Depreciation expense was $0 and $0 for the years ending December 31, 2020 and 2019, respectively.

Note D - Notes Receivable

On December 31, 2017, the Company converted various accounts receivables into Promissory Notes. The Notes have various terms ranging from twenty to sixty monthly installments and one that requires repayment in six quarterly installments. The Notes are interest free. During the year ended December 31, 2019 two notes in the amount of $121,901. were written off as a bad debt. No notes were written off as bad debts during the year ended December 31, 2020.

Note E - Related Party Transactions

The Company incurs a number of costs and expenses by way of allocating a portion of such costs and expenses based on management's judgment and experience in the franchising industry. These expenses are allocated from Our Town, Inc, a commonly controlled company. The amount owed from Our Town, Inc. was $980,556 at December 31, 2020 and at December 31, 2019.

Note F-Income Taxes

Income Tax Expense for the years ended December 31, 2020 and 2019 consists of the following:

	December 31, 2020	December 31, 2019
Current Federal Income Tax	$ 18,443	$ 190,282
Current State Income Tax	1,686	38,165
Deferred Income Tax	11,062	(25,362)
Total Income Taxes	$ 31,191	$ 203,085

Note F – Income Taxes –(continued)

Temporary timing differences between book and taxable income are created due to various items that are recognized differently for tax purposes than for book purposes. These temporary timing differences may create a deferred tax liability or a deferred tax asset. The following is a summary of the Company's deferred taxes for the current year.

Description	Beginning of Year Asset/(Liability)	Current Year Benefit/(Expense)	End of Year Asset/(Liability)
Reserve for Bad Debts	$25,362	$(11,062)	$14,300
Net Total	$25,362	$(11,062)	$14,300

Note G – Franchise Fee Revenue

The total franchise fee income amounts of $309,932 and $467,005 were received during the years ended December 31, 2020 and 2019 respectively. The amount of initial franchise fee income amount of $47,500 and $92,500 were received during the years ended December 31, 2020 and 2019 respectively. The number of franchises sold during the years ended December 31, 2020 and 2019 were 1 and 2, respectively. The number of franchises operated during the years ended December 31, 2020 and 2019 were 50 and 59, respectively.

Note H – Date of Management's Review

Management has evaluated subsequent events through April 16, 2021, the date the financial statements were available to be issued.

NOTE J – PPP Loan Forgiveness

On April 22, 2020, the Company was granted a loan in the amount of $391,700.00 pursuant to the Paycheck Protection Program (the "PPP"). The PPP was established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), and provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The Company applied for loan forgiveness on November 16, 2020 by representing and certifying that the Company utilized the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintained its payroll levels. The entire amount of the Company's PPP Loan is considered forgiven as of December 31, 2020.

EXHIBIT B TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA TO THE

FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY THE CALIFORNIA FRANCHISE INVESTMENT LAW

Notwithstanding anything to the contrary set forth in Our Town America, A Franchising Corporation's Franchise Disclosure Document, the following provisions shall supersede and apply to all *Our Town America* franchises offered and sold in the state of California:

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

2. Item 3 of the Franchise Disclosure Document is supplemented by the additional following paragraph:

> "Neither we nor any person described in Item 2 of the Franchise Disclosure Document 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. 78a et seq. suspending or expelling such persons from membership in such association or exchange."

3. Item 17 of the Franchise Disclosure Document is amended by the insertion of the following:

> "The California Franchise Relations Act (Business and Professions Code Section 20000 through 20043), provides franchisees with additional rights concerning transfer, termination and non-renewal of the Regional Development Agreement and certain provisions of the Regional Development Agreement relating to transfer, termination and non-renewal may be superseded by the Act. There may also be court decisions which may supersede the Regional Development Agreement and your relationship with us, including the areas of transfer, termination and renewal of your franchise. If the Regional Development Agreement is inconsistent with the law, the law will control.
>
> The Regional Development Agreement requires the franchisee to execute a general release of claims upon renewal or transfer of the Regional Development Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)."

4. The Regional Development Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Sec. 101 *et. seq.).*

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

6. The Regional Development Agreement requires application of the laws and forum of the State of Florida with certain exceptions. These provisions may not be enforceable under California law.

7. The Regional Development Agreement requires binding arbitration. The arbitration is to occur in Pinellas County, Florida, or such other place as may be mutually agreed upon by the parties. The cost of the arbitration will be borne by the non-prevailing party. This provision may not be enforceable under generally applicable contract defenses such as fraud, duress or unconscionability. 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 a Regional Development Agreement restricting venue to a forum outside the state of California.

8. California [Civil Code Section 1671] has statutes that restrict or prohibit the imposition of liquidated damage provisions.

9. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR REGIONAL DEVELOPMENT AGREEMENT. THE FRANCHISOR HAS OR WILL COMPLY WITH ALL OF THE REQUIREMENTS UNDER CALIFORNIA CORPORATIONS CODE, SECTION 31109.1, WITH RESPECT TO NEGOTIATED SALES.

10. THE REGIONAL DEVELOPMENT AGREEMENT CONTAINS A WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL PROVISION.

11. OUR TOWN AMERICA, A FRANCHISING CORPORATION'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

STATE SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY THE ILLINOIS FRANCHISE DISCLOSURE ACT OF 1987

Notwithstanding anything to the contrary set forth in Our Town America, A Franchising Corporation's Franchise Disclosure Document, the following provisions shall supersede and apply to all *Our Town America* franchises offered and sold in the state of Illinois:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void. This shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claims pursuant to the provisions of Title IX of the United States Code.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

STATE SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY
THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW

Notwithstanding anything to the contrary in the Our Town America, A Franchising Corporation Franchise Disclosure Document, the following provisions shall supersede and apply to all Our Town America franchises sold to residents in the state of Maryland:

1. Each chart in Item 17 of the Franchise Disclosure Document is amended as follows:

> "Termination for bankruptcy filing may not be enforceable under the United States Bankruptcy Act, but we intend to enforce it to the extent enforceable."

2. Item 17(c) and 17(m) in each of the charts in Item 17 are modified to provide that, under COMAR 02.02.08.16L, the general release required as a condition to renewal, sale or consent to assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Item 17(v) and (w) in each of the charts in Item 17 are modified by the insertion of the following:

> "Any Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

4. Item 17 of the Franchise Disclosure Document and the Regional Development Agreement are amended by the insertion of the following: "Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise."

5. Item 17 of the Franchise Disclosure Document and the Regional Development Agreement are amended by the insertion of the following: "The Regional Development Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

6. Item 17 of the Franchise Disclosure Document and the Regional Development Agreement are amended by the insertion of the following: "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."

7. Each provision of this Addendum shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY THE MINNESOTA FRANCHISE LAW

Notwithstanding anything to the contrary set forth in Our Town America, A Franchising Corporation's Franchise Disclosure Document, the following provisions shall supersede and apply to all *Our Town America* franchises offered and sold in the state of Minnesota:

1. Minn. Stat. Section 80C.21 and Minn. Rule Part 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or Regional Development 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.

2. We are prohibited from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

3. Item 13 of the Franchise Disclosure Document is revised to include the following language:

> "To the extent required by the Minnesota Franchise Act, we will protect your rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name."

4. Item 17.F in the charts in the Franchise Disclosure Document is amended to add the following:

> "With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the franchise agreement; and that consent to transfer of the franchise will not be unreasonably withheld."

5. Item 17.C and 17.M in the charts in the Franchise Disclosure Document are amended to add the following:

> "We cannot require you to sign a release of claims under the Minnesota Franchise Act as a condition to renewal or assignment."

STATE SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY THE NEW YORK GENERAL BUSINESS LAW

Notwithstanding anything to the contrary set forth in the Our Town America, A Franchising Corporation's Franchise Disclosure Document, the following provisions shall supersede and apply to all *Our Town America* franchises offered and sold in the state of New York:

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT G OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NY 10271.

FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, 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 PROSPECTUS.

2. The following paragraphs are hereby added at the beginning of Item 3 in the Franchise Disclosure Document:

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust,

trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added at the end of Item 5:

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

4. 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.

5. 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.

6. 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 SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY THE VIRGINIA RETAIL FRANCHISING ACT

Notwithstanding anything to the contrary set forth in Our Town America, A Franchising Corporation's Franchise Disclosure Document, the following provisions shall supersede and apply to all *Our Town America* franchises offered and sold in the commonwealth of Virginia:

1. Item 17.H in the charts in the Franchise Disclosure Document is hereby amended by the addition of the following disclosure:

> "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 ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchise Act or the laws of Virginia, that provision may not be enforceable."

STATE SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY
THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT

Notwithstanding anything to the contrary set forth in Our Town America, A Franchising Corporation's Franchise Disclosure Document, the following provisions shall supersede and apply to all *Our Town America* franchises offered and sold in the state of Washington:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the Regional Development Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Regional Development Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Regional Development Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder 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 which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Regional Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Regional Development Agreement or elsewhere are void and unenforceable in Washington.

8. The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling

the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

STATE SPECIFIC ADDENDUM TO THE
OUR TOWN AMERICA, A FRANCHISING CORPORATION
FRANCHISE DISCLOSURE DOCUMENT
AS REQUIRED BY
THE WISCONSIN FAIR DEALERSHIP LAW

Notwithstanding anything to the contrary in the Our Town America, A Franchising Corporation Franchise Disclosure Document or Regional Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all *Our Town America* franchises offered and sold in the state of Wisconsin:

"The Wisconsin Fair Dealership Law applies to most franchise agreements in the state and prohibits termination, cancellation, non-renewal or substantial change in competitive circumstances of a dealership agreement without good cause. The law further provides that 90 days prior written notice of the proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is so cured the notice is void. The Disclosure Document and Regional Development Agreement are hereby modified to state that the Wisconsin Fair Dealership Law, to the extent applicable, supersedes any provision of the Regional Development Agreement that is inconsistent with the law Wis.Stat.Ch.135, the Wisconsin Fair Dealership Law, § 32.06(3), Wis.Code."

EXHIBIT C TO THE FRANCHISE DISCLOSURE DOCUMENT

FORMS OF REGIONAL DEVELOPMENT AGREEMENT,
OWNERS STATEMENT, AND OWNERS GUARANTY

OUR TOWN AMERICA

REGIONAL DEVELOPMENT AGREEMENT

AGREEMENT DATE	NAME OF DEVELOPER
BUSINESS NUMBER	ADDRESS

REGIONAL DEVELOPMENT AGREEMENT

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Exhibit “C” Owners Guaranty

REGIONAL DEVELOPMENT AGREEMENT

1. PARTIES AND RECITALS

(a) This Regional Development Agreement **("Agreement")** is made this _____ day of _____, 20___ (the **"Agreement Date"**), by and between Our Town America, A Franchising Corporation, a Florida corporation (referred to in this Agreement as "Franchisor," "us", "we", or "our"), and _____, a _____ (referred to in this Agreement as **"Developer," "you,"** or **"your"**).

(b) Franchisor owns or has the right to license certain trade names, trademarks, service marks, logos, symbols and other indicia of origin, including but not limited to, the Our Town America logo and such other trade names, trademarks, service marks, associated logos, and symbols as are designated in writing by Franchisor either on or after the Agreement Date (collectively the **"Marks"**). We use, promote and license the Marks and other commercial symbols for the operation of franchised businesses operating under the Our Town America logo, including associated designs, artwork and trade dress, and may create, use and license additional trademarks, service marks and commercial symbols in conjunction with the operation of Our Town America franchised businesses. We have developed a proprietary system for marketing, promoting, advertising and operating businesses under the Our Town America logo that provide direct mail marketing materials and services to local businesses (the **"Unit Franchises"**) which use: (i) our proprietary marketing and informational material and personalized direct mail envelopes and their contents that bear the Marks, our designs and our information, and (ii) other products and services for or related to direct mail advertising and marketing (collectively, the **"Products"**). Franchisor grants franchise owners (**"Unit Franchisees"**) the right to operate Our Town America Unit Franchises using our proprietary business system (the **"System"**) pursuant to an agreement (the **"Unit Franchise Agreement"**), which may be modified by us from time to time in our sole discretion.

(c) Developer desires, upon the terms and conditions set forth herein, to obtain the right and obligation to act as the Franchisor's authorized developer in actively promoting the development of Unit Franchises within the territory specified in Exhibit "A" hereto and in providing certain services with respect to the operation of such Unit Franchises.

2. GRANT OF TERRITORY

(a) Subject to all of the terms and conditions herein, Franchisor hereby grants to Developer the right to act as Franchisor's authorized developer solely within the territory described on Exhibit "A" which is attached hereto and made a part hereof by reference (the **"Granted Territory"**). In consideration of the rights granted in this Agreement, Developer shall promote the sale of Unit Franchises to be located in the Granted Territory and refer prospective Unit Franchisees to Franchisor, who shall in its sole discretion determine the qualifications and suitability of each applicant, and who shall execute all Unit Franchise Agreements with such prospective Our Town America franchise owners. In addition to its right and obligation to

promote the sale of Unit Franchises to be located within the Granted Territory, Developer shall provide certain services for the Unit Franchises within the Granted Territory as set forth herein. Subject to the provisions hereof, Franchisor agrees that it shall not, during the term of this Agreement or any renewals thereof, authorize any other party to promote the sale of Unit Franchises to be physically located within the Granted Territory. Developer acknowledges and agrees that Franchisor may at any time designate others as developers of the System to promote the sale of Unit Franchises to be located in any area other than the Granted Territory. The rights and obligations herein granted to Developer are sometimes referred to as the "Regional Development Rights."

(b) Developer acknowledges and agrees that Franchisor's grant of the Regional Development Rights herein has been made based upon Developer's successful operation of its Unit Franchise for at least one (1) year within the Granted Territory pursuant to its Unit Franchise Agreement or upon other qualifications of Developer. Developer agrees that it shall continuously own and operate a Unit Franchise during the term of this Agreement and any renewals thereof and utilize such Unit Franchise as provided in Paragraph 7 hereof for purposes of marketing Unit Franchises and servicing Unit Franchises located in the Granted Territory.

(c) Developer acknowledges and agrees that the territorial rights granted hereunder are subject to Developer's timely compliance with the Development Schedule attached hereto as Exhibit "A." If Developer fails to meet the Development Schedule set forth in Exhibit "A," and fails to cure such noncompliance within sixty (60) days after Franchisor's written notice thereof, Franchisor may terminate this Agreement. In such event, Developer shall forfeit its rights to receive any further fees as set forth herein.

3. TERM

(a) This Agreement shall take effect upon its execution by all parties hereto and, unless previously terminated pursuant to Paragraph 11 hereof, shall extend for five (5) years from the Agreement Date.

(b) Provided Developer is not in default under this Agreement nor is Developer or any Affiliate in default under or any other agreement with Franchisor at any time during the last six (6) months from the Agreement Date, Developer may, at its option, without the payment of any initial franchise fee, renew the Regional Development Rights upon the expiration of the term for an additional term of five (5) years in accordance with Franchisor's then current terms and conditions for granting renewal rights, which include payment of a $2,500 renewal fee at the time of providing the notice referred to below and execution of a new and modified agreement, with a revised form of development schedule and such additional terms as Franchisor may reasonably require. Developer shall exercise its option to renew by giving Franchisor written notice of Developer's election to renew not less than six (6) months nor more than one (1) year before the expiration of this Agreement.

4. ASSISTANCE PROVIDED BY FRANCHISOR

(a) Before Developer's commencement of business, Franchisor or its designee shall provide Developer with the following:

(i) Training and orientation in the promotion of Unit Franchises, including, without limitation, sales techniques and procedures and disclosure requirements; and

(ii) One (1) copy of the Regional Development Manual (as hereinafter defined), which may be amended from time to time by Franchisor in its sole discretion.

(b) Franchisor may, in its sole discretion, provide Developer with the following:

(i) Advice concerning operating problems, new techniques or operating methods disclosed by reports submitted to or inspections made by Franchisor or other developers, as Franchisor may deem appropriate; and

(ii) Assistance as Franchisor may deem reasonably required, including advice and guidance with respect to new and improved methods of operation or business procedure developed by Franchisor, use of the Regional Development Manual, management materials, promotional materials, advertising formats and the Marks.

5. FEES

(a) In consideration of the execution of this Agreement, Developer shall pay Franchisor an initial fee in the amount of $_____ (the **"Initial Fee"**). The Initial Fee shall be deemed fully earned and nonrefundable upon the execution hereof regardless of Developer's performance or failure to perform pursuant to the Development Schedule.

(b) During the term of this Agreement, Franchisor shall pay Developer fifty percent (50%) of the initial franchise fee collected by Franchisor from the Unit Franchises referred to Franchisor by Developer and licensed by Franchisor to operate within Developer's Granted Territory, less amounts paid by Franchisor for brokerage fees in connection with the sale of each Unit Franchise.

(c) During the term of this Agreement, Franchisor shall pay to Developer a fee (the **"Developer Fee"**) each month equal to twenty percent (20%) of the amount collected by Franchisor in the prior month for Production Charges (as defined below) from each Unit Franchisee referred to Franchisor by Developer and operating under the Our Town America logo within Developer's Granted Territory.

(d) For purposes of this Agreement, Production Charges are defined as a Unit Franchisee's Core and Flat Rate Costs, Solo Cost and Custom Welcome Charge as set forth on the invoice from Franchisor to Unit Franchisee and collected from the Unit Franchisee by Franchisor during the prior month for the production of direct marketing materials for the Unit Franchisee. The Developer Fee for each month shall be based on the Production Charges collected in the prior month and shall be due and payable on or before the 20th day of the following month.

(e) Developer shall not solicit sales for any Unit Franchise to be located outside of the Granted Territory. Developer shall not be entitled to receive any compensation pursuant to Paragraphs 5(b), 5(c) or otherwise in connection with any Unit Franchise not located in the Granted Territory or that was located in the Granted Territory prior to the date hereof. Subject to the prior sentence, Developer shall be paid the fees set forth in Paragraphs 5(b) and 5(c) on any Unit Franchise owned by Developer or an affiliate of Developer and in either case, located in the Granted Territory. Franchisor shall have the discretionary right to apply all payments from Unit Franchises in such order as Franchisor may designate from time to time.

6. LICENSED MARKS

Developer covenants and agrees with Franchisor that:

(a) Developer shall not represent in any manner that it has acquired any ownership rights in the Marks by virtue of this Agreement or its use of the Marks.

(b) Developer shall not use any of the Marks or marks which are or may be confusingly similar in its own corporate, partnership or business name.

(c) Any and all goodwill associated with the System and identified by the Marks (including all future distinguishing characteristics, improvements and additions to or associated with the System) is Franchisor's property and shall inure directly and exclusively to the benefit of Franchisor, and no monetary amount shall be assigned as attributable to any goodwill associated with Developer's use of the Marks upon the termination of this Agreement.

(d) Any use of the Marks other than as expressly authorized by this Agreement, without Franchisor's prior written consent, is an infringement of Franchisor's rights therein. Developer's right to use the Marks granted herein does not extend beyond the termination of this Agreement.

(e) Developer must notify Franchisor immediately, in writing, of any apparent infringement of any of the Marks, or any challenge to Developer's use of any of the Marks, or of any claim by any person of any rights in any Marks. Developer agrees not to communicate with any person other than Franchisor, its attorneys and Developer's attorneys in connection with any such infringement, challenge or claim. Franchisor has the sole right to take such action as it deems appropriate. Franchisor has the right to control exclusively any dispute, litigation, or any other proceeding arising out of any such infringement, challenge or claim or otherwise relating to any of the Marks, including the right to direct any settlement of such claim. Developer will sign any and all instruments and documents, or render such assistance and do such acts and things as, in the opinion of Franchisor, may be necessary or advisable to protect and maintain Franchisor's interests in any dispute, litigation or administrative proceeding involving the Marks or otherwise to protect and maintain Franchisor's interests in the Marks. Developer may not at any time during the term of this Agreement or thereafter, contest the validity or ownership of any of the Marks, or assist any person in contesting the validity of ownership of any of the Marks.

(f) **Discontinuance of Use of Marks**. If it becomes advisable at any time for Franchisor to modify or discontinue the use of any Mark and/or use one or more additional or substitute marks, Developer agrees to comply, at Developer's sole cost, with Franchisor's

directions within a reasonable time after receiving notice. If the modification or discontinuance is to "Our Town America", or any replacement mark therefore, the new mark shall be deemed to replace all references to "Our Town America", or such replacement mark (other than with respect to the Franchisor's corporate name, unless otherwise changed).

7. DEVELOPER'S OBLIGATIONS

Developer acknowledges that it is essential to the preservation of the integrity of the Marks, indicia and goodwill of Franchisor that Developer maintain and adhere to the standards, procedures and policies hereinafter described, and as may be altered or amended by Franchisor from time to time in Franchisor's sole discretion. For the purpose of enhancing the public image and reputation of the businesses operating under the System and for the purpose of increasing the demand for Products by Unit Franchises, Franchisor and Developer agree as follows:

(a) Developer agrees to comply with all System rules, regulations, policies and standards which are by their terms mandatory including, without limitation, those contained in the Regional Development Manual. Developer shall operate the business licensed under this Agreement solely in the manner and pursuant to the standards prescribed herein, in the Regional Development Manual or in other written materials provided by Franchisor to Developer. Developer may only use advertising and promotional materials and programs promoting the sale and operation of Our Town America franchises that Franchisor provides to Developer or approves in writing prior to use.

(b) Developer shall have sole and direct responsibility for, and be actively and personally involved in the operation of the regional development business hereunder.

(c) Developer shall successfully complete the initial training program provided by the Franchisor to the Developer before opening of Developer's regional development business hereunder. This training must be successfully completed within thirty (30) days of the Agreement Date. If Developer fails to complete the training within that time, Franchisor may terminate this Agreement. Developer must open its business for business within sixty (60) days after it successfully completes the initial training program. Developer may not open its business until Franchisor approves the business as being developed according to Franchisor's specification and standards, that Developer has completed all initial training, Developer has paid all amounts due to Franchisor including the Initial Fee, and Franchisor has been furnished with copies of all required insurance policies, or such other evidence of insurance and payment of premiums as Franchisor requests.

(d) Developer must operate its regional development business from a site that Franchisor approves. This site may be a home office. In any event, it must be located in Developer's Granted Territory. Franchisor will either approve or disapprove this site within sixty (60) days after the date Developer provides Franchisor with all information it requests about the site. Franchisor can terminate this Agreement if it does not approve a site for Developer's business hereunder within ninety (90) days of the date Franchisor signs this Agreement.

(e) Developer shall attend all conventions held by Franchisor for Unit Franchisees and shall pay all convention registration fees related thereto upon receipt of an invoice therefore even if Developer fails to attend any such conventions.

(f) Developer shall maintain in stock minimum amounts specified by Franchisor of all standard advertising and marketing materials promoting the System as Franchisor may require from time to time, and shall use only business stationery, marketing materials, including any samples, advertising materials, printed materials or forms approved in advance in writing by Franchisor. The purchase price for the advertising and marketing materials is due upon receipt of an invoice for the materials.

(g) Developer shall actively promote the sale of Unit Franchises. The Granted Territory shall be fully developed with operating Unit Franchises in accordance with the Development Schedule attached hereto as Exhibit "A" and Franchisor's policies, standards and guidelines as set forth from time to time in the Regional Development Manual. Franchisor agrees that it shall obtain and keep in force at its own expense appropriate registrations or permits as required by any applicable present or future franchise investment law or regulation, regulating the offer and sale of Unit Franchise Agreements in the Granted Territory. Developer shall provide such assistance and information as Franchisor may request in order to adequately disclose the relationship of Developer and Franchisor in accordance with all disclosure laws and regulations relating to the sale of Unit Franchises and shall obtain all licenses and/or registrations necessary for the offer and sale of Unit Franchises. Developer agrees to maintain and provide to Franchisor accurate written records of any and all contacts or dealings with prospective franchise owners as may be required in the Regional Development Manual and by the terms of any state or federal law or regulation affecting franchise sales or the franchise relationship as Franchisor may request.

(h) Developer shall, in such form and manner as may be specified by Franchisor, notify the public that Developer is operating the regional development business licensed hereunder as an authorized Developer of Franchisor and shall identify its business location in the manner specified by Franchisor.

(i) At Franchisor's option, Developer shall act as Franchisor's developer in the Granted Territory in discharging one or more of Franchisor's obligations to its franchise owners pursuant to any Unit Franchise Agreement, including, without limitation, to provide continuing training, supervision, advice and guidance with respect to operations, business procedures and compliance with any regulation, requirement, standard or policy of the System, as may be required from time to time in the then current form of Unit Franchise Agreement applicable to any franchise owner. Developer shall promptly respond to inquiries or complaints of Unit Franchisees within the Granted Territory and provide to all Unit Franchisees within the Granted Territory any supervisory and management assistance, training and support deemed reasonably necessary by Franchisor in order to assist Unit Franchisees within the Granted Territory in complying with any rule, regulation, requirement or policy of Franchisor including, without limitation, the following:

(i) Developer shall monitor, promote and be responsible for continuing training of all Unit Franchisees in the Granted Territory which may be

required by Franchisor pursuant to the terms of such Unit Franchise Agreements. In addition, Developer agrees to make available to Unit Franchisees in the Granted Territory such training and continuing education and support in the operation of Unit Franchises as Franchisor may require from time to time. Unless otherwise permitted by Franchisor all such training shall be conducted by Developer at a Unit Franchise approved by Franchisor and owned and operated by Developer within the Granted Territory.

(ii) Developer shall supervise and assist Unit Franchisees in connection with evaluating and selecting Market Areas (as defined in the Unit Franchise Agreement) and the development of each Unit Franchise in the Granted Territory to assure that each Unit Franchise conforms to Franchisor's then current specifications for Unit Franchises. Before the opening of each such Unit Franchise, Developer shall assist the Unit Franchisee in the marketing, promotion, advertising and grand opening of the Unit Franchise in the manner prescribed by Franchisor;

(iii) Developer shall assure that all Unit Franchisees within the Granted Territory provide all of the Products as Franchisor may, from time to time, require and only those Franchisor may approve and not thereafter disapprove and that are in conformity with the Operating Manual referenced in each Unit Franchisees Unit Franchise Agreement;

(iv) Developer shall monitor and cooperate in the enforcement by Franchisor of all Unit Franchise Agreement obligations for Unit Franchisees located in the Granted Territory;

(v) Franchisor may designate Developer as Franchisor's designee in the formation of a Regional Franchise Owner Council in the Granted Territory should Franchisor, in its sole discretion, determine to establish such a council, and, in such event, shall actively participate in its affairs. At Franchisor's request, Developer shall be responsible for planning, organizing, conducting and chairing meetings of the Regional Franchise Owner Council to be attended by Unit Franchisees in the Granted Territory as required from time to time by Franchisor. Developer shall bear all expenses incurred in connection with such regional meetings; provided that the Unit Franchisees shall bear their own expenses in connection with the sending of their designees to such meetings. Developer shall keep Franchisor advised of all activities of the Council.

(j) In order to assist Developer in promoting the System, Franchisor may, from time to time, prepare and make available to Unit Franchisees within the Granted Territory, directly or through Developer, advertising, marketing or promotional materials relating to the sale and operation of Unit Franchises. Developer shall use its best efforts to promote and encourage the use of such materials by all Unit Franchisees within the Granted Territory.

(k) Developer shall use only advertising and promotional materials and programs promoting the sale and operation of Unit Franchises that are provided by Franchisor or approved

in advance, in writing, by Franchisor, and registered with appropriate regulatory agencies. Developer agrees to cooperate with and assist Franchisor in the implementation of such advertising programs as Franchisor may, in its sole discretion, from time to time deem necessary or desirable. Franchisor's approval of any advertising or promotional materials or programs may be withdrawn at any time, and Developer shall immediately thereafter cease the use and/or display of any materials or programs for which approval has been withdrawn, and will, at its own expense, cause the cessation of use and removal of any such items or programs from the locations of the Unit Franchisees in the Granted Territory.

(l) Franchisor has the right to control all use of URL's, domain names, websites, addresses, metatags, links, e-mail addresses, social media and social networking sites, account names, profiles, hashtags, and any other means of electronic identification or origin ("**e-names**"), and Developer may not use any of the Marks as part of any such e-names without Franchisor's prior written approval. Franchisor also has the right to designate, approve, control or limit all aspects of Developer's use of the Internet, Intranet, World Wide Web, wireless technology, digital cable, use of e-names, e-mail, websites, home pages, social media and social networking sites, accounts and profiles, bulletin boards, chatrooms, linking, framing, on-line purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques, registrations, networking, and any electronic communication, commerce, computations, or any means of interactive electronic documents contained in a network of computers or similar devices linked by communications software (collectively, "**e-commerce**"). Developer must follow all of Franchisor's policies and procedures for the use and regulation of e-commerce. Franchisor may restrict Developer's use of e-commerce to a centralized website, portal or network or other form of e-commerce designated by Franchisor or operated by Franchisor or its designee. Franchisor may require that Developer provide information to Franchisor via e-commerce. Franchisor may charge Developer its then current fees for such e-commerce activities which Franchisor designates. Franchisor may require Developer to obtain the services of and pay the then current fees for ISP and ASP services. Developer recognizes and agrees that between Developer and Franchisor, Franchisor owns all rights to and all interest in and to any data collected via e-commerce related to the System or the Marks, including any customer data, click-stream data, cookies, user data and hits. Such information is deemed by Franchisor to be and constitutes its Confidential Information (as defined below). Developer acknowledges and agrees that any Website constitutes advertising under this Agreement. Any Website Developer develops or utilizes must meet all terms and conditions for advertising described in this Agreement. For this purpose, a "**Website**" means interactive electronic documents, contained in a network of computers or electronic devices linked by communications software, that Developer operates or authorizes others to operate that refers to its *Our Town America* business hereunder, the e-names, the Marks, Franchisor, and/or the System. The term Website also includes Internet, Intranet and World Wide Web home pages, social media and social networking sites, profiles and accounts, digital cellular addresses, or e-mail address sites. Developer must not establish any Website without Franchisor's prior written approval of its form, content and information presented due to its substantial interest in protecting the Marks, the System and the Confidential Information. Franchisor may require Developer to remove, delete or modify any Website, or any information, content or post thereon. Franchisor may require Developer to participate in one or more centralized website(s) operated by Franchisor, without any compensation to Developer. Franchisor will retain sole ownership of any Website that includes all or a portion of any Mark, or a word, phrase or symbol confusingly similar thereto, as part of the e-name, as well as any e-

name related thereto and content thereon, which will revert to Franchisor at the time this Agreement terminates.

(m) Developer shall post a notice at its regional development business notifying all of its employees that they are employees of Developer not Franchisor. If Developer operates from a home office, Developer shall provide this notice to each of its employees at the time they begin working for Developer. The content of the notice shall be approved by Franchisor and so shall the location, if Developer operates from other than a home office.

8. REGIONAL DEVELOPMENT MANUAL

(a) In order to protect the reputation and goodwill of the System and to maintain high standards of operation under the Marks, Developer shall conduct its business in accordance with the mandatory standards, specifications and requirements contained in written instructions and operating manuals, including such amendments thereto, as Franchisor may publish from time to time (hereinafter and previously referred to as the **"Regional Development Manual"**), all of which Developer acknowledges belong solely to Franchisor and shall be on loan from Franchisor during the term of this Agreement. When any provision in this Agreement requires that Developer comply with any standard, specification or requirement of Franchisor, unless otherwise indicated, such standard, specification or requirement shall be such as is set forth in this Agreement or as may, from time to time, be set forth by Franchisor in the Regional Development Manual.

(b) Developer shall at all times use its best efforts to keep the Regional Development Manual and any other manuals, materials, goods and information created or used by Franchisor and designated for confidential use within the System and the information contained therein as confidential (the **"Confidential Information"**) and shall limit access to employees of Developer on a need to know basis. Developer acknowledges that the unauthorized use or disclosure of Franchisor's Confidential Information or trade secrets will cause irreparable injury to Franchisor and that damages are not an adequate remedy. Developer accordingly covenants that it shall not at any time, without Franchisor's prior written consent, disclose, use, permit the use thereof (except as may be required by applicable law or as authorized by this Agreement), copy, duplicate, record, transmit or otherwise reproduce such information, by any means, in whole or in part, or otherwise make the same available to any unauthorized person or source. Any and all information, knowledge and know-how not generally known about the System and Franchisor's Products, standards, procedures, techniques and such other information or material as Franchisor may designate as confidential shall be included in the definition of Confidential Information hereunder.

(c) Developer understands and acknowledges that Franchisor may, from time to time, revise the contents of the Regional Development Manual to implement new or different requirements for the operation of the Developer's business and that of Unit Franchisees operating under the System. Developer expressly agrees to comply with all such changed requirements which are by their terms mandatory. To that end, because the business franchised hereunder is new and evolving there may be significant changes to the Regional Development Manual, some of which may require Developer to incur expenses that were not contemplated as of the date hereof. Developer hereby agrees to incur all such expenses.

(d) Developer understands and acknowledges that Franchisor may from time to time, in an effort to further develop the System, implement new ideas, methods or strategies in Unit Franchises, which may be located in territories other than the Granted Territory, for the purpose of evaluation or otherwise, and that such implementation shall not be deemed discriminatory.

(e) Developer shall at all times insure that its copy of the Regional Development Manual is kept current and up to date and, in the event of any dispute as to the contents thereof, the master copy thereof maintained by Franchisor at its principal place of business shall be controlling.

9. COVENANTS

(a) During the term of this Agreement, Developer, its owners and any guarantor(s) covenant, as follows:

(i) To use their full time and best efforts in recommending and promoting the sale of Unit Franchises, in operating any Unit Franchise owned by Developer as a franchise owner and in promoting the System and Products;

(ii) Not to engage in any capacity, whether as operator, owner, manager, employee, consultant or otherwise, in a Competitive Business (as defined below);

(iii) Not to have any direct or indirect interest in any entity or otherwise which is granting franchises or licenses to others to operate a Competitive Business;

(iv) To comply with all laws and regulations affecting the offer or sale of franchises and persons engaged in the sale of Unit Franchises as franchise sales agents and/or brokers;

(v) Not to make any representations, financial or otherwise, not authorized by Franchisor;

(vi) Not to accept any funds from any Unit Franchisee or any prospect for the purchase of a Unit Franchise;

(vii) To conduct sales solicitation activities strictly in accordance with standards established by Franchisor; and

(viii) Not to sell or assist in the sale in any manner of any other franchises or business opportunities.

(b) In the event of termination of this Agreement, Developer, its owners and guarantors agree that for a period of two (2) years after the date of termination, neither Developer nor any member of Developer's immediate family, nor any owner, or guarantor of Developer, will, directly or indirectly:

(i) operate, own, manage, be employed by, consult with or otherwise provide services to, a Competitive Business, directly or indirectly, that is located or does business within the Granted Territory or within a 10 mile radius of the Granted Territory;

(ii) have any direct or indirect interest in any entity or otherwise that is granting franchises or licenses to others to operate a Competitive Business that is located, or will be located, in the Granted Territory or within a 10 miles radius of the Granted Territory; or

(iii) solicit, divert, take away, or interfere with any of the business, customers, referral sources, clients, contractors, trade or patronage of Franchisor, its affiliates or any of Franchisor's franchisees as of the date of termination.

Notwithstanding the foregoing, the ownership of Unit Franchises under agreements with Franchisor, and the aggregate ownership of 5% or less of the issued and outstanding shares of any class of stock of a publicly traded company that is a Competitive Business, is not prohibited by this Paragraph. The time period of the post-term competitive restrictions will be extended by any length of time that Developer or any of its affiliates, successors or assigns or any other party described above is in breach of any term above. The terms of this Paragraph will continue in full force and effect through the duration of the extended time period.

For purposes of this Agreement, a **"Competitive Business"** is defined as any business engaged in the sale of services or products the same as, similar to, or competitive with those offered by the Developer's regional development business hereunder, or by any Unit Franchise, including any business that offers, sells, markets or advertises primarily direct marketing materials or related services or systems, including any such business operating in whole or in part via e-commerce, other than a Unit Franchise operated by Developer under a valid franchise agreement with Franchisor.

(c) Developer agrees to execute agreements, with all personnel of Developer which shall restrict the disclosure of confidential information and competition with Developer and Franchisor to the same extent as Developer is restricted by this Agreement. Developer shall be responsible for ensuring the enforceability of such agreements in conformity with the respective jurisdiction(s) in the Granted Territory; provided that any deviation from the terms enumerated herein to insure such enforceability shall be subject to the prior written approval of Franchisor. Developer shall provide Franchisor with a copy of each agreement immediately upon execution by Developer and its personnel.

(d) The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. Franchisor may unilaterally, at any time, in its sole discretion, revise any of the covenants in this Paragraph 9 so as to reduce the obligations of Developer thereunder. Should any part of these restrictions be found to be unenforceable by virtue of its scope in terms of area, business activity prohibited or length of time, and should such part be capable of being made enforceable by reduction of any or all thereof, Developer and Franchisor agree that the same shall be enforced to the fullest extent permissible under the law. Developer further expressly agrees that the existence of any claim it

may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Paragraph 9.

10. TRANSFER AND ASSIGNMENT

(a) Franchisor shall have the right to transfer all or any part of its rights or obligations herein to any person or legal entity.

(b) Developer understands and acknowledges that the rights and duties created by this Agreement are personal to Developer, and that Franchisor has granted the Regional Development Rights in reliance on many factors, including, without limitation, the individual or collective character, skill, aptitude and business and financial capacity of Developer and Developer's owners. Accordingly, neither Developer nor any person owning any direct or indirect equity interest therein, shall, without Franchisor's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this Agreement or any portion or aspect thereof, or any equity or voting interest in Developer. Any such purported assignment occurring by operation of law or otherwise, including any assignment by a trustee in bankruptcy, without Franchisor's prior written consent, shall be a material default of this Agreement.

(c) As used in this Agreement, the term "**transfer**" includes the voluntary, involuntary, direct or indirect assignment, sale, or other transfer by Developer of: (a) any interest in this Agreement, in Developer or in any entity that directly or indirectly owns an interest in Developer; (b) any part or all of the ownership of the franchise granted hereby; (c) your Regional Development Rights or any interest therein; or (d) our proprietary information or materials. An assignment, sale, or other transfer also includes: (i) the transfer of ownership of capital stock or partnership interests or any other form of ownership in the regional development business hereunder; (ii) merger or consolidation, or issuance of additional securities representing an ownership interest in such business; (iii) transfer of interest in Developer or Developer's regional development business hereunder in a divorce proceeding or otherwise by operation of law; or (iv) transfer by Developer or the regional development business hereunder in the event of the disability or death of any owner of such business by will, declaration of or transfer in trust, under the laws of intestate succession or otherwise.

(d) If Developer is a corporation, limited liability company or partnership (collectively the **"Business Entity**"), the owners of that business entity must not only personally guarantee Developer's obligations under this Agreement but must also agree to be personally bound by, and personally liable for the breach of, every provision of this Agreement. The form of **"Owners Guaranty"** is attached as Exhibit "C." Franchisor requires Developer to complete an **"Owners Statement"** in the form attached as Exhibit "B," which describes all of the Developer's owners and their interests in the Business Entity.

(e) Developer represents that as of the execution of this Agreement its equity and voting control is owned as shown in the Owners Statement attached as Exhibit "B" to this Agreement. If Developer, or any approved successor thereof, is a partnership or privately-held corporation or limited liability company, Developer shall submit to Franchisor prior to any proposed transfer of an equity or voting interest, and at any other time upon request, a list of all

holders of direct or indirect equity or voting interests of record reflecting their respective present and/or proposed direct or indirect interests in Developer, in such form as Franchisor may require.

(f) Developer understands and acknowledges the vital importance of the performance of Developer to the market position and overall image of Franchisor. Developer also recognizes the many subjective factors that comprise the process by which Franchisor selects a suitable developer. The consent of Franchisor to a transfer by Developer of any interest in these Regional Development Rights, or any equity or voting interest in Developer or in any entity that directly or indirectly owns Developer shall remain a subjective determination and shall include, but not be limited to, the following conditions:

(i) The proposed transferee is a person or entity which meets the Franchisor's standards of qualification then applicable with respect to all new area developer applicants for similar Regional Development Rights and in Franchisor's sole discretion has the ability to discharge Developer's obligations to Unit Franchisees within the Granted Territory;

(ii) The proposed transfer is at a price and upon such terms and conditions as Franchisor, in its sole judgment, shall deem reasonable;

(iii) As of the effective date of the proposed transfer, all obligations of Developer hereunder and under any other agreements between Developer and Franchisor are fully satisfied;

(iv) As of the effective date of the proposed transfer, all obligations of the proposed transferee to Franchisor (if any) are fully satisfied;

(v) As of the effective date of the proposed transfer, Franchisor shall have forwarded to Developer its approval, granted in its sole discretion, of the proposed transfer to the proposed transferee;

(vi) There shall have been paid to Franchisor, together with the application for consent to the transfer, a transfer fee of Six Thousand Five Hundred Dollars ($6,500);

(vii) The transferor shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor, its parent, subsidiaries, affiliates and their officers, directors, attorneys, shareholders, and employees, in their corporate and individual capacities;

(viii) The transferee, including all owners shall, jointly and severally, enter into a new regional development agreement with Franchisor, on the terms then offered to new developers, except that all pre-opening obligations of the parties, other than the transferor's obligation to complete the Franchisor's then-current initial training program to Franchisor's satisfaction, shall be waived, including the obligation of the transferee to pay a new initial franchise fee;

(ix) The transferee shall acquire at least one Unit Franchise in the Granted Territory for the purpose of marketing Unit Franchises and servicing Unit Franchisees. Transferee may be required to make such alteration or modifications to such location as Franchisor, in its sole discretion, may reasonably require, in order to assure that such location adequately represents the System. Any such location shall be operated pursuant to Franchisor's current form of Unit Franchise Agreement;

(x) The transferee shall demonstrate to Franchisor's sole satisfaction that it meets all of Franchisor's requirements for becoming a developer, including, without limitation, that transferee has operated a Unit Franchise for at least one (1) year prior to the transfer or has other experience Franchisor, in its sole discretion, deems appropriate; that transferee meets Franchisor's managerial and business standards then in effect for similarly situated developers, possesses a good moral character, business reputation, and satisfactory credit rating; will comply with all instruction and training requirements of Franchisor and has the aptitude and ability to operate the regional development business hereunder (as may be evidenced by prior related business experience or otherwise);

(xi) The transferee and/or its designated managerial personnel shall have completed, to Franchisor's satisfaction, the training then required of similarly situated System developers; and

(xii) The transferee shall have obtained all licenses and/or registrations necessary to sell Unit Franchises.

(g) If the transfer is caused by the death or incapacity of Developer (or in the case of a partnership, corporation or limited liability company, by the death or incapacity of an owner controlling more than 50 percent of the voting interest of Developer, directly or indirectly), the provisions of this Paragraph 10 must be met with regard to the heir or personal representative of the party succeeding to Franchisee's interest hereunder within sixty (60) days after the death or incapacity of Franchisee; provided, however, if the heir or personal representative transfers or sells its interest in the franchise within such sixty (60) day period, the person to whom the interest is assigned, transferred or sold, and not Franchisee's heir or personal representative, must comply with the provisions of this Paragraph 10.

(h) If Developer or any person or entity holding any direct or indirect interest in Developer or this Agreement desires to sell or transfer for value, either an interest in this Agreement or in Developer, Developer shall first notify Franchisor in writing of such intention and offer to sell or transfer such interest to Franchisor upon the terms and conditions set forth in such notice, net of any applicable real estate and/or business brokerage commissions, or the cash equivalent thereof, at Franchisor's option. If Franchisor and Developer cannot agree within 30 days of such notice on the terms and conditions of such sale or transfer, or if Franchisor notifies Developer that it does not want to acquire such interest, Developer may sell or transfer such interest to a bona fide third party; provided that such sale or transfer is made within 120 days after the expiration of any offer to Franchisor, that such sale or transfer is made at a net price and on terms no more favorable than those offered in writing to Franchisor, and that all applicable

requirements of Paragraph 10 hereof are met. Failure of Franchisor to exercise the option afforded by this Paragraph 10(h) shall not constitute a waiver of any other provision of this Agreement, including all requirements of this Paragraph 10, with respect to a proposed transfer.

(i) Notwithstanding the foregoing, it is understood that, so long as Developer is not in breach of this Agreement, Developer (if an individual) may assign and delegate this Agreement and Developer's rights and obligations hereunder on one occasion to a Business Entity organized by Developer for that purpose only if all of the issued and outstanding equity of the Business Entity are owned by Developer. Franchisor shall be given prior written notice of such assignment and delegation, and thereupon such Business Entity shall have all of said rights and obligations, and the term **"Developer"** as used herein shall refer to the Business Entity; provided, however, that such assignment shall in no way affect the obligations hereunder of the individual above designated "Developer," who shall remain fully bound by and responsible for the performance of all of said obligations, jointly and severally, with the Business Entity. The Business Entity shall not engage in any business or activities other than the exercise of the rights herein granted to the Developer and the performance of its obligations hereunder.

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

11. DEFAULT AND TERMINATION

(a) In addition to its other termination rights hereunder, Franchisor may terminate this Agreement and all of Developer's rights hereunder effective immediately upon the date Franchisor gives written notice of termination, in any of the following circumstances:

(i) If Developer becomes insolvent or makes a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed by Developer, or such a petition is filed against and consented to by Developer, or if a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer, or if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed, or if a final judgment in excess of Five Thousand Dollars ($5,000) remains unsatisfied or of record for sixty (60) days or longer (unless a bond is filed other steps are taken to effectively stay entitlement of such judgment in the relevant jurisdiction.

(ii) If Developer makes, or has made, any materially false statement or report to Franchisor in connection with this Agreement or application therefore.

(iii) If there is any violation of any transfer and assignment provision contained in Paragraph 10 of this Agreement.

(iv) If Developer receives from Franchisor two (2) or more notices to cure the same or similar defaults or violations of this Agreement during any twelve (12) month period.

(v) If Developer fails, for a period of fifteen (15) days after notification of non-compliance, to comply with any law or regulation applicable to the operation of the regional development business hereunder.

(vi) If Developer violates any covenant contained in Paragraph 9 of this Agreement or otherwise discloses, uses, permits the use of, copies, duplicates, records, transmits or otherwise reproduces any manuals, materials, goods or information created or used by Franchisor and designated for confidential use within the System without Franchisor's prior approval.

(vii) If Developer or any person owning an interest in Developer is convicted of a felony, a crime of moral turpitude, or any other crime or offense relating to the operation of the regional development business hereunder.

(viii) If Developer fails to perform or breaches any other covenant, obligation, term, condition, warranty or certification herein or fails to operate the regional development business hereunder as specified by Franchisor in the Regional Development Manual, or otherwise, and fails to cure such non-compliance or deficiency within thirty (30) days after Franchisor's written notice thereof.

(ix) If Developer or any affiliate defaults on any other agreement with Franchisor and such default is not cured in accordance with the terms of such other agreement.

(x) If Developer fails to obtain or has revoked any license or registration necessary to sell Unit Franchises.

(b) Developer may not terminate this Agreement unless Franchisor commits a material breach of this Agreement, which breach is not cured within sixty (60) days after Developer has delivered written notice to Franchisor describing the breach. In such event, Developer may terminate this Agreement effective ten (10) days after delivery of a written termination notice to Franchisor, provided Developer is in full compliance with the terms of this Agreement.

(c) Notwithstanding any other provision of this Paragraph 11, termination of this Agreement as a result of Developer's default or otherwise shall not operate to terminate any Unit Franchise Agreement to which Developer is a party, if Developer is in full compliance with the terms and provisions of such agreement(s).

12. POST TERM RIGHTS, OBLIGATIONS AND COVENANTS

(a) Upon the expiration or termination of this Agreement for any reason, Developer shall immediately:

(i) Cease to be the authorized developer of Franchisor in the Granted Territory;

(ii) Pay all sums owing to Franchisor and its affiliates. Upon termination for any default by Developer, such sums shall include actual damages incurred by Franchisor as a result of the default;

(iii) Return to Franchisor the Regional Development Manual and all trade secrets, confidential materials and other property owned by Franchisor. Developer shall retain no copy or record of any of the foregoing, provided, however, that Developer may retain its copy of this Agreement, any materials necessary to operate a Unit Franchise under an existing Unit Franchise Agreement, any correspondence between the parties and any other document which Developer reasonably needs for compliance with any applicable provision of law;

(iv) Upon Franchisor's request, provide Franchisor a complete list of Developer's employees, clients, customers, franchise prospects and contacts and their respective addresses and any outstanding obligations Developer may have to any third parties;

(v) Take such action as may be required to transfer all trade name and similar registrations and business licenses to Franchisor or its new developer in the Granted Territory and to cancel any interest which Developer may have in the same;

(vi) Cease to use, in advertising or in any manner whatsoever, any methods, procedures or techniques associated with the System in which Franchisor has a proprietary right, title or interest; the Marks; and any other marks, names and indicia of operation associated with the System, to the extent not required to operate a Unit Franchise under an existing Unit Franchise Agreement; and

(vii) Remove all Marks, trade dress and other indications of operation under the System from its place of business, to the extent that such items are not required to operate a Unit Franchise under an existing Unit Franchise Agreement.

(b) All rights to any compensation due Developer hereunder shall immediately terminate upon the effective date of any termination of this Agreement, and Developer shall have no further interest or rights in this Agreement nor any right to receive any fees unpaid at the time of termination, except such fees that have accrued to Developer prior to such date.

(c) Developer shall not, in any communication to any other developer or franchise owner, disparage Franchisor or its affiliates or interfere with any contract to which Franchisor or any affiliate is a party.

13. INSURANCE

(a) Developer shall, at its expense and no later than upon commencement of the business contemplated by this Agreement, procure and maintain in full force and effect throughout the term of this Agreement the types of insurance specified by Franchisor, which

shall be in such amounts as may from time to time be required by Franchisor and which shall designate Franchisor as an additional named insured, including the following:

(i) Employer's liability and workers' compensation insurance as prescribed by law in the state(s) which include the Granted Territory;

(ii) Comprehensive automobile liability insurance covering physical damage, personal injury and uninsured motorists; and

(iii) Comprehensive general liability insurance covering the operation of the business contemplated by this Agreement;

(b) Developer shall make timely delivery of certificates of all required insurance to Franchisor, each of which shall contain a statement by the insurer that the policy will not be cancelled or materially altered without at least thirty (30) days' prior written notice to Franchisor.

(c) The procurement and maintenance of such insurance shall not relieve Developer of any liability to Franchisor under any indemnity requirement of this Agreement.

14. TAXES, PERMITS AND INDEBTEDNESS

(a) Developer shall promptly pay when due any and all federal, state and local taxes including, without limitation, unemployment and sales taxes, levied or assessed with respect to any products or services furnished, used or licensed pursuant to this Agreement and all accounts or other indebtedness of every kind incurred by Developer in the operation of the business licensed hereunder.

(b) Developer shall comply with all federal, state and local laws, rules and regulations and timely obtain any and all permits, certificates and licenses for the full and proper conduct of the business licensed hereunder.

(c) Developer hereby expressly covenants and agrees to accept full responsibility for any and all debts and obligations incurred in the operation of the regional development business hereunder.

15. INDEMNIFICATION; INDEPENDENT CONTRACTOR; AUDIT

(a) Developer agrees to protect, defend, indemnify and hold Franchisor, its directors, officers and shareholders harmless from and against all claims, actions, proceedings, damages, costs, expenses and other losses and liabilities, (including, without limitation, attorneys' and accountants' fees) directly or indirectly incurred as a result of, arising out of, or connected with the operation of the regional development business licensed hereunder.

(b) In all dealings with third parties including, without limitation, Unit Franchisees, employees, suppliers, clients and customers, Developer shall disclose in an appropriate manner acceptable to Franchisor that it is an independent entity licensed by Franchisor. Nothing in this Agreement is intended by the parties hereto to create a fiduciary relationship between them nor

to constitute Developer as a subsidiary, joint venturer, partner, or employee of Franchisor for any purpose whatsoever. It is understood and agreed that Developer is an independent contractor and is in no way authorized to make any warranty or representation on behalf of Franchisor other than those contained in any disclosure document prepared by Franchisor for use by Developer, nor is Developer authorized to create any obligation or enter into any contract binding on Franchisor.

(c) Franchisor shall have the right to audit or cause to be audited the books and records of Developer including any sales and income tax returns of Developer, and if Developer is a company, corporation or partnership, the owners of Developer. If any audit discloses that Developer has been paid any amounts by any Unit Franchisee, Developer fails to provide Franchisor with any financial information requested by Franchisor or any such financial information is materially inaccurate, Developer shall reimburse Franchisor for the cost of the audit, including, without limitation, the charges of any independent accountant and the travel expenses, room and board, and compensation of employees of Franchisor to make the audit. Franchisor may also immediately terminate this Agreement.

(d) Developer shall be solely responsible for determining who to hire, how to compensate those individuals, how much to compensate those individuals, the terms of their employment and working conditions, the supervision of the individuals, the setting of work schedules, the maintenance of employment records, when and how to discipline those individuals, and when and how to terminate the employment of those individuals. These individuals are not Franchisor's agents or employees and Franchisor is not a joint employer of these individuals. If required by Franchisor, Developer will obtain a written acknowledgement from each of its employees acknowledging that the employee is an employee of Developer not Franchisor. Developer is solely responsible for performing all administrative functions at its regional development business, including payroll, and providing workers' compensation insurance. Developer acknowledges that Franchisor does not provide facilities, equipment or house or transport Developer's employees or provide tools or materials to Developer's employees required for the employees to perform services for Developer.

16. WAIVERS AND AMENDMENT

(a) No failure of Franchisor to exercise any right reserved to it by this Agreement and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. A waiver or approval by Franchisor of any particular default by Developer shall not be considered a waiver or approval by Franchisor of any preceding or subsequent breach by Developer of any term, covenant or condition of this Agreement.

(b) No amendment, change or variance from this Agreement shall be binding upon Franchisor or Developer except by mutual written agreement. However, Franchisor may unilaterally modify the Regional Development Manual. If an amendment of this Agreement is executed at Developer's request, any legal fees or preparation cost in connection therewith shall be paid by Developer.

17. ENFORCEMENT

(a) In order to ensure compliance with this Agreement, Developer agrees that Franchisor and its designated agents shall be permitted full and complete access during business hours to inspect Developer's place of business and all records thereof. Developer shall cooperate fully with Franchisor and its designated agents requesting such access.

(b) Either party may apply for injunctive or other equitable relief to: (i) enforce its rights to terminate this Agreement; and (ii) prevent or remedy a breach of this Agreement if such breach could materially impair the goodwill of such party's business, including to enforce the obligations of a party to be performed following termination or expiration of this Agreement including, the confidentiality and non-competition provisions hereof. Each party shall be entitled to the entry of temporary restraining orders and temporary and permanent injunctions enforcing its aforementioned rights. If Franchisor secures any such injunction, or any other relief by arbitration of otherwise against Developer, or is successful in defending a claim brought against it by Developer in an arbitration or otherwise, Developer shall pay Franchisor an amount equal to the aggregate of Franchisor's costs of obtaining such relief in defending such claim, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses.

(c) Except with respect to matters for which a party is permitted to seek injunctive or equitable relief, the parties agree that before commencing any arbitration proceeding, the parties must submit the dispute to non-binding mediation at a mutually agreeable location (if the parties cannot agree on a location, the mediation will be conducted at Franchisor's headquarters) to one mediator, appointed under the American Arbitration Association's commercial mediation rules or to one mediator otherwise agreed upon in writing by the parties. The mediator will conduct mediation in accordance with such rules. The parties agree that any statements made by either party in any such mediation proceeding will not be admissible in any subsequent arbitration or other legal proceeding. Each party will bear its own costs and expenses of conducting the mediation and share equally the cost of any third parties who are required to participate (including the mediator and related fees). If any dispute between the parties cannot be resolved through mediation within 60 days following the appointment of the mediator, and a party wishes to proceed, that party must submit the dispute to arbitration subject to the following terms and conditions.

(d) Except with respect to matters for which a party is permitted to seek injunctive or equitable relief, if either party initiates arbitration or litigation without complying with their obligation to mediate in accordance with this Paragraph 17, then upon petition of any party named as a defendant in such arbitration or litigation, the arbitrator or court shall dismiss the action without prejudice, and award attorneys' fees and costs to the party seeking dismissal in an amount equal to such party's attorneys' fees and costs incurred in seeking dismissal. If the arbitrator or court refuses for any reason to dismiss the action, then regardless of the outcome of such action, or of any award given by the arbitrator or court in such action, the party initiating the action shall be responsible for all attorneys' fees and costs incurred throughout the action by the other party as damages for failing to comply with the provisions of this Paragraph 17.

(e) The arbitration will be conducted by the American Arbitration Association pursuant to its commercial arbitration rules. The arbitration proceedings will be conducted in Pinellas County, Florida. Any arbitration will be conducted and resolved on an individual basis only and not a class-wide, multiple plaintiff or similar basis. The parties agree that, in connection with any such arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred.

(f) The arbitrator will have the right to award any relief which he deems proper in the circumstances, including, for example, money damages (with interest on unpaid amounts from their due date(s)), specific performance, temporary and/or permanent injunctive relief, and reimbursement of attorneys' fees and related costs to the prevailing party. The arbitrator will not have the authority to award exemplary or punitive damages. The award and decision of the arbitrator will be conclusive, binding and non-appealable, and judgment on the award may be entered in any court of competent jurisdiction and each party waives any right to contest the validity or enforceability of such award.

(g) If there is any dispute as to whether a particular claim or matter is subject to arbitration, and the matter relates to an issue for which either party seeks an injunction in accordance with the provisions of Paragraph 17(b) above, the arbitrability of such claim shall be determined by the court that would otherwise hear the motion to issue the injunction. In the case of a dispute as to arbitrability of any other claim brought by either party against the other, the decision as to whether or not the claim is subject to arbitration shall be made by the arbitrator appointed in accordance with this Agreement.

(h) The arbitration provisions of this Agreement are intended to benefit and bind certain third party non-signatories, including Developer's owners, guarantors, and affiliates.

(i) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. 1051 et seq.) as amended, or the U.S. Arbitration Act (9 U.S.C. §§ 1-6 et seq.) this Agreement and the franchise are governed by Florida law, excluding any law regulating the sale of franchises or governing the relationship between a franchisor and franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this Paragraph.

(j) The parties (and Developer's owners and guarantors) each agree that all litigation under this Agreement, shall be exclusively venued in the state courts located in Pinellas County, Florida and the federal court located in Hillsborough County, Florida, and the parties waive any objections they may have to either the jurisdiction or the venue in such courts and hereby consent to personal jurisdiction and venue in such courts. The only exception to the foregoing shall be: (i) if the courts of Florida would have no jurisdiction over a named party in the litigation, and such party's involvement in the litigation is integral to the underlying claims and not principally for the purpose of circumventing the intent of the parties to name Florida as the exclusive venue for any actions, then the action may be venued in any court having jurisdiction over all the parties and a significant nexus to the parties; and (ii) to the extent that either party believes that it is necessary to seek injunctive relief against the other, the party seeking relief may initiate that

action in the county in which the other party has its principal office (which in the case of an action against Developer, shall be the county in which Developer is domiciled, or in any county in which the Developer's business is located).

18. NOTICES

All written notices and reports permitted or required under this Agreement or by the Regional Development Manual will be deemed delivered on the earlier of:

(a) one (1) business day after being placed in the hands of an overnight courier for next business day delivery;

(b) three (3) business days after placement in the United States mail by certified mail, return receipt, postage prepaid; or

(c) Actual receipt by the party to whom the notice is addressed.

Notices to you will be addressed to the last address we have in our records for you. Notices to us will be addressed to our then current principal business address, Attention: President.

19. SEVERABILITY AND CONSTRUCTION

(a) If any provision of this Agreement is for any reason held invalid, illegal, or unenforceable, such provision shall be deemed restricted in application to the extent required to render it valid; and the remainder of this Agreement shall in no way be affected and shall remain valid and enforceable for all purposes. If such total or partial invalidity or unenforceability of any provision of this Agreement exists only with respect to the laws of a particular jurisdiction, this Paragraph 19(a) shall operate upon such provision only to the extent that the laws of such jurisdiction are applicable to such provision. Each party agrees to execute and deliver to the other any further documents that may be reasonably required to effectuate fully the provisions hereof. Developer understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant of this Agreement binding upon Developer, or any portion hereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof; and Developer agrees that it will comply forthwith with any covenant as so modified, which shall be fully enforceable.

(b) The term **"family member"** refers to parents, spouses, offspring and siblings, and the parents and siblings of spouses. The term **"affiliate"** means any Business Entity directly or indirectly owned or controlled by a person, under common control with a person or controlled by a person. The singular use of any pronoun also includes the plural and the masculine and neuter usages include the other and the feminine. The term **"person"** includes individuals or Business Entities. The term **"Paragraph"** refers to a paragraph or subparagraph of this Agreement. The word **"control"** means the power to direct or cause the direction of management and policies. The word **"owner"** means any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in another person (or a transferee of this Agreement or an interest in Developer), including any person who has a direct or indirect interest in Developer or this

Agreement and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets of Developer.

(c) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

(d) The headings and captions contained herein are for the purposes of convenience and reference only and are not to be construed as a part of this Agreement. All terms and words used herein shall be construed to include the number and gender as the context of this Agreement may require. The parties agree that each Paragraph of this Agreement shall be construed independently of any other Paragraph or provision of this Agreement.

(e) This Agreement is binding upon the parties hereto, their respective heirs, assigns and successors in interest.

(f) The introduction and recitals and Rider hereto are a part of this Agreement, which constitutes the entire agreement of the parties and at the time of this Agreement, there are no other oral or written understandings or agreements between Franchisor and Developer relating to the subject matter of this Agreement, other than any Unit Franchise Agreement. However, nothing in this or any related agreement is intended to disclaim any representations made in the Franchise Disclosure Document provided by Franchisor to Developer.

(g) The headings of the Paragraphs above are for convenience only and do not define, limit or construe the contents thereof. The term **"Developer"** as used herein is applicable to one (1) or more persons, a corporation, limited liability company, or a partnership, as the case may be. If there is more than one signatory as "Developer", all of Developer's obligations hereunder and under any other agreement with Franchisor or its affiliates shall be joint and several in each and every respect and fully enforceable against each signatory. References in this Agreement to the termination of this Agreement, shall be deemed to include the expiration of this Agreement without renewal.

(h) The parties agree that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, the provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed simply according to their fair meaning and not strictly against Franchisor or Developer.

(i) The parties, by written instrument, may unilaterally waive any obligation of or restriction upon the other under this Agreement. No failure, refusal or neglect of Franchisor or Developer to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder or with any specification, standard or operating procedure shall constitute a waiver of any provision of this Agreement or any specification, standard or operating procedure; provided, however, that failure, neglect, or delay of a party to exercise any right under this Agreement or to insist upon full compliance by the other party with its obligations under this Agreement, shall constitute a waiver of any default arising under this

Agreement and shall preclude exercise or enforcement of any right or remedy arising therefrom unless written notice of such default is provided by the nondefaulting party to the other party within twelve (12) months after such right or default; but the forgoing limitation shall not apply to failure to disclose amounts paid by a Unit Franchisee to Developer.

(j) All remedies provided to a party under this Agreement are cumulative. No exercise or enforcement by Franchisor or Developer of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Developer of any other right or remedy hereunder or which Franchisor or Developer is entitled by law to enforce.

(k) Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any developer based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such developer's business. Developer shall not complain on account of any variation from standard specifications and practices granted to any other developer and shall not be entitled to require Franchisor to grant to Developer a like or similar variation thereof.

20. WAIVER OF PUNITIVE DAMAGES

Except for Developer's obligation to indemnify Franchisor and claims for unauthorized use of the Marks or Confidential Information, Developer and Franchisor each waive to the full extent permitted by law any right to, or claim for, any punitive or exemplary damages against the other. Developer and Franchisor also agree that, in the event of a dispute between them, the party making a claim will be limited to equitable relief and recovery of any actual damages it sustains.

21. WAIVER OF JURY TRIAL

TO THE EXTENT EITHER PARTY MAY PROCEED BY JUDICIAL PROCESS, EACH OF THE PARTIES WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO THE ENFORCEMENT OR INTERPRETATION OF THIS AGREEMENT, AND ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION, OR OTHER CAUSES OF ACTION, IN CONNECTION WITH ANY LEGAL ACTION.

22. WAIVER OF COLLATERAL ESTOPPEL

The parties agree they should each be able to settle, mediate, litigate, or compromise disputes in which they are involved with third parties, without having the disposition of such disputes directly affect the contract or relationship between them. The parties therefore each agree that a decision of an arbitrator or court of law in a dispute to which one of them is not a party shall not in any manner prevent the person that was a party to such action from making similar arguments, or taking similar positions, in any subsequent action between the parties. The parties therefore waive the right to assert that principals of collateral estoppel prevent either of

them from raising any claim or defense in an action between them as a result of such party having lost a similar claim or defense in another action.

23. WAIVER OF CLASS ACTION RIGHTS

Developer waives its right to bring, join or participate in, and is barred from bringing, joining or participating in, any class action suit in court or in arbitration. The parties agree that any proceeding, including any arbitration, will be conducted on an individual, not a class-wide, basis and that any proceeding between them or any owner or any guarantor of Developer may not be consolidated with another proceeding between Franchisor and any other entity or person. Developer further agrees that the foregoing will not limit its ability to obtain a remedy for any particular claim that it may assert against Franchisor.

24. ACKNOWLEDGMENTS

Developer hereby acknowledges the following:

(a) DEVELOPER HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE BUSINESS CONTEMPLATED BY THIS AGREEMENT AND UNDERSTANDS AND ACKNOWLEDGES THAT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISKS MAKING THE SUCCESS OF THE VENTURE LARGELY DEPENDENT UPON THE BUSINESS ABILITIES AND PARTICIPATION OF DEVELOPER AND ITS EFFORTS AS AN INDEPENDENT BUSINESS OPERATOR. FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND DEVELOPER ACKNOWLEDGES THAT IT HAS NOT RECEIVED OR RELIED UPON ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

(b) DEVELOPER HAS NO KNOWLEDGE OF ANY REPRESENTATIONS BY FRANCHISOR OR ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS OR SERVANTS, ABOUT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT THAT ARE CONTRARY TO THE TERMS OF THIS AGREEMENT OR THE FRANCHISE DISCLOSURE DOCUMENT DEVELOPER ACKNOWLEDGES RECEIVING AT LEAST FOURTEEN DAYS (14) BEFORE THE EARLIER OF PAYMENT OF ANY CONSIDERATION TO FRANCHISOR OR ITS AFFILIATES OR DEVELOPER'S SIGNING OF ANY AGREEMENT WITH FRANCHISOR OR AN AFFILIATE. DEVELOPER REPRESENTS, AS AN INDUCEMENT TO FRANCHISOR'S ENTRY INTO THIS AGREEMENT, THAT IT HAS MADE NO MISREPRESENTATIONS IN OBTAINING THIS AGREEMENT.

(c) DEVELOPER ACKNOWLEDGES THAT IT HAS HAD AMPLE OPPORTUNITY TO CONSULT WITH ITS OWN ATTORNEYS, ACCOUNTANTS AND OTHER ADVISORS AND THAT THE ATTORNEYS FOR FRANCHISOR HAVE NOT ADVISED OR REPRESENTED DEVELOPER WITH RESPECT TO THIS AGREEMENT OR THE RELATIONSHIP THEREBY CREATED.

(d) DEVELOPER, TOGETHER WITH ITS ADVISERS, HAS SUFFICIENT KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS TO

MAKE AN INFORMED INVESTMENT DECISION WITH RESPECT TO THE REGIONAL DEVELOPMENT RIGHTS AND THE UNIT FRANCHISES TO BE DEVELOPED PURSUANT TO THIS AGREEMENT.

(e) DEVELOPER ACKNOWLEDGES THAT THIS INSTRUMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HERETO. THIS AGREEMENT TERMINATES AND SUPERSEDES ANY PRIOR AGREEMENT BETWEEN THE PARTIES CONCERNING THE SAME SUBJECT MATTER.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement intending to be legally bound on the Agreement Date.

FRANCHISOR:

OUR TOWN AMERICA,
A FRANCHISING CORPORATION

_____
(signature of authorized officer)

_____
(name and title of authorized officer)

DEVELOPER:

_____
(signature)

_____
(printed name)

BUSINESS ENTITY OWNER:

_____
(name of business entity)

CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY

_____
(signature of authorized officer, partner or member)

_____
(name of authorized officer, partner or member)

_____
(title of authorized officer, partner or member)

EXHIBIT A TO THE REGIONAL DEVELOPMENT AGREEMENT

GRANTED TERRITORY AND DEVELOPMENT SCHEDULE

REGIONAL DEVELOPMENT SCHEDULE

GRANTED TERRITORY

The Granted Territory referred to in Paragraph 2 of the Agreement is:

Political boundaries are considered fixed as of the date of this Agreement and will not change for the purposes of this Agreement even if a political reorganization or change to such boundaries or regions actually occurs. All street boundaries are deemed to end at the street center line unless otherwise specified above.

1. **Total Number of Unit Franchise Agreements.** You must develop a total of _____ Our Town America Unit Franchises in the Granted Territory during the term of the Agreement.

2. **Development Years.** The following table presents the timing of the Development Years for purposes of meeting the Regional Development Schedule:

Development Year	**Date Development Year Commences**	**Date Development Year Ends**
First	_____	_____
Second	_____	_____
Third	_____	_____
Fourth	_____	_____
Fifth	_____	_____

3. **Timing.** There must be open and operating in the Granted Territory, in accordance with the terms of and pursuant to Unit Franchise Agreements, the cumulative number of Our Town *America* Unit Franchises in accordance with the following table:

End of Development Year	**No. of Unit Franchises in Operation**
First	_____
Second	_____
Third	_____
Fourth	_____
Fifth	_____

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

The parties to this Regional Development Schedule have duly executed and delivered this Regional Development Schedule on this _____ day of _____, 20__ intending to be legally bound.

FRANCHISOR:

OUR TOWN AMERICA,
A FRANCHISING CORPORATION

_____
(signature of authorized officer)

_____
(name and title of authorized officer)

DEVELOPER:

_____
(signature)

_____
(printed name)

_____
(signature)

_____
(printed name)

_____
(signature)

_____
(printed name)

OWNER:

_____
(printed name)

CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY

_____
(signature of authorized officer or partner)

_____
(name and title of authorized officer or partner)

EXHIBIT B TO THE REGIONAL DEVELOPMENT AGREEMENT

OWNERS STATEMENT

OWNERS STATEMENT

This form must be completed by the Developer ("**I**," "**me**" or "**my**") if I have multiple owners or if I, or my regional development business, is owned by a business organization (like a corporation, partnership or limited liability company). Our Town America, A Franchising Corporation, is relying on the truth and accuracy of this form in awarding the Regional Development Agreement to me.

1. **Form of Owner.** I am a (check one):

(i)	General Partnership	☐
(ii)	Corporation	☐
(iii)	Limited Partnership	☐
(iv)	Limited Liability Company	☐
(v)	Other	☐
	Specify: _____	

I was formed under the laws of _____.
(state)

2. **Business Entity.** I was incorporated or formed on _____, _____, under the laws of the State of _____. I have not conducted business under any name other than my corporate, limited liability company or partnership name and _____. The following is a list of all persons who have management rights and powers (e.g., officers, managers, partners, etc.) and their positions are listed below:

Name of Person	Position(s) Held
_____	_____
_____	_____
_____	_____
_____	_____

3. **Owners**. The following list includes the full name and mailing address of each person who is one my owners and fully describes the nature of each owner's interest. Attach additional sheets if necessary.

Owner's Name and Address	Description of Interest
_____	_____
_____	_____
_____	_____
_____	_____

4. **Governing Documents**. Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e.g., articles of incorporation or organization, partnership or shareholder agreements, etc.).

This Statement of Owners is current and complete as of _____, 20__.

OWNER

INDIVIDUALS:

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP:

_____
(Print Name)

By:_____
(Signature)

Title:_____

EXHIBIT C TO THE REGIONAL DEVELOPMENT AGREEMENT

OWNERS GUARANTY

OWNERS GUARANTY

This Guaranty must be signed by the owners (referred to as "you" or "your" for purposes of this Guaranty only) of _____ (the "Business Entity") under the Regional Development Agreement dated _____ (the "Agreement") with **OUR TOWN AMERICA, A FRANCHISING CORPORATION** ("us," or "our" or "we").

1. **Scope of Guaranty.** In consideration of and as an inducement to our signing and delivering the Agreement, each of you signing this Guaranty personally and unconditionally: (**a**) guarantee to us and our successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (**b**) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement.

2. **Waivers.** Each of you waive: (**a**) acceptance and notice of acceptance by us of your obligations under this Guaranty; (**b**) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by you; (**c**) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by you; (**d**) any right you may have to require that an action be brought against the Business Entity or any other person as a condition of your liability; (**e**) all rights to payments and claims for reimbursement or subrogation which you may have against the Business Entity arising as a result of your execution of and performance under this Guaranty; and (**f**) all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantors.

3. **Consents and Agreements.** Each of you consent and agree that: (**a**) your direct and immediate liability under this Guaranty is joint and several; (**b**) you must render any payment or performance required under the Agreement upon demand if the Business Entity fails or refuses punctually to do so; (**c**) your liability will not be contingent or conditioned upon our pursuit of any remedies against the Business Entity or any other person; (**d**) 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 Business Entity 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 no such indulgence will in any way modify or amend this Guaranty; and (**e**) this Guaranty will continue and is irrevocable during the term of the Agreement and, if required by the Agreement, after its termination or expiration.

4. **Enforcement Costs.** If we are required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, you must reimburse us for our enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

5. **Effectiveness.** Your obligations under this Guaranty are effective on the Agreement Date, regardless of the actual date of signature. Terms not otherwise defined in this Guaranty have the meanings as defined in the Agreement. This Guaranty is governed by Florida law and we may enforce our rights regarding it in the courts of Pinellas or Hillsborough Counties, Florida. Each of you irrevocably submits to the jurisdiction and venue of such courts.

Each of you now sign and deliver this Guaranty effective as of the date of the Agreement regardless of the actual date of signature.

PERCENTAGE OF OWNERSHIP INTEREST IN BUSINESS ENTITY	**GUARANTORS**
_____	_____
_____	_____
_____	_____
	DATE _____

4868-7442-6368, v. 1

EXHIBIT D TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC RIDERS TO REGIONAL DEVELOPMENT AGREEMENT

RIDER TO
OUR TOWN AMERICA, A FRANCHISING CORPORATION
REGIONAL DEVELOPMENT AGREEMENT
FOR USE IN CALIFORNIA

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"),** between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation ("**we**," **"us," "our"** or **"Franchisor"),** and _____, a _____ (referred to in this Rider as "**you**," **"your"** or **"Developer"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement**").

1. The California Franchise Relations Act (Business and Professions Code Section 20000 through 20043), provides franchisees with additional rights concerning transfer, termination and non-renewal of the Regional Development Agreement and certain provisions of the Regional Development Agreement relating to transfer, termination and non-renewal may be superseded by the Act. There also may be court decisions which may supersede the Regional Development Agreement and your relationship with us, including the areas of transfer, termination and renewal of your franchise. If the Regional Development Agreement is inconsistent with the law, the law will control. There also may be court decisions which may supersede the Regional Development Agreement and your relationship with us, including the areas of termination and renewal of your franchise. If the Regional Development Agreement is inconsistent with the law, the law will control.

2. The Regional Development Agreement requires you to execute a general release of claims upon transfer of the Regional Development Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)). To the extent required by such laws, you shall not be required to execute a general release.

3. The Regional Development Agreement requires application of the laws and forum of Florida with certain exceptions. These provisions may not be enforceable under California law.

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

5. California [Civil Code Section 1671] has statutes which restrict or prohibit the imposition of liquidated damage provisions.

6. The Regional Development Agreement contains covenants not to compete which extend beyond the termination of the respective agreement. These provisions may not be enforceable under California law.

7. The Regional Development Agreement requires binding arbitration. The arbitration is to occur in Pinellas County, Florida, or such other place as may be mutually agreed upon by the parties. The cost of the arbitration will be borne by the non-prevailing party.

8. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Rider.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

OUR TOWN AMERICA, A FRANCHISING CORPORATION:	**YOU:** _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

RIDER TO
OUR TOWN AMERICA, A FRANCHISING CORPORATION
REGIONAL DEVELOPMENT AGREEMENT
FOR USE IN ILLINOIS

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"),** between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation ("**we**," **"us," "our"** or **"Franchisor"),** and _____, a _____ (referred to in this Rider as "**you**," **"your"** or **"Developer"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement**").

1. To the extent required by Rule 200.608 of the Illinois Franchise Disclosure Act, the Regional Development Agreement shall be governed and construed in accordance with the laws of the State of Illinois.

2. The conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, and we will comply with that law in Illinois.

3. Franchisee's rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. Section 4 of the Illinois Franchise Disclosure Act states that "Any provision of a franchise agreement which designates jurisdiction or venue in a forum outside of this state (Illinois) is void with respect to any cause of action which otherwise is enforceable in this State, provided that a franchise agreement may provide for arbitration in a forum outside of this State."

5. Any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive requirements with any provisions of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void. This shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claims pursuant to the provisions of Title IX of the United States Code.

6. The provision in the Regional Development Agreement which terminates the Regional Development Agreement upon the bankruptcy of the Developer may not be enforceable under Title 11, United States Code, Section 101.

7. Paragraph 11(a) of the Regional Development Agreement is modified by the insertion of the following at the end of such Paragraph:

> "To the extent required by Illinois law, we will provide reasonable notice to you with the opportunity to cure any defaults under this Paragraph 11(a), which shall not be less than ten (10) days and in no event shall such notice be required to be more than thirty (30) days."

8. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Rider.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

OUR TOWN AMERICA, **A FRANCHISING CORPORATION**	**YOU:** _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

RIDER TO
OUR TOWN AMERICA, A FRANCHISING CORPORATION
REGIONAL DEVELOPMENT AGREEMENT
FOR USE IN INDIANA

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"),** between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation ("**we**," **"us," "our"** or **"Franchisor"),** and _____, a _____ (referred to in this Rider as "**you**," **"your"** or **"Franchisee"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement**").

1. Paragraph 9(b)(i) of the Regional Development Agreement shall be deleted in its entirety and replaced with the following:

> (i) operate, own, manage, be employed by, consult with or otherwise provide services to, a Competitive Business, directly or indirectly, that is located within the Granted Territory.

2. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Act are met independently without reference to this Rider.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

FRANCHISOR: **OUR TOWN AMERICA,** **A FRANCHISING CORPORATION**	**YOU:** _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

RIDER TO
OUR TOWN AMERICA, A FRANCHISING CORPORATION
REGIONAL DEVELOPMENT AGREEMENT
FOR USE IN MARYLAND

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"),** between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation ("**we**," **"us," "our"** or **"Franchisor"),** and _____, a _____ (referred to in this Rider as "**you**," **"your"** or **"Developer"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement**").

1. Paragraph 11 of the Regional Development Agreement is amended to provide that termination upon bankruptcy might not be enforceable under the U.S. Bankruptcy Act, but Franchisor intends to enforce it to the extent enforceable.

2. Paragraph 17 of the Regional Development Agreement is amended to include the following language:

> "Notwithstanding the standing provisions of this Paragraph, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise."

3. The representations and acknowledgments made in the Regional Development Agreement are not intended to nor should they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. Paragraphs 3(b) and 10(f)(vii) of the Regional Development Agreement are amended to provide that, pursuant to COMAR 02.02.08.16L, any general release required as a condition to renewal, sale or consent to assignment/transfer, shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

5. 4. Paragraph 17(c) and 17(e) of the Regional Development Agreement are revised to include the following language:

> "Notwithstanding the provisions of this section, a Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

6. The Regional Development Agreement provides that Florida law generally applies. However, the conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Maryland law, and we will comply with that law in Maryland.

7. Each provision of this Rider shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

FRANCHISOR: **OUR TOWN AMERICA,** **A FRANCHISING CORPORATION**	**YOU:**
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

RIDER TO
OUR TOWN AMERICA, A FRANCHISING CORPORATION
REGIONAL DEVELOPMENT AGREEMENT
FOR USE IN MINNESOTA

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"**), between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation **("we," "us," "our"** or **"Franchisor"**), and _____, a _____ (referred to in this Rider as **"you," "your"** or **"Developer"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement"**).

1. Paragraph 11 of the Regional Development Agreement is amended to add the following:

> "With respect to a relationship governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80c. 14, subds. 3, 4, and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Regional Development Agreement; and that consent to the transfer will not be unreasonably withheld."

2. The Regional Development Agreement is revised to include the following:

> "To the extent required by the Minnesota Franchise Act, we will protect your rights to use the trademarks, service marks, trade names, logos and other commercial symbols, or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding your use of the marks, provided you are using the Names and Marks in accordance with this Agreement."

3. Paragraph 17(b) of the Regional Development Agreement is amended to add the following:

> "You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. A court will determine if a bond is required."

4. Paragraphs 3(b) and 10(f)(vii) of the Regional Development Agreement are amended to include the following:

> "We will not require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes."

5. Paragraph 17(i) of the Regional Development Agreement is amended to include the following language:

> Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Regional Development 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.

6. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this Rider.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

FRANCHISOR: **OUR TOWN AMERICA,** **A FRANCHISING CORPORATION**	**YOU:** _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date:

RIDER TO
OUR TOWN AMERICA, A FRANCHISING CORPORATION
REGIONAL DEVELOPMENT AGREEMENT
FOR USE IN NEW YORK

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"**), between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation **("we," "us," "our"** or **"Franchisor"**), and _____, a _____ (referred to in this Rider as **"you," "your"** or **"Developer"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement"**).

1. Paragraph 11(b) of the Regional Development Agreement is revised to include the following:

> "You shall have the right to terminate this Agreement to the extent allowed under applicable law."

2. Paragraph 10(a) of the Regional Development Agreement is revised to include the following:

> "We will not make an assignment, except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Agreement."

3. Paragraph 17 of the Regional Development Agreement is revised to include the following additional subparagraph (k):

> "Provided, however, that all rights arising under your favor from the provisions of Article 33 of the GBL of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this provision that the non-waiver provisions of GBL Section 687.4 and 687.5 be satisfied."

4. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law are met independently without reference to this Rider.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

FRANCHISOR: **OUR TOWN AMERICA,** **A FRANCHISING CORPORATION**	**YOU:** _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

WASHINGTON ADDENDUM TO THE FRANCHISE AGREEMENT, COMPLIANCE CERTIFICATE, AND RELATED AGREEMENTS

This Rider (this "Rider") is entered into this _____, 20__ (the **"Effective Date"**), between **OUR TOWN AMERICA, A FRANCHISING CORPORATION,** a Florida corporation **("we," "us," "our"** or **"Franchisor"**), and _____, a _____ (referred to in this Rider as **"you," "your"** or **"Developer"**) and amends the Regional Development Agreement between the parties dated as of the Effective Date (the **"Regional Development Agreement"**).

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the Regional Development Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Regional Development Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Regional Development Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder 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 which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Regional Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Regional Development Agreement or elsewhere are void and unenforceable in Washington.

8. The Franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the Franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the Franchisor's current and former franchisees to ask them about their experience with the franchisor.

9. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Rider.

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the Effective Date.

OUR TOWN AMERICA, **A FRANCHISING CORPORATION**	**YOU** _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

EXHIBIT E TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF OUTLETS/FORMER REGIONAL DEVELOPERS

AS OF DECEMBER 31, 2021

LIST OF OUTLETS AS OF DECEMBER 31, 2021

CALIFORNIA	
Community Welcome Services of California, Inc. David Frisch 1911 Douglas Blvd. Ste. 85-350 Roseville, CA 95661 916-259-2068	
FLORIDA	
Larry Neal 7111 Dixie Hwy. #335 Clarkston, MI 48346 248-672-6046	
MICHIGAN	
Larry Neal 7111 Dixie Hwy. #335 Clarkston, MI 48346 248-672-6046	
MINNESOTA	
Peter Carlson/John Groppoli 1990 Selby Ave St. Paul, MN 55104 651-261-0128	
NORTH CAROLINA	
Bassam Safi 1939 High House Rd. Unit 203 Cary, NC 27519 910-352-5776	
TEXAS	
Clint Finch 9903 Hutton Park Dr Katy, TX 77494 832-437-1173	

LIST OF FORMER REGIONAL DEVELOPERS AS OF DECEMBER 31, 2021

CALIFORNIA	
Renee Morrison* Roseville, CA 95661 916-259-2068	

* Transfer.

EXHIBIT F TO THE FRANCHISE DISCLOSURE DOCUMENT

FORM OF FRANCHISE COMPLIANCE CERTIFICATE

FORM OF FRANCHISE COMPLIANCE CERTIFICATION

The purpose of this Certification is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally reviewed our Regional Development Agreement and any attachments to it?

   Yes _____ No _____

2. Have you received and personally reviewed our Franchise Disclosure Document ("**FDD**")?

   Yes _____ No _____

3. Did you sign a receipt for the FDD indicating the date you received it?

   Yes _____ No _____

4. Have you discussed the benefits and risks of purchasing an *Our Town America* franchise with an attorney, accountant or other professional advisor?

   Yes _____ No _____

   If not, do you wish to have more time to do so?

   Yes _____ No _____

5. Do you understand that the success or failure of your franchise will depend in large part upon your skills and abilities, competition from others and other economic and business factors?

   Yes _____ No _____

6. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of an *Our Town America* franchise?

   Yes _____ No _____

7. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating an *Our Town America* franchise?

   Yes _____ No _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating an *Our Town America* franchise?

   Yes _____ No _____

9. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the FDD?

   Yes _____ No _____

10. Have you paid any money to us concerning the purchase of your *Our Town America* franchise prior to today?

    Yes _____ No _____

11. If you have answered "Yes" to any one of questions 6-10, please provide a full explanation of each 'Yes" or "No" answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.)

_____

_____

12. I signed the Regional Development Agreement and Addendum (if any) on _____, 20__, and acknowledge that no Agreement or Addendum is effective until signed and dated by us.

Your responses to these questions are important to us and that we will rely on them.

By signing this Compliance Certification, you are representing that you have responded truthfully to the above questions.

FRANCHISEE APPLICANT:

_____

Dated:_____

EXHIBIT G TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE AGENCIES/AGENTS

FOR SERVICE OF PROCESS

CALIFORNIA
California Commissioner of Financial
Protection and Innovation
One Sansome Street, Suite 600
San Francisco, California 94104
1-866-275-2677

FLORIDA
Department of Agriculture and
Consumer Services
Division of Consumer Services
407 South Calhoun Street
Tallahassee, Florida 32399-0800

HAWAII
Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS
Attorney General State of Illinois
Consumer Protection & Franchise
Division
500 South Second Street
Springfield, Illinois 62706

INDIANA
Administrator:
Securities Commissioner
Indiana Securities Division
Franchise Section
302 West Washington, Room E-111
Indianapolis, Indiana 46204
Agent:
Indiana Secretary of State
201 Statehouse
200 West Washington Street
Indianapolis, Indiana 46204

MARYLAND
Registered Agent:
Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, Maryland 21202-2020
State Authority:
Office of the Attorney General
Securities Division
200 Saint Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN
Michigan Attorney General
Consumer Protection Division
ATTN: Franchise
G. Mennen Williams Bldg., 1st Floor
525 W. Ottawa St.
Lansing, Michigan 48909

MINNESOTA
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

NEBRASKA
Department of Banking and Finance
Bureau of Securities/Financial
Institutions Division
1526 K Street, Suite 300
Lincoln, Nebraska 68508

NEW YORK
Agent:
Attention: New York Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
Administrator:
Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street
New York, NY 10005

NORTH DAKOTA
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol - 5th Floor
Bismarck, North Dakota 58505-0510

OREGON
Oregon Corporation Division
255 Capital Street, NE
Suite 151
Salem, Oregon 97310-1327

RHODE ISLAND
Rhode Island Department of Business Regulation
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02920

SOUTH DAKOTA
Director of Division of Insurance
Securities Regulation
124 S Euclid, Suite 104
Pierre, South Dakota 57501

TEXAS
Secretary of State
Business Opportunities Section
P.O. Box 13563
Austin, Texas 78711

UTAH
Department of Commerce
Division of Consumer Protection
160 East 300 South
P.O. Box 45804
Salt Lake City, Utah 84145-0804

VIRGINIA
State Agency:
State Corporations Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
Service of Process:
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

WASHINGTON
Director of the Department of Financial Institutions
Securities Division
150 Israel Road
Olympia, Washington 98501

WISCONSIN
Commissioner of Securities
Franchise Investment Division
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53703

EXHIBIT H TO THE FRANCHISE DISCLOSURE DOCUMENT

REGIONAL DEVELOPMENT MANUAL TABLE OF CONTENTS

OUR TOWN AMERICA REGIONAL DEVELOPMENT MANUAL

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Role Play of the Initial Call A-1.2
Do's / Don'ts A-1.3

B. DISCLOSURE PROCESS

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Dark Period: What does that mean? B-1.2

C. WHAT IS THE PROTOTYPICAL OUR TOWN AMERICA CANDIDATE?

Psychological Profile Testing C-1.1
Effective Profiling C-1.2
Open ended vs. close ended questions C-1.3
Setting proper expectations C-1.4
Taking a chance on someone borderline or on the bubble C-1.5

D. OTHER LEGAL ASPECTS OF FRANCHISE SALES

Proper and improper disclosure practices D-1.1
Earnings claims (never state them) D-1.2

E. WORKING WITH FRANCHISE CONSULTING FIRMS

Who's the best, what to look for E-1.1
Properly submitting a lead E-1.2
Our role in the franchise consultative process E-1.3
Why give up more dollars on the front end? E-1.4

ACKNOWLEDGMENTS OF RECEIPT

Franchise Documents for Execution
Franchise Disclosure Document

RECEIPT OF FRANCHISE-RELATED DOCUMENTS

The undersigned, personally and/or as an officer or partner of the proposed Franchisee, does hereby acknowledge receipt of the following documents, in form for execution, relating to the franchise of OUR TOWN AMERICA, A FRANCHISING CORPORATION:

[_____] (1) Regional Development Agreement.
[_____] (2) Owners Statement.
[_____] (3) Owners Guaranty.
[_____] (4) State Specific Rider.
[_____] (5) Compliance Certification.
[_____] (6) Other (specify):

(Prospective Franchisee must initial the box adjacent to all the applicable documents received.)

I further acknowledge my understanding that it is my responsibility, individually and/or as an officer or partner of the proposed Franchisee, to review all such documents so that I am fully familiar with the transaction contemplated thereby prior to the execution thereof.

DATED: _____

_____
_____ individually
and/or as an officer or partner of _____
_____
_____ a (corporation)
(_____ partnership)
NAME: _____
ADDRESS: _____
_____

_____
_____ individually
and/or as an officer or partner of _____
_____
_____ a (corporation)
(_____ partnership)
NAME: _____
ADDRESS: _____
_____

State Effective Dates

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

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

State	**Effective Date**
New York	[Pending]

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

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 Our Town America, A Franchising Corporation offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale **(or sooner if required by applicable state law)**.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Our Town America, A Franchising Corporation does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the State Agency listed in Exhibit G.

The name, principal business address, and telephone number of the Franchise Seller offering the *Our Town America* franchise is Michael Plummer, 13900 US 19 N, Clearwater, Florida 33764, (727) 345-0811.

Issuance Date: May 12, 2022

Our Town America, A Franchising Corporation authorizes the respective state agencies identified on Exhibit G to receive service of process for us in their state.

I received a Disclosure Document with the issuance date of May 12, 2022. This Disclosure Document included the following Exhibits:

Exhibit A	Financial Statements
Exhibit B	State Specific Addenda to the Franchise Disclosure Document
Exhibit C	Forms of Regional Development Agreement, Owners Statement, and Owners Guaranty
Exhibit D	State Specific Riders to Regional Development Agreement
Exhibit E	List of Outlets/Former Regional Developers
Exhibit F	Form of Franchise Compliance Certificate
Exhibit G	List of State Agencies/Agents for Service of Process
Exhibit H	Regional Development Manual Table of Contents

Please return one signed copy of this Receipt to the attention of Michael Plummer at Our Town America, A Franchising Corporation, 13900 US 19 N, Clearwater, Florida 33764, facsimile: 727-345-0338.

Date Disclosure Document Received: _____

_____	_____
Date	Franchisee
_____	_____
Date	Franchisee

[Your Copy]

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Date Disclosure Document Received: _____

_____	_____
Date	Franchisee
_____	_____
Date	Franchisee

[Our Copy]