FRANCHISE DISCLOSURE DOCUMENT

ALLIANCE FRANCHISE BRANDS LLC
a Michigan limited liability company
47585 Galleon Drive
Plymouth, Michigan 48170-2466
(800) 726-9050
www.alliancefranchisebrands.com

As a franchisee, you will operate a business that provides direct and digital marketing services, and related products and services.

The total investment necessary to begin operation of an *RSVP* business franchise is $114,262 to $373,431. This includes $52,500 to $142,500 that must be paid to the franchisor or its affiliates.

This Franchise Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise 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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Legal & Franchise Compliance Department at Alliance Franchise Brands LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466, (800) 726-9050.

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

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

ISSUANCE DATE: March 28, 2024, as amended September 13, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits I and J.
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 K 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 RSVP business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a RSVP franchisee?	Item 20 or Exhibits I and J lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with us by arbitration or litigation only in Michigan. Out of state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate or litigate with us in Michigan than in your home state.

2. **Minimum Payments.** You must make minimum royalty or marketing fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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

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

THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY

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 the Michigan Franchise Investment 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

Michigan Attorney General's Office
Consumer Protection Division
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
Telephone Number: 517-373-7117

Note: Despite subparagraph (f) above, we intend to fully enforce the arbitration provisions of the Franchise Agreement. We believe that paragraph (f) is preempted by federal law and cannot preclude us from enforcing these arbitration provisions. We intend to fully enforce the arbitration provisions of the Franchise Agreement as written.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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EXHIBITS

Exhibit A -	State Administrators/Agents for Service of Process	Exhibit H -	Promissory Note
Exhibit B -	Franchise Agreement	Exhibit I -	Franchisees
Exhibit C -	Application for Franchise	Exhibit J -	Franchisees Ceasing to Operate
Exhibit D -	Guaranty and Assumption of Obligations	Exhibit K -	Financial Statements
Exhibit E -	Confidentiality and Non-Solicitation Agreement	Exhibit L –	Sample General Release
Exhibit F -	Representations and Acknowledgement Statement	Exhibit M –	State Addenda and Agreement Riders
Exhibit G -	Local Website Enrollment Form	Exhibit N –	Receipts

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS FRANCHISE DISCLOSURE DOCUMENT, AND MIGHT REQUIRE A RIDER TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES AND RIDERS, IF ANY, APPEAR IN EXHIBIT M.

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

Franchisor, Parent and Affiliates

To simplify the language in this franchise disclosure document (this "Disclosure Document"), "AFB," "we" and "us" mean Alliance Franchise Brands LLC (formerly known as Allegra Network LLC), the franchisor. "You" means the person who buys the franchise from Alliance Franchise Brands LLC. If you are a corporation, partnership or limited liability company, your owners will have to guarantee your obligations and be bound by the provisions of the franchise agreement and other agreements as described in this Disclosure Document. The spouse of an owner will also be required to acknowledge the guaranty.

We organized as a limited liability company in Michigan on October 6, 2000 under the name Allegra Network LLC. We changed our name to Alliance Franchise Brands LLC on December 31, 2019. We conduct business under our corporate name and *Alliance Global Graphics*. Our principal business address is 47585 Galleon Drive, Plymouth, Michigan 48170-2466 and our telephone number is (800) 726-9050. Our agents for service of process are listed on Exhibit A of this Disclosure Document.

We have offered franchises for *American Speedy Printing* and *Allegra* centers since our inception, *Insty-Prints* centers since January 2002, *Signs Now* centers from January 2005 to December 2016 and since January 2020, *RSVP*® businesses since May 2019, and *True Install* businesses since September 2023. From February 2021 to July 2023, we owned and operated one RSVP business. As of December 31, 2023, there were 157 franchised *Allegra* centers, 7 franchised *American Speedy Printing* centers, 19 franchised *Insty-Prints* centers, 57 franchised *RSVP* businesses, and 2 franchised *True Install* businesses in the United States. *Allegra*, *Insty-Prints* and *American Speedy Printing* centers offer a full range of marketing and business communication services. *True Install* businesses offer professional sign and graphic installation services.

On December 31, 2012, we assumed the franchise agreements for *Speedy Printing* franchises, *Zippy Print* franchises, *Allegra* franchises and *Signs Now* franchises operating in Canada from Allegra of North America Inc., a former affiliate, and became the franchisor for those Canadian franchises. As of December 31, 2023, there were 34 *Allegra* franchises located in Canada. From June 2015 to June 2016, we offered franchises for businesses that offer digital and direct marketing services under the name *CORE Communications*®. As of December 31, 2023, we had one licensee authorized to use the *CORE Communications* trademark.

On December 31, 2019, our former affiliate, Sign & Graphics Operations LLC ("SGO") merged into AFB. SGO had offered franchises for *Signs by Tomorrow* centers since February 2012, *Image360* centers since February 2013, and *Signs Now* centers since January 2017. As a result of the merger, we became franchisor for, and have offered franchises for, the *Image360*, *Signs Now* and *Signs by Tomorrow* franchise systems since January 2020. *Image360* centers and *Signs Now* and *Signs by Tomorrow* centers offer professional graphics solutions and related products and services. As of December 31, 2023, there were 125 franchised *Image360* centers, 65 franchised *Signs Now* centers, and 76 franchised *Signs by Tomorrow* centers in the United States. As of December 31, 2023, there were 5 franchised *Image360* Centers and 1 franchised *Signs Now* Center in Canada, and 1 licensed *Signs Now* center in the United Kingdom.

On December 31, 2021, our former affiliate, KK Printing Canada ULC ("KKP Canada") transferred and assigned to AFB all its franchise agreements, and AFB assumed the franchise agreements for KKP franchises from KKP Canada and became the franchisor for these franchises. AFB began offering franchises for KKP Centers in Canada in January 2022, and has not operated any KKP Centers. On January 1, 2022,

KKP Canada amalgamated with Alliance Franchise Brands Canada ULC ("AFB Canada") (formerly known as Allegra Corporation of Canada ULC). KKP Canada offered franchises for Kwik Kopy Printing centers in Canada from April 2017 to December 2021. KKP centers offer a full range of marketing and business communication services. As of December 31, 2023, there were 13 franchised KKP Centers in Canada.

Our affiliate, AFB IP Holdings LLC (formerly known as Allegra Holdings LLC) ("AFB IP Holdings") owns the Marks (defined below) and has licensed us to use and sublicense the use of the Marks. AFB IP Holdings also owns the marks for all of our other franchise brands and licenses us to use and to sublicense the use of such marks.

Our affiliate, AFB Corporate Operations LLC ("AFBCO") (formerly known as AN Corporate Center LLC), owns and operates 1 *Allegra* Center and 2 *Image360* Centers, and may provide you with goods and services.

Alliance Franchise Holdings LLC (formerly known as Alliance Franchise Brands LLC) ("AF Holdings"), is the parent company of AFB and AFB IP Holdings. AFB IP Holdings, AF Holdings, and AFBCO share our principal place of business.

Except as described above, neither we, our parent, nor our affiliates and predecessors have conducted a RSVP Business (defined below) or offered franchises in any other line of business; however, we or they may do so in the future.

Under separate disclosure documents, we offer franchises in the United States for marketing and business communication services under the *Allegra*®, *American Speedy*® and *Insty-Prints*® names and trademarks, for professional graphic solutions and related products and services under the *Image360, Signs By Tomorrow* and *Signs Now* names and trademarks, and for professional sign and graphic installation services under the *True Install* name and trademark. We offer franchises in Canada for marketing and business communication services under the *Allegra* and *KKP,* names and trademarks, and for professional graphic solutions and related products and services under the *Image360* and *Signs Now* names and trademarks.

The Franchise

Under this Disclosure Document, we offer franchises for *RSVP* Businesses under our franchise agreement attached to this Disclosure Document as Exhibit B (the "Franchise Agreement"). "*RSVP* Businesses" are consultative sales businesses that assist small and medium sized businesses to reach high end consumers with direct and digital marketing options, and related products and services. A *RSVP* Business may outsource certain services approved by us to local partners or our affiliates.

Under our Franchise Agreement, you must use our distinctive business formats, methods, rules, procedures, designs, layouts, standards, and specifications, all of which we may modify periodically ("System"). You also must use our trademarks, service marks, trade names, logos, trade dresses and other commercial symbols we designate periodically for *RSVP* Businesses (collectively, the "Marks").

You will compete with local, regional, and national companies offering printing, copying, signs, marketing communication and graphics services. The market for these services is developed and competitive in most areas of the United States.

Laws and Regulations

We are not aware of any laws or regulations specific to the operation of marketing and business communication services businesses other than Occupational Safety and Health Administration and environmental protection laws. You must comply with all local, state, and federal laws and regulations that apply to any business. We urge you to make inquiries about these laws and regulations.

ITEM 2

BUSINESS EXPERIENCE

CHIEF EXECUTIVE OFFICER: MICHAEL MARCANTONIO

Michael Marcantonio has served as our Chief Executive Officer since July 2011 and also served as our Chief Strategy Officer from January 2006 to June 2011. He has also served as Chief Executive Officer of AF Holdings, located in Plymouth, Michigan, since December 2012. He has also served as the Manager of AFB IP Holdings, located in Plymouth, Michigan, since July 2011. He also has served as Director of AFB Canada since December 2019. He previously served as the Director of KKP Canada, located in Plymouth, Michigan, from August 2016 to December 2021. He served as SGO's Manager, located in Middle River, Maryland, from December 2011 to December 2019 and SGO's Chief Executive Officer from November 2012 to December 2019. He served as Chief Executive Officer of Alliance Brands Staffing LLC ("ABS"), located in Plymouth, Michigan, from September 2013 to December 2019. He is the founder and served as Manager of MKM Ventures LLC, an investment company located in Plymouth, Michigan, from February 2000 to December 2019.

CHIEF TECHNOLOGY OFFICER: JOSEPH D'AGUANNO

Joseph D'Aguanno has served as our Chief Technology Officer since August 2013. He also served as Chief Technology Officer of KKP Canada, located in Plymouth, Michigan, from August 2016 to December 2021. Mr. D'Aguanno also served as the Chief Technology Officer of SGO, in Middle River, Maryland, from August 2013 to December 2019.

CHIEF ADMINISTRATIVE OFFICER: LAURA PIERCE

Laura Pierce has served as our Chief Administrative Officer since January 2021. Ms. Pierce previously served as our Executive Vice President Finance & Administration from January 2015 to December 2020, Vice President of Finance & Administration from January 2012 to January 2015, Vice President and Controller from October 2004 to December 2011, and Controller from October 2000 to October 2004. She has served as Chief Administrative Officer of AF Holdings, located in Plymouth, Michigan, since January 2021, and was AF Holdings' Executive Vice President of Finance & Administration from January 2015 to December 2020, and its Vice President of Finance & Administration of AF Holdings from December 2012 to January 2015. She has served as Secretary of AFB Canada, located in Plymouth, Michigan, since December 2019. She previously served as Secretary of KKP Canada, located in Plymouth, Michigan, from August 2016 to December 2021.She also served as SGO's Executive Vice President of Finance & Administration, located in Middle River, Maryland, from January 2015 to December 2019, and was SGO's Vice President of Finance & Administration from February 2012 to January 2015. She served as Executive Vice President of Finance & Administration of ABS, located in Plymouth, Michigan, from January 2015 to December 2019, and was the Vice President of Finance & Administration of ABS from September 2013 to January 2015.

CHIEF DEVELOPMENT OFFICER: MICHAEL CLINE

Michael Cline has served as our Chief Development Officer since January 2021. Mr. Cline previously served as our Vice President Franchise Development & Mergers and Acquisitions from January 2020 to December 2020. Prior to that he served as SGO's Vice President of Franchise Development, in Middle River, Maryland, from January 2015 to December 2019, and was previously SGO's Director of Franchise Development from February 2012 to January 2015. Mr. Cline also previously held the same positions with us, until his responsibilities with us ended in December 2016. Prior to that, he was the Director of Franchise Development for SBT-USA in Columbia, Maryland from October 2007 to February 2012.

CHIEF OPERATING OFFICER: RAMON PALMER, JR.

Ramon Palmer, Jr. has served as our Chief Operating Officer and President of *True Install* since January 2023. Mr. Palmer previously served as our President Franchise Operations from January 2021 to January 2023, and as our President – Sign & Graphics Division from January 2020 to December 2020. Prior to that he served as SGO's President, in Middle River, Maryland, from February 2012 to December 2019. He also served as President of our Sign & Graphics Division from June 2012 to December 2016. From November 2010 to February 2012, he was President and Chief Executive Officer of Signs by Tomorrow – USA Inc. ("SBT-USA") in Columbia, Maryland.

EXECUTIVE VICE PRESIDENT MARKETING: BURKE CUENY

Burke Cueny has served as our Executive Vice President Marketing since January 2023, prior to which he served as our Vice President of Marketing from January 2021 to January 2023, and as our Vice President Marketing & Communications – Sign & Graphics Division from January 2020 to December 2020. Prior to that he served as SGO's Vice President of Marketing & Communications, in Middle River, Maryland, from October 2015 to December 2019. He also provided services to our Sign & Graphics Division from October 2015 to December 2016.

EXECUTIVE VICE PRESIDENT BUSINESS DEVELOPMENT: JESSICA ENG

Jessica Eng has served as our Executive Vice President Business Development since January 2023. Prior to that she served as our Vice President Business Development from January 2021 to January 2023, Vice President Marketing & Communications – Marketing & Print Division from January 2020 to December 2020, and Vice President of Marketing from May 2010 to December 2019. She also served as Vice President Business Development of KKP Canada, located in Plymouth, Michigan, from January 2021 to December 2021, and as KKP Canada's Vice President of Marketing from August 2016 to December 2020.

VICE PRESIDENT LEGAL & FRANCHISE COMPLIANCE: MEREDITH FLYNN

Meredith Flynn has been our Vice President Legal & Franchise Compliance since May 2016, and was our Vice President of Financial Services & Franchise Compliance from June 2010 to April 2016, our Director of Financial Services & Franchise Compliance from November 2004 to May 2010, and our Financial Services Manager from October 2000 to November 2004. She also served as Vice President of Legal & Franchise Compliance of KKP Canada, located in Plymouth, Michigan, from August 2016 to December 2021. She also served as SGO's Vice President of Legal & Franchise Compliance, located in Middle River, Maryland, from May 2016 to December 2019, and its Vice President of Financial Services & Franchise Compliance from February 2012 to May 2016.

SENIOR RSVP OPERATIONS DIRECTOR: DEANA FOLZ

Deana Folz has served as our Senior RSVP Operations Director since January 2023. Prior to that she was our RSVP Finance & Operations Director from January 2021 to January 2023, and our Director Finance & Operations – RSVP from December 2018 to December 2020. Prior to that, she was the Controller for RSVP Development Corp. in Tampa, Florida from October 2011 to November 2018. From November 2015 to September 2019, she owned Seven Twenty-Three Marketing, LLC, which owned and operated an *RSVP* Business in Orlando, Florida.

ITEM 3

LITIGATION

Concluded:

Signs by Tomorrow of Siouxland, Inc., Douglas Potts, and Joan Fickler v. Sign & Graphics Operations LLC, No. LACV 175038 (Iowa District Court for Woodbury County). On April 3, 2017, a Signs By Tomorrow franchisee and its shareholders filed a complaint in the Iowa District Court for Woodbury County against our former affiliate SGO for breach of contract and breach of the duty of good faith and fair dealing pursuant to Iowa Code Section 537A.10, based on SGO's termination of the Signs By Tomorrow development fund. Plaintiffs alleged that (1) SGO materially breached the parties' franchise agreement, (2) the franchise agreement was null and void due to SGO's alleged breaches, and (3) plaintiffs were excused from performing their obligations thereunder, seeking an unspecified amount of monetary damages and award of their attorneys' and experts' fees and costs. On May 15, 2017, SGO filed an answer and affirmative defenses, denying plaintiffs' claims. On August 9, 2017, plaintiffs moved for summary judgment on each of their claims, which the court denied in full on November 22, 2017. SGO moved for summary judgment against plaintiffs on February 6, 2018, and the estate of Douglas Potts was substituted in as plaintiff Douglas Potts. On March 27, 2018, the parties entered into a settlement agreement in which (1) plaintiffs agreed to dismiss their claims against SGO with prejudice, (2) the parties entered into mutual releases, (3) the parties extended the term of the franchise agreement by three years (contingent upon the estate's approval of the transfer of Douglas Potts's shares in Signs by Tomorrow of Siouxland, Inc. to Joan Fickler), and (4) the estate of Douglas Potts was released from the franchise agreement. Plaintiffs dismissed their claims against SGO with prejudice on March 27, 2018.

Allegra Network LLC v. United Sign Ventures, LLC, Gary Warnecke and Kirk Seager, AAA No. 01-16-0003-5074. On August 18, 2016, we filed a demand for arbitration with the American Arbitration Association against a former franchisee, United Sign Ventures, LLC, and its guarantors, seeking monetary damages for their failure to pay amounts due under the franchise agreement and promissory note, and failure to comply with their post-termination obligations under the franchise agreement and guaranty. On September 30, 2016, respondents filed an answer and counterclaim against us, alleging breach of contract and fraudulent and false claims. On November 14, 2016, respondents filed an amended counterclaim alleging breach of contract, silent fraud, negligent fraud and fraudulent misrepresentations, breach of fiduciary duty, economic duress, and breach of the Michigan Franchise Investment Law. On April 5, 2018, the parties entered into a settlement agreement in which the respondents agreed to pay us $100,000 and comply with their post-termination obligations under their franchise agreement in exchange for a mutual general release. On the same day, the arbitrator entered the Consent Arbitration Award and closed its file.

Other than the above matters, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

INITIAL FRANCHISE FEE

You must pay us an initial franchise fee of $15,000 for your first *RSVP* Business. No initial franchise fee will be due for your second or subsequent *RSVP* Business. The initial franchise fee is due in a lump sum when you sign the Franchise Agreement and is not refundable under any circumstance. In 2023, we waived the initial franchise fee in connection with the resale of a distressed *RSVP* Business.

TERRITORY FEE

You must pay us a territory fee of $0.60 multiplied by the Full Circulation (defined below) in your Protected Territory (defined in Item 12) (for example, a Protected Territory with a Full Circulation of 50,000 will have a territory fee of $30,000). Protected Territories typically have a Full Circulation between 50,000 and 200,000. The territory fee will be determined prior to signing the Franchise Agreement. If you are purchasing an existing *RSVP* Business, you will not pay a territory fee.

If we determine your Protected Territory is eligible, we may allow you to finance 100% of the territory fee if you sign our current form of promissory note, with the principal amount of the note to be paid by application of national account reimbursements that otherwise would be due to you under the Franchise Agreement until the note is paid in full.

If we determine your Protected Territory is not eligible for the first financing option, you still may elect to pay the territory fee in installments as follows: 50% is due and payable when you sign the Franchise Agreement, and the remaining 50% may be paid in monthly installments if you sign our form promissory note. Our current form promissory note is attached to this Disclosure Document as Exhibit H. If you do not sign our form promissory note, the entire territory fee is due and payable when you sign the Franchise Agreement. The territory fee is not refundable under any circumstance.

"Full Circulation" is the maximum circulation per luxury card pack mailing, as determined by us. We determine full circulation by identifying the number of single family-owner occupied homes, in addition to other demographic data such as population density. Your actual mailing circulation may be less than Full Circulation based on natural shopping patterns or geographic restrictions.

In 2023, we waived the territory fee in connection with two existing franchisees buying new markets.

KICKSTART INITIAL MARKETING DEPOSIT

You must submit to us a deposit equal to $7,500 for our KickStart initial marketing package that we have developed to promote the *RSVP* Business when you sign your Franchise Agreement. We will determine the contents of the KickStart initial marketing package based on the marketing needs of the *RSVP*

Business. The initial marketing deposit is fully earned by us when you sign the Franchise Agreement, and is not refundable under any circumstances. The KickStart initial marketing package may include initial marketing collateral, initial communications to clients, public relations, as well as direct mail, pay per click advertising, local website set-up, and may be used toward registration fees for the annual meeting (if we are then charging an annual meeting registration fee) for one person during your first year of operation. The KickStart initial marketing package may also include other identity items. In 2023, we waived the collection of the initial marketing program deposit in connection with seven resales of existing *RSVP* Business and six new *RSVP* Businesses.

REFERRAL FEE

If you were referred to us by an existing franchisee and purchase a franchise from us for a new *RSVP* Business, we will pay such franchisee a referral fee of up $20,000 (subject to state law), with $5,000 payable to the referring franchisee when you sign your Franchise Agreement and the remaining $15,000 payable to the referring franchisee when you publish your first luxury card pack. This does not apply if an existing franchisee sells you their existing *RSVP* Business.

If you were referred to us by a third party (who is not our franchisee) and you purchase a franchise from us for a new *RSVP* Business, we will pay such third party a referral fee of $10,000 (subject to state law), with $2,500 payable to the third party when you sign your Franchise Agreement and the remaining $7,500 payable to the third party when you publish your first luxury card pack, as long as it is published within one year of the effective date of your Franchise Agreement. This does not apply if you purchase an existing *RSVP* Business. Brokers and sales consultants are not eligible.

IFA VETFRAN PROGRAM, IFA DIVERSITYFRAN PROGRAM AND FIRST RESPONDER DISCOUNT

We are a member of the International Franchise Association ("IFA") and participate in the IFA's VetFran Program, which provides a 25% discount on the initial franchise fee for veterans of the U.S. Armed Forces who meet the requirements of the VetFran Program. We also participate in the IFA's DiversityFran Program, which provides a 25% discount on the initial franchise fee for individuals who meet the requirements of the DiversityFran Program and are referred to us through the DiversityFran Program.

First responders also will receive a 25% discount on the initial franchise fee. First responders are persons with specialized training, who are among the first to arrive and provide assistance at the scene of an emergency, such as an accident, natural disaster, or other catastrophic event, and include paramedics, emergency medical technicians, police officers, sheriffs, and firefighters.

ITEM 6

OTHER FEES

Type of Fee [1]	Amount	Due Date	Remarks
Royalties[2]	7% of Gross Sales[3] Minimum Royalty:[4] Royalty payments are subject to an annual minimum Royalty if the Gross Sales Threshold[5] has not been met	Payable by the last day of each month via electronic funds transfer	

Type of Fee [1]	Amount	Due Date	Remarks
Marketing Fund contribution[2]	1% of Gross Sales[3] <u>Minimum Marketing Fund contribution</u>:[4] Marketing Fund contributions are subject to an annual minimum contribution if the Gross Sales Threshold[5] has not been met	Payable by the last day of each month, via electronic funds transfer	We may raise the fee to a maximum of 3% of Gross Sales.
Additional Assistance Expense[6]	Travel and lodging expenses incurred, plus our then-applicable per diem charges ($400 per day per person)	As incurred	If you request additional or special guidance, assistance (for example, assistance with the integration of an acquired business), certification programs or training (such as requesting additional training if you do not feel sufficiently trained after completing the initial training program), we may charge you our then-applicable fees.
Annual Meeting registration fees	Currently we do not charge a fee but anticipate it may be $350 per person.	Prior to attendance at the annual meeting, payable by credit card when billed	If we charge a registration fee for the annual meeting, you must pay this fee for each person who attends the annual meeting. Any individual attending the annual meeting who has not signed the Franchise Agreement or a form of Guaranty and Assumption of Obligations (See Exhibit D) must execute our then-current form of Confidentiality and Non-Solicitation Agreement (See Exhibit E for current form). The annual meeting registration fees are subject to change based on our and third-party vendors' costs.
Audit	Cost of audit, including the charges of any attorneys and independent accountants, travel expenses, room and board, and per diem personnel charges plus our fees and interest (currently $1,000 per day per person)	15 days after audit report received	This fee is payable only if we find that you have underreported any amount to us by 5% or more, or if the audit is caused by your failure to provide required information or documents.
Brand Audit Fee	Cost of audit including lodging, travel expenses and per diem personnel charges (currently $1,000)	15 days after brand audit is completed	This fee is payable only if the audit is caused by your failure to comply with the brand standards, as described in the Operations Materials.
Costs, accounting, and attorneys' fees	Will vary based on circumstances	As incurred	These fees are payable if we prevail in a proceeding initiated by you or us.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims from operation or resale of your *RSVP* Business or from your breach of the Franchise Agreement.

Type of Fee [1]	Amount	Due Date	Remarks
Inspection Costs	Will vary under circumstances	As incurred	We have the right to inspect your *RSVP* Business at any time. Any inspection will be made at our expense, but if we or our designee must make two inspections concerning your repeated or continuing failure to comply with the Franchise Agreement, or if a follow-up inspection is required because we or our designee were for any reason prevented from properly inspecting any or all of your *RSVP* Business, we will have the right to charge you for the costs of such additional inspections. You will also be responsible for reimbursing travel expenses, room, board and compensation of our designee.
Insufficient Funds Fee	$25 per occurrence	Upon demand	This fee is payable if there are insufficient funds in your account to cover electronic fund transfer withdrawals. We may also attempt to debit your account again periodically until funds are available (but no more than once every 5 days) and you will be charged the insufficient funds fee per each instance in which the funds are not available. This fee is subject to change.
Insurance	Amount needed to reimburse us for mandatory insurance coverage	Upon demand	We have the right to purchase insurance for you if you fail to do so.
Interest	Lesser of 1.5% of the monthly outstanding balance or highest contract rate of interest allowed by law	When billed	Interest applies to all amounts owed to us or our affiliates.
Interim Operations Fee	Our direct out-of-pocket costs and expenses, plus our then applicable per diem charges ($400 per day per person)	As incurred	We have the right (but not the obligation) to operate your *RSVP* Business (or appoint a third party to operate your *RSVP* Business) on an interim basis for up to 60 days, if (1) you abandon or fail to operate your *RSVP* Business; (2) we are assisting you in the sale of your *RSVP* Business; or (3) the Franchise Agreement expires or is terminated and we are deciding whether to exercise our right to purchase your *RSVP* Business. If we (or a third party) operate your RSVP Business on an interim basis under subparagraphs (1) or (2) above, this fee is in addition to all Royalty, Marketing Fund contributions, and other amounts due to us during such period of our interim operation. Our per diem fee is subject to change.

Type of Fee [1]	Amount	Due Date	Remarks
Liquidated Damages	Will vary under circumstances	As incurred	If the Franchise Agreement is terminated because of your (or your owners) default or by you without cause, you will pay us the then net present value of the standard Royalty fees and Marketing Fund contributions that would have become due from the date of termination to the earlier of (a) three years following termination, or (b) the scheduled expiration date of the Franchise Agreement. For this purpose, the Royalty fees and Marketing Fund contributions shall be calculated based on the greater of the Gross Sales of your *RSVP* Business for the 12 months preceding the termination date or the applicable Gross Sales Threshold amount (with the Gross Sales Threshold amount becoming applicable if the termination occurs during the third or subsequent full calendar year you operate your *RSVP* Business (or during the second or subsequent full calendar year if you acquired an existing *RSVP* Business)). In the event your *RSVP* Business was not in operation for at least 12 months preceding the termination date, the Royalty fees and Marketing Fund contributions will be calculated based on the average monthly Gross Sales of all *RSVP* Businesses during the fiscal year immediately preceding the termination date.
Local Website	Currently paid by the Marketing Fund, but we may charge franchisees a fee which we estimate to be $200 per month	As incurred, payable by credit card	We may charge you a fee for monthly maintenance and hosting of your Local Website. This fee is subject to change based on the costs associated with maintenance and hosting.
Non-Compliance Fee	$250 per default per month	If incurred, payable via electronic funds transfer with the next Royalties payment	If you are in default of the Franchise Agreement, we may charge you a non-compliance fee for each default and may charge you each month until such default has been cured.
Optional Marketing Programs	Each program will typically vary from $100 to $500	As incurred, payable by credit card	Marketing programs available for franchisees who desire additional assistance with data analysis, local search marketing, appointment setting, cross-channel campaigns, etc.

Type of Fee [1]	Amount	Due Date	Remarks
Tax Reimbursement Expense	Will vary under circumstances	As incurred	You must reimburse us if we are required to pay any state taxing authority for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes on account of your operation or payments that you make to us (except for our income taxes).
Technology Services Fee	Currently we do not charge this fee, but anticipate that we may charge a fee of $50 per month	Payable monthly on the date we determine by credit card	We may charge you a technology services fee for ongoing subscription, maintenance and support of various technology systems, platforms, and resources. The fee charged may vary periodically based on the systems and related support services we provide and the cost of such subscriptions, platforms, and resources. Some technology services may also be offered separately for an additional fee.
Termination Fee	The greater of (a) $55,000 (as periodically adjusted by us to reflect any changes in the Consumer Price Index) or (b) the previous 12 months of aggregate Royalties paid multiplied by 5.	Effective date of termination	You may terminate the Franchise Agreement with 60 days prior notice, at your option, if you are then in compliance with your Franchise Agreement and you pay amounts owed to us plus this Termination Fee. We do not charge this Termination Fee if we terminate the Franchise Agreement, though you may be required to pay lost revenue damages (see below).
Transfer Fee	25% of then-current Initial Franchise Fee	Prior to transfer	If you transfer your *RSVP* Business, you will pay us the transfer fee. The transferee also will pay us the initial franchise fee for an existing *RSVP* business described in Item 5.

Note 1: All fees imposed by and payable to us and all payments for purchases from us are not refundable under any circumstances. Fees may not be uniform for all franchisees.

Note 2: Royalties, Marketing Fund contributions, and other amounts due to us or our affiliates are paid by electronic funds transfer. You must submit the financial reports in the form and manner we dictate to report your Gross Sales and other financial data we designate. If you do not timely submit Gross Sales statements, or you report Gross Sales of $0 for three consecutive months, we may estimate your Gross Sales based on the number of postcards printed, as reported by our approved supplier, times $0.05 per postcard, and debit your account for Royalties and Marketing Fund contributions based on those estimated Gross Sales. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined your *RSVP* Business's true and correct Gross Sales), we will debit your account for the balance on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your account during the following month.

Note 3: "Gross Sales" means all revenue from sales derived through your *RSVP* Business, including amounts received from the sale of services and products of every kind and nature, whether from cash, check, barter, trade-in, credit transactions or otherwise. Gross Sales also includes the proceeds of any

business interruption insurance policies related to the operation of your *RSVP* Business. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as it is added to the selling price and actually paid by you to such governmental authority; and (ii) customer refunds, credits, adjustments, and allowances made by you in compliance with the System Standards. "System Standards" means our mandatory specifications, standards, operating procedures, and rules for operating *RSVP* Businesses.

Note 4: Minimum Royalty and minimum Marketing Fund contributions will be billed each calendar year that the Gross Sales Threshold has not been met. We will calculate your minimum Royalty payment and your minimum Marketing Fund contribution each year based on the Gross Sales you report during the previous calendar year. The minimum Royalty billed, if any, will be equal to 7% of the difference between the applicable Gross Sales Threshold (defined in Note 5) and the Gross Sales you actually report for the calendar year (if less than the Gross Sales Threshold). The minimum Marketing Fund contribution billed, if any, will be equal to 1% (or your then current Marketing Fund contribution rate, if it has been changed) of the difference between the applicable Gross Sales Threshold and the Gross Sales you actually report for the calendar year (if less than the Gross Sales Threshold). If we bill you for minimum Royalty or minimum Marketing Fund contribution, you will pay such amount within 30 days of receipt of the invoice.

Note 5: The "Gross Sales Threshold" is determined based on your Gross Sales for luxury card pack mailings, solo mailings, digital advertisements, and other products and services, and is $160,000 of Gross Sales if your Full Circulation is between 50,000 and 74,999 homes; $210,000 of Gross Sales if your Full Circulation is between 75,000 and 89,999 homes; $270,000 of Gross Sales if your Full Circulation is between 90,000 and 119,999 homes; $350,000 of Gross Sales if your Full Circulation is between 120,000 and 149,999; $420,000 of Gross Sales if your Full Circulation is between 150,000 and 174,999; and $485,000 of Gross Sales if your Full Circulation is between 175,000 and 200,000.

Note 6: You must pay for your employees' salaries and benefits while they are receiving any additional assistance, and if your employees must travel for the additional assistance, you must pay for all travel, lodging and meal expenses incurred.

ITEM 7

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure[1]	Estimated Amount or Estimated Low-High Range	Method of Payment	When Payable	To Whom Paid
Initial Franchise Fee	$15,000	As arranged	On signing the Franchise Agreement	Us
Territory Fee[2]	$30,000 to $120,000	As arranged	See note 2	Us
Training Expenses[3]	$0 to $4,500	As arranged	As incurred	Outside suppliers
Rent Deposit[4]	$0 to $1,500	Lump sum	As specified in lease	Landlord

Type of Expenditure[1]	Estimated Amount or Estimated Low-High Range	Method of Payment	When Payable	To Whom Paid
Utility Deposits	$0 to $500	Lump sum	As incurred	Utility companies
Office Furniture and Supplies[5]	$0 to $3,500	Lump sum	As incurred	Outside suppliers
Software and Computer Equipment[6]	$5,067 to $9,481	As arranged	As incurred – generally financed	Outside suppliers
Transportation[7]	$0 to $7,500	As arranged	As incurred	Outside suppliers
Marketing and Brand Identification[8]	$0 to $9,450	Lump sum	As incurred	Outside suppliers
KickStart Initial Marketing Deposit	$7,500	As arranged	On signing the Franchise Agreement	Us
Telephone	$500 to $2,500	As arranged	As incurred	Outside suppliers
Insurance (for 12 months)[9]	$2,695 to $10,000	As arranged	As incurred and as needed	Outside suppliers
Professional fees (lawyer, accountant, etc.)	$3,500 to $8,000	Lump sum	As incurred	3rd party professionals
Additional Funds (for 12 months)[10]	$50,000 to $174,000	As arranged	As incurred	Employees & other 3rd parties
ESTIMATED INITIAL INVESTMENT[11]	**$114,262 to $373,431**			

NOTES:

Note 1: None of the fees in this Item 7 that are payable to us are refundable under any circumstances. Amounts payable to third parties are non-refundable unless the supplier agrees otherwise.

Note 2: This assumes you will acquire a new territory with a Full Circulation between 50,000 and 200,000. You will pay 50% of the territory fee on signing the Franchise Agreement, and we will finance 50% of the territory fee if you sign our form of promissory note. However, if we determine your Protected Territory is eligible, we may finance 100% of your territory fee if you sign our form promissory note. If you do not sign a promissory note, the entire territory fee will be due upon signing the Franchise Agreement. The financing options are described in Item 10. If you are purchasing an existing *RSVP* Business you will not be required to pay a territory fee.

Note 3: The low end of the estimate assumes all initial training is conducted virtually. If any part of the initial training is conducted in person, you will pay the expenses of travel, meals and lodging for any persons attending the training program. The high end of the estimate contemplates attendance of up to 2 people for up to 5 days of training at our corporate office in Michigan (or another location we designate).

The amount expended will depend upon the distance those persons must travel and the type of accommodations chosen.

Note 4: The low end of this estimate assumes that you will operate out of your home and therefore not incur any rent expense. If you choose to operate from a separate office, we anticipate that you will rent approximately 500 square feet of office space. The initial cost to lease such office space will vary based on local market conditions and may be impacted by the property location, building size, improvements, desirability of location, real estate taxes, common area maintenance fees and the like.

Note 5: The low end of this estimate assumes that you will operate out of your home and therefore not incur any expenses for office furniture. If you choose to operate from a separate office, you will purchase and/or lease and install furniture and fixtures, such as a desk and shelving unit, and may incur expenses for painting and purchasing office supplies.

Note 6: The low end of this estimate assumes that you already have a laptop, wireless access, Microsoft Office 365, security software and a color printer, and that they meet our System Standards. However, we anticipate you will need to purchase additional software and computer components, which must conform to our standards, and additional email addresses. Typically, the software includes Adobe Creative Cloud and QuickBooks Online Plus for financial management. We also recommend that you obtain CRM software. We have also assumed that you do not have any employees to start, because if you did, they would need a laptop, Office 365, and an email address. We highly recommend that you engage an IT infrastructure consultant to assist you with the IT infrastructure, PCI compliance, and data security; the high end of the range includes the cost to hire such a consultant.

Note 7: The low end of this range assumes you already own or lease a vehicle which you may use in the operation of your *RSVP* Business.

Note 8: This is a suggested amount and is in addition to the KickStart initial marketing package. We strongly encourage you to spend a significant amount on other promotional efforts associated with your *RSVP* Business.

Note 9: You must maintain in force at your sole expense the insurance policies we require in connection with your *RSVP* Business's operation. The estimates provided above are for your annual premiums for your first year of operations for the minimum coverage we require for all *RSVP* Businesses but does not include the premiums for any additional policies that may be required if you elect to provide certain types of products and services from your *RSVP* Business. See Item 8 for a description of our current requirements.

Note 10: The additional funds represent an estimate of working capital that will be used in the operation of the business. You may need these additional funds to operate the *RSVP* Business during its 12-month initial phase. The estimated amount covers items such costs to cover upfront printing and postage expenses, and miscellaneous expenses. The high estimate accounts for engaging an optional part-time bookkeeper and the estimated base salary for an optional outside salesperson. We have relied on our and our predecessor's experience in the printing and related services business since 1977 to compile this estimate of additional funds required. You must have the minimum amount in cash or its equivalent when you open the *RSVP* Business. The amount does not cover any salary or other compensation for you or your owners.

Note 11: We do not finance any portion of your initial investment, other than the territory fee, as described in Item 10.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must maintain, at your expense, the insurance coverage that we require under policies that meet our terms and conditions. Currently, we require you to maintain commercial general liability (we currently require a minimum of $1 million per occurrence and $2 million in the aggregate), business vehicle liability, workers' compensation, employment practices liability, and cyber and privacy liability insurance policies in connection with your *RSVP* Business's operation. You also will be required to maintain certain other types of insurance policies (such as media liability), depending on the types of products and services your *RSVP* Business provides. We may periodically change the amounts of coverage required under the insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

Your insurance must be written by an insurance company with a Best rating of "A" or better. You must provide us with 30 days' written notice of material changes to or cancellation or expiration of any policy. You must provide us with copies of all insurance policies, together with current certificates of insurance, on an annual basis. You must also provide us with a certificate of insurance naming us and any affiliates we designate as additional insureds for all liability coverage policies, using a form of endorsement we have approved.

You will purchase from us or our affiliates certain marketing materials and services, including initial marketing collateral, and certain website services and products. You will purchase from designated suppliers certain software, software subscriptions, and other products and services. Currently, there is only one designated printer for publishing luxury card packs and one designated supplier for data and address lists.

You must purchase or lease certain computer hardware and software, marketing materials and supplies that meet our specifications. Approximately 10% of products and services used in establishing a *RSVP* Business and approximately 50% to 70% of products and services used in the operation of a *RSVP* Business are subject to our specifications or must be purchased from an approved supplier.

Specifications, if any, are described in our Operations Materials that are made available to franchisees. (See Item 11) We may modify these specifications by updating the electronic copy of the Operations Materials and will provide reasonable written notice to you of any modifications. We will consider your written request for a modification of a specification, if you explain the reason for the requested modification (or for the approval of any equipment or supply we have not previously approved) and provide us with sufficient technical data to enable us to evaluate your request. We will provide you with notification of approval or disapproval within 60 days after receipt of your request.

We may maintain, and provide you access to, a list of recommended suppliers. We may recommend suppliers (which may be us or our affiliates) of products and services that meet our specifications, including specifications for product quality, pricing, reliability, support, and customer relations. We are an approved supplier of certain marketing programs, which you may utilize at your option.

You may request in writing our approval of additional recommended suppliers. Currently, we will grant or revoke approvals of recommended suppliers based on our standard criteria for recommending suppliers, which criteria are not available to you, and based on inspections and performance reviews. We may grant approvals of new recommended suppliers or revoke past approvals of recommended suppliers

on reasonable written notice to you. We will provide you with written notification of the approval or disapproval of a recommended supplier you propose within 60 days after receipt of your request. We periodically may change our supplier approval process and criteria.

During fiscal year 2023, our revenue from purchases by franchisees of all of our concepts of software, marketing materials and programs, ecommerce, project management, creative services, and other outsourced services was $1,574,356, which represents approximately 5.4% of our total revenue of $28,981,754. According to its accounting records and point-of-sale system, our affiliate AFBCO had $599,555 in revenue from franchisee purchases during fiscal year 2023. Otherwise, we and our affiliates did not derive revenue from franchisee purchases.

We and our affiliates have the right to receive payments from suppliers based on franchisee purchases. We currently receive a 32% rebate from franchisee purchases of online digital services, and a rebate of $20 per ton of paper purchases, subject to achieving certain purchase volumes. During fiscal year 2023, we received a total of $122,093 from third-party suppliers as a result of purchases by franchisees of all our brand concepts. Portions of the revenue are used to supplement expenses typically funded by a marketing fund, to defray costs to franchisees, such as the cost of the annual meeting, and to fund franchisee incentives and pilot programs. However, we may retain the credit of any discounts, rebates or incentives received as a result of your purchases or contribute them to the Marketing Fund. None of our affiliates received any commissions or rebates from third party suppliers during the 2023 fiscal year.

Except as discussed above, we derive no revenue or any other material benefits from suppliers that sell or lease products or services to our franchisees. However, some of our recommended suppliers sponsor events and/or rent display booths at our annual meeting and other meetings in order to market and advertise their products and services. We provide no material benefits to you based on your use of approved suppliers. We have no purchasing or distribution cooperatives.

We have negotiated volume discounts with several suppliers for purchases by our franchisees. These discounts currently range from 5% to 10% off retail prices but are subject to change. We may continue to negotiate volume discounts with vendors for our franchisees.

We and our officers do not own any interest in any approved supplier, except for direct and indirect ownership interest in us, our parents, and our affiliates.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section of Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Not applicable	Item 11
b. Pre-opening purchases/leases	Section 2 of Franchise Agreement	Items 7, 8 and 11

Obligation	Section of Franchise Agreement	Disclosure Document Item
c. Site development and other pre-opening requirements	Not applicable	Items 6, 7 and 11
d. Initial and ongoing training	Section 4.A of Franchise Agreement	Item 11
e. Opening	Not applicable	Item 11
f. Fees	Section 3	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 4.C and 8.H of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 5 and 6 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 8.B and 8.E of Franchise Agreement	Items 8, 11 and 16
j. Warranty and customer service requirements	Not applicable	
k. Territorial development and sales quotas	Not applicable	
l. Ongoing product/service purchases	Section 8.E of Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	Sections 8.A and 8.H of Franchise Agreement	Item 11
n. Insurance	Section 8.G of Franchise Agreement	Items 7 and 8
o. Advertising	Section 9 of the Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 16.D of Franchise Agreement	Item 6
q. Owner's participation/ management/staffing	Section 8.D of Franchise Agreement	Items 11 and 15
r. Records and reports	Section 10 of Franchise Agreement	
s. Inspections and audits	Section 11 of Franchise Agreement	Item 6
t. Transfer	Section 12 of Franchise Agreement	Items 6 and 17
u. Renewal	Section 13 of Franchise Agreement	Item 17
v. Post-termination obligations	Section 15 of Franchise Agreement	Item 17
w. Non-competition covenants	Sections 7 and 15.D of Franchise Agreement	Item 17
x. Dispute resolution	Section 17.F of Franchise Agreement	Item 17

ITEM 10

FINANCING

We currently offer two financing options for your territory fee. If you elect to obtain financing from us for your territory fee, with either option you will sign our form promissory note (the "Note") (attached to this Disclosure Document as Exhibit H).

Under the first option, we will finance 100% of your territory fee if we determine your Protected Territory is eligible. Under this financing option, the principal amount of the Note will be paid by application of national account reimbursements that otherwise would be due to you under the Franchise Agreement, instead of monthly payments, until the Note is paid in full. For this financing option, no interest will be due on the principal amount of the Note except in the event of default.

If we determine your Protected Territory is not eligible for the first financing option, you still will be eligible for the second financing option. Under the second option, we will finance up to 50% of your territory fee, we will charge interest at the then current prime interest rate plus 2% per annum, and you will make 36 monthly payments.

The principal amount due under the Note may be prepaid without penalty. In the event of default or a transfer of the Note, the outstanding principal amount will be immediately due and payable and interest will accrue at the lesser of 18% per year or the highest contract rate of interest allowed by law. Any default under either the Franchise Agreement or the Note is deemed a default under both the Franchise Agreement and the Note and we may pursue remedies available to us under both the Franchise Agreement and the Note. If we are required to take any action to enforce payment of the Note, you will be required to pay all costs, fees, and expenses (including attorneys' fees) we incur to enforce our rights under the Note. The Note provides for a waiver of diligence, presentment and demand for payment, protest, notice, notice of protest and nonpayment, dishonor and notice of dishonor.

Each owner who signs a Guaranty and Assumption of Obligations will be required to sign the Note acknowledging that his or her obligations under the Guaranty and Assumption of Obligations extend to the Note.

It is not our practice or intent to sell, assign or discount to a third party all or part of the Note, nor do we receive any consideration for placing the Note with a lender.

Other than the above, we do not offer direct or indirect financing or guarantee your note, lease, 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.

OUR OBLIGATIONS TO FRANCHISEES BEFORE OPERATION OF THEIR RSVP BUSINESSES

Before you commence operating your *RSVP* Business, we will provide you the following assistance:

(1) Initial training for up to 2 persons conducted virtually or in-person at Alliance University in Plymouth, Michigan or another location designated by us. This training generally lasts up to 5 days but may vary depending on the number of people in attendance and their experience. (Section 4.A of the Franchise Agreement)

(2) Electronic access to our Operations Materials (as defined below). (Section 4.C of the Franchise Agreement)

(3) Written specifications for certain outsourced design and printing services and computer system hardware and software, though we do not deliver or install these items. (Section 2 of the Franchise Agreement)

OUR OBLIGATIONS TO FRANCHISEES DURING OPERATION OF THEIR RSVP BUSINESSES

During the operation of the *RSVP* Business, we will:

(1) Administer a Marketing Fund. (See "Marketing and Promotion" below). (Section 9.B of the Franchise Agreement)

(2) Update the electronic Operations Materials to incorporate improvements and new developments in the System, including improvements in products and services you offer to your customers. We may revise the Operations Materials at any time. (Section 4.C of the Franchise Agreement)

(3) Periodically advise you, as the need for such advice is determined by us, concerning the operation of your *RSVP* Business. (Section 4.B of the Franchise Agreement)

(4) Review your marketing materials. (Section 9.A of the Franchise Agreement)

(5) Maintain the Franchise System Website (as defined below) for the promotion of *RSVP* Businesses. (Section 9.C of the Franchise Agreement)

(6) Provide you with a list of recommended vendors and suppliers for services. (Section 8.E of the Franchise Agreement)

(7) Assist you in advertising your *RSVP* Business for sale. (Section 12.G of the Franchise Agreement)

We may, but are not obligated to, assist you with establishing prices for products and services your *RSVP* Business sells.

MARKETING AND PROMOTION

Marketing Fund

We currently maintain and administer a marketing fund for *RSVP* Businesses located in the United States for the marketing, advertising, and public relations programs and materials we deem appropriate (the "Marketing Fund"). We currently require franchisees to contribute 1% of Gross Sales. However, we may raise this contribution to a maximum of 3% of Gross Sales. Some existing franchisees do not contribute to the Marketing Fund. We may also combine the Marketing Fund with the marketing funds of other brands we or our affiliates franchise, and maintain and administer one marketing fund for all businesses. *RSVP*

Businesses that we or our affiliates own may not contribute to the Marketing Fund on the same percentage basis as franchisees.

We will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Marketing Fund may pay for preparing and producing video, audio, and written materials and digital media; developing, implementing, and maintaining a franchise system website and/or related strategies; administering regional and national marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media marketing and using advertising, promotion, and marketing agencies and other advisors to provide assistance; administering online advertising and marketing campaigns (including search engine, social media, e-mail, and display ad campaigns); developing and administering software, apps, and related integrations; implementing a loyalty program or other marketing or advertising programs designed to encourage the use of *RSVP* Businesses; supporting public relations, market research, and other advertising, promotion and marketing activities; sales training and support of franchisees' sales personnel; and such other use as we deem appropriate for the promotion of the *RSVP* brand. As long as you are in compliance with the Franchise Agreement, including the System Standards, the Marketing Fund may periodically give you samples of advertising, marketing and promotional formats and materials at no cost. The Marketing Fund will sell you multiple copies of these materials at its direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Marketing Fund separately from our other funds and not use the Marketing Fund for any of our general operating expenses. However, we may use the Marketing Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Marketing Fund, the Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Marketing Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Marketing Fund contributions. We will not use the Marketing Fund contributions for advertising that principally is a solicitation for the sale of franchises.

The Marketing Fund will not be our asset. The Marketing Fund is not a trust. We do not owe any fiduciary obligation to you for administering the Marketing Fund or any other reason. We will hold all Marketing Fund contributions for the benefit of the contributors and use contributions for the purposes described in this Subsection. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on contributions to the Marketing Fund to pay costs before using the Marketing Fund's other assets. We will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you a copy of the statement upon your written request to us. We may have the Marketing Fund audited annually, at the Marketing Fund's expense, by an independent certified public accountant. We may incorporate the Marketing Fund or operate it through a separate entity whenever we deem appropriate.

We intend for the Marketing Fund to promote the Marks, patronage of *RSVP* Businesses and the *RSVP* brand generally. Although we will try to use the Marketing Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all *RSVP* Businesses, we need not ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund contributions by *RSVP* Businesses operating in that geographic area or that any *RSVP* Business benefits directly or in proportion to its Marketing Fund contribution from the development of advertising and marketing materials or the placement of advertising

and marketing. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as expressly provided in the Franchise Agreement, we assume no direct or indirect liability or obligation to you for collecting amounts due to maintaining, directing, or administering the Marketing Fund.

We may at any time defer or reduce contributions of a *RSVP* Business franchisee and, upon 30 days' prior notice to you, reduce or suspend Marketing Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If we terminate the Marketing Fund, all remaining contributions will be spent prior to its termination. (Section 9.B of the Franchise Agreement)

During the 2023 fiscal year, we used the Marketing Fund contributions as follows:

Expenses	**Marketing Fund Expenditures**
Media placement – paid and unpaid media advertising through social media, public relations, pay-per-click advertising, retargeting and display advertising	70.3%
Creative Development – production of traditional and digital creative and media assets including marketing collateral, digital ads, website development and search engine optimization	4.7%
Administration – marketing and sales staff costs, membership expenses, legal, accounting and banking expenses. These expenses may be higher or lower depending upon whether we administer and deliver programs which would otherwise have been outsourced	25.0%

Advisory Councils and Cooperatives

We have established a Franchise Advisory Board of *RSVP* franchisees and Home Office representatives. We consult with the Franchise Advisory Board on various issues, including marketing and advertising programs and materials, but we may make all decisions independently. The members of the Franchise Advisory Board are generally self-nominated and selected by current Franchise Advisory Board members, including Home Office representatives. We may change or dissolve the Franchise Advisory Board, or form a new advisory board.

You are not required to participate in any local or regional advertising cooperatives.

Marketing Materials

You must submit to us, for our approval, all materials to be used for local marketing and advertising, unless we have previously approved them or they consist only of materials we have provided. All materials containing our proprietary marks must include the designation service mark SM, trademark TM, registered ®, or copyright ©, or any designation we specify.

If you do not receive the written or oral disapproval of any materials submitted to us within 20 days after the date we received the materials, the materials are approved. We may require you to withdraw and/or discontinue the use of any materials, even if we previously approved them. We must make this requirement in writing, and you will have 5 days after receipt of our notice to withdraw and discontinue use of the materials. (Section 9.A of the Franchise Agreement)

Website(s) and Social Media Platforms

We maintain a corporate website, www.rsvpadvertising.com, to promote the System, and to advertise the services and products marketed by us and our franchisees and/or franchise opportunities (each a "Franchise System Website"). We may, but are not obligated to, provide you with a link to your Local Website (as defined below) on the Franchise System Website. We may require that you to: (i) provide us the information and materials we request to develop, update, and modify the Franchise System Website; and (ii) notify us whenever any information on the Franchise System Website regarding your *RSVP* Business is not accurate. We may discontinue or modify the Franchise System Website, or consolidate the Franchise System Website with the website(s) of other brands we or our affiliates franchise and maintain one website for all brands, at any time we determine.

You will also be required to have a website for your *RSVP* Business (the "Local Website") that we host. We must own the domain name for the Local Website, and will assign the domain name to you. The content of the Local Website must comply with our specifications and standards that we periodically designate; all updates and changes to the Local Website must be approved by us. Besides the Local Website we host, you must not create any other website or web page for your RSVP Business. You must prepare and maintain a privacy policy and terms and conditions for such Local Website, which must be linked to the Local Website. The privacy policy and terms and conditions must comply with all applicable laws, System Standards, and other requirements we may prescribe in writing. You must sign the Local Website Enrollment Form in the form attached to this Disclosure Document as Exhibit G. We may charge you a monthly maintenance and hosting fee for the Local Website (currently we do not charge this fee, though we anticipate charging a fee of $200 per month). You may also utilize any website, domain name, homepage, e-mail address, social media account (such as LinkedIn®, Facebook®, Instagram®, YouTube®, or Google® Business Profile), username, other online presence, or presence on any electronic medium of any kind ("Online Presence") that we approve under our then-current social media policy, which we may modify periodically. The Local Website and any other social media Website you maintain must identify your *RSVP* Business as an independently owned and operated business. If we approve the use of any Online Presence, you will develop and maintain such Online Presence in accordance with our then-current social media policy, including guidelines for posting any messages or commentary on third-party websites. We will have access to each Online Presence and all documents, data, materials, and messages shared from or by such accounts. All advertising, marketing and promotional materials that you develop for your *RSVP* Business must contain notices of the Franchise System Website's domain name in the manner we designate. We may deactivate such Local Website or limit users' access to it at any time. Except as expressly permitted by the Franchise Agreement, you may not develop, maintain, register, or authorize any other website that mentions or describes you or your *RSVP* Business or displays any of the Marks. (Section 9.C of the Franchise Agreement)

You must list your *RSVP* Business in such online directories as we periodically prescribe. You also agree to establish any other Online Presence we require. You may only establish or maintain an Online Presence as approved and according to the guidelines described in our policies and in the Operations Materials. (Section 9.A of the Franchise Agreement)

COMPUTER SYSTEM

You must obtain and use specified integrated computer hardware and/or software system and other technology components that meets our System Standards. (Section 2 of the Franchise Agreement) Currently, we recommend the use of Windows based PC computers and Apple computers. The computers are available through a variety of manufacturers. You also must use a tablet and printer. We estimate the cost range for purchasing the computer systems to be $6,022 to $8,417. You will not be required to repurchase items you already own that meet our standards and specifications.

We require that you use the following software:

- Adobe Creative Cloud subscription with an estimated cost of $60 per month.
- QuickBooks Online Plus with subscription fees of $85 per month.

The fees described above are subject to change. You will also be required to obtain anti-virus security software with an estimated cost of $110 per year for up to 5 devices, and Microsoft Office365 Business Standard for email, office applications, and secure cloud storage with an estimated cost of $12.50 per user per month. We recommend that you use customer relationship management software.

The components and programs generate, and we will collect, sales data, accounting data, and other financial data and information we designate. We may independently access this data through the customer relationship management software. We may require you to use a system that will allow us to access your sales figures electronically or by other means. There are no contractual limitations on our right to access this information and data.

We may require you to upgrade or update your computer hardware or software during the term of the Franchise Agreement, and may also require you to integrate your data information systems with our designated print supplier's platform, which will provide us access to such information. There are no contractual limitations on the frequency or cost of this obligation. All hardware and software components are the proprietary property of their manufacturers who have no obligation to provide ongoing maintenance, repairs, upgrades, or updates unless you pay for them. Neither we nor our affiliates are obligated to provide ongoing maintenance, repairs, upgrades, or updates.

We may require you to pay a fee (the "Technology Services Fee") to us (or our affiliates) for ongoing subscription, maintenance, development and support of various technology systems, platforms, and resources. We may periodically modify the amount of the Technology Services Fee. If imposed, you must pay the Technology Services Fee at the times, and in the manner, designated by us. We may require you to enter into written agreements with us or our affiliates to receive such services, with terms and conditions we approve. Currently we do not charge this fee, though we anticipate charging a Technology Services Fee of $50 per month. Some technology services may also be offered separately for an additional fee. (Section 3.F of the Franchise Agreement)

OPERATIONS MATERIALS

We provide guidance through operations materials, which may include one or more separate manuals, if any, as well as digital media, computer software, information available on an internet site (such as on-line training videos, webinars, advertising and marketing materials, documentation of processes, supplier information, and a 154 page products and services guide), other digital media, and/or written materials (collectively, the "Operations Materials"). Currently, we do not have an operations manual.

We currently post the Operations Materials on a restricted website to which you will have access. You must monitor and access the website for any updates to the Operations Materials or System Standards. Any passwords or other digital identifications necessary to access the Operations Materials will be deemed to be part of our confidential information. (Section 4.C of the Franchise Agreement)

SITE SELECTION

We neither lease premises to you, nor provide assistance with site selection or negotiations of your purchase or lease of the property. Franchisees typically operate from their home, though you may choose to operate from a separate office.

OPENING OF BUSINESS

If you are developing a new *RSVP* Business, you must begin operating your business within 60 days after you sign the Franchise Agreement. If you do not begin operating your business within that time, we may terminate the Franchise Agreement. If we terminate the Franchise Agreement, we may retain your initial franchise fee. The expected typical length of time between signing the Franchise Agreement and commencing operation of a new *RSVP* Business is up to 60 days. Factors that may affect the length of time between signing the Franchise Agreement and commencing operation of the business include your ability to obtain business licenses and permits, your employment of an outside salesperson (if someone other than you), and the time when you receive and complete training.

TRAINING

The initial training program involves up to five days of virtual or in-person instruction for up to two persons. We may elect to conduct the initial training program at Alliance University in Plymouth, Michigan, or another location we designate. Prior to attending the classroom training, you (or your Managing Owner) will be required to complete up to 5 days of self-paced learning sessions (these hours are not included in the chart below). We may lengthen, shorten, or restructure the contents of this program. The classroom portion of the program is currently conducted on an as-needed basis at our headquarters (but we may designate an alternate location, or elect to provide the classroom training virtually), and has been conducted by a training staff currently under the direction of Holly Harding, our Senior Training Manager. Ms. Harding has 21 years of experience with us and 5 years of experience in the subjects taught.

You (or your Managing Owner, if you are an entity) must complete the program, to our satisfaction, at least one day prior to commencing operation of your *RSVP* Business.. Scheduling of the training program is based on your availability, your *RSVP* Business's timing requirements and the training staff's availability. Training materials include access to our online learning center, digital access to our Operations Materials and access to our franchisee-facing communications portal.

You (or your Managing Owner) may request additional training at the end of the initial training program, to be provided at our then current per diem charges, if you (or your Managing Owner) do not feel sufficiently trained in the operation of an *RSVP* Business. We and you will jointly determine the duration of this additional training. After you begin operating your RSVP Business, you may send employees to our regularly scheduled training programs at no additional cost to you, provided that you are responsible for all travel and living expenses incurred for such employees during the training programs. If we provide you with training outside of our regularly scheduled training programs, you must pay our additional assistance fee for this training, which is currently $400 per person per day, in addition to all travel and living expenses of the attendees. We may make reasonable increases in this fee during the term of your franchise. If you request training for your employees during a time when training is not regularly scheduled, we may charge you additional fees. Otherwise, you must train your own employees before and

after you begin operating your RSVP Business. If you have a new Managing Owner, the new Managing Owner must complete our then current initial training program to our satisfaction. We may charge reasonable fees for training new Managing Owners, including our additional assistance fee (currently $400 per person per day) in addition to all travel and living expenses of the attendees. You also agree to pay all travel and living expenses which your Managing Owner incurs during all training courses and programs.

The initial training program is designed to cover all phases of the operation of a *RSVP* Business. Any non-owner employees attending the employee-accessible portions of training must execute our then current form Confidentiality and Non-Solicitation Agreement. We will provide you with opening assistance for your *RSVP* Business before, and within the first 90 days after, you begin operating your *RSVP* Business for up to three days. This assistance may not be on consecutive days, and will be provided virtually. You are responsible for covering your and your personnel's travel and lodging costs for attending training.

As of the date of this Disclosure Document, we provide the following initial training:

TRAINING PROGRAM

Subject[1]	Hours of Classroom Training	Hours of Hands-On Job Training	Location[2]
Business Overview and Market Operations • RSVP Value Proposition • 10-Week Mailing Cycle • Competitive Positioning • Target Consumer Audience • Target Advertiser Base	8	3	Virtually
Marketing • Marketing Plan Development • Marketing Collateral • Self-Promotional Marketing Campaign and Tactics	4	2	Virtually
Product & Process • Luxury Card Pack Production Cycle • Design of ads • Attribution tools • Strategic Collation • Mail List Selection • Mailing Schedule	4	4	Virtually
Sales • RSVP Steps of the Sale • RSVP Value Proposition • Sales Plan & Benchmarking • Prospecting • National Sales	12	7	Virtually

Subject[1]	Hours of Classroom Training	Hours of Hands-On Job Training	Location[2]
Business & Financial Operations • CRM Set-up • Reporting Requirements • Understanding Cos-Profit, Billing Calculators • Interfacing with key supplier partners • Advertiser Agreement & Payment terms • Pricing Guidance	9	2	Virtually
Totals	40	18	

Note 1: The hours devoted to each subject are estimates and may vary based on class size, participation, the franchisees' experience with the subject, and scheduling. The above training chart does not include pre-training requirements, including up to 5 days of online, self-paced learning sessions you (or your Managing Owner) must complete.

Note 2: Classroom training currently is conducted virtually, though we may choose to conduct in-person classroom training at Alliance University, which is currently located in Plymouth, Michigan, or another location we designate.

We may require you (or your Managing Owner) to attend and complete to our satisfaction various training courses that we periodically choose to provide at the times and locations that we designate, including courses and programs provided by third parties we designate (which may be virtually). We will not require attendance at more than two such courses, or for more than a total of five business days, during a calendar year. Besides attending these courses, you agree to attend an annual meeting of all *RSVP* Business franchisees at a location we designate, which may be virtually. Attendance will not be required for more than seven days during any calendar year. You must pay all costs to attend, including the applicable fees, if any, and your attendees' compensation or benefits due, travel and living expenses. (Section 4.A of the Franchise Agreement)

ITEM 12

TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from *RSVP* Businesses that we own or from other channels of distribution or competitive brands we control. However, we and our affiliates will not operate or grant a franchise for the operation of another *RSVP* Business within your designated territory (the "Protected Territory"), subject to the rights we have, as described below. The Protected Territory encompasses a Full Circulation between 50,000 and 200,000, and will be identified on Exhibit B to your Franchise Agreement before you sign it.

Other *RSVP* Businesses may market to customers in your Protected Territory and, likewise, you may market to customers in the protected territory of other *RSVP* Businesses; provided, however, that you may not publish mailers outside your Protected Territory. Except as permitted in your Franchise Agreement, you may not engage in any promotional or similar activities, directly or indirectly, through the internet. We may not modify your Protected Territory except as described in this Item 12.

We and our affiliates may engage in any and all activities that we (and they) deem appropriate and are not expressly prohibited under the Franchise Agreement, including the right to:

(1) acquire and operate, and allow others to acquire and operate, one or more businesses offering products and services which are identical or similar to products and services offered by a *RSVP* Business, and/or franchising, licensing, or creating similar arrangements with respect to these businesses, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Protected Territory);

(2) offer and sell products and services offered by *RSVP* Businesses to national, regional, and governmental accounts or our affiliates (including customers or accounts located within the Protected Territory);

(3) establish, and allow others to establish, other distribution channels (including the Internet, catalog sales, telemarketing, and other direct marketing sales), wherever located or operating (including within the Protected Territory) and regardless of the nature or location of the customers with whom such other distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from a *RSVP* Business, and that sell products and/or services that are identical or similar to, and/or competitive with, those that a *RSVP* Business customarily sells;

(4) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at *RSVP* Businesses, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Territory; and

(5) engage in all other activities not expressly prohibited by the Franchise Agreement.

We are not required to pay you if we exercise any of the rights specified above inside or outside your Protected Territory.

Your retention of the Protected Territory is dependent on the achievement of the applicable Gross Sales Threshold, beginning with the third full calendar year you operate your *RSVP* Business (or, if you have acquired an existing *RSVP* Business, beginning with the second full calendar year). If you fail to achieve the applicable Gross Sales Threshold for any two calendar years during the term of the Franchise Agreement, we may reduce your Protected Territory or terminate the Franchise Agreement.

We also may terminate the Franchise Agreement if you fail to satisfy the minimum mailings requirement during any two calendar years during the term of the Franchise Agreement. The minimum mailings requirement is 4 luxury card packs per calendar year, and is usually prorated for partial calendar years.

You will operate from one location, which typically is in your Protected Territory. You must reside within your Protected Territory, unless you receive our written permission to reside outside your Protected Territory.

The Franchise Agreement does not give you any right of first refusal or similar rights to acquire additional franchises within any given area.

Our affiliates operate *Image360* centers and an *Allegra* center. We also have franchised centers and will continue to offer franchises under each of the *Allegra*, *American Speedy*, *Insty-Prints*, *Image360*,

Signs By Tomorrow, *Signs Now* and *True Install* names and marks. We and our franchisees that operate under these marks may solicit or accept orders in your market area. While we do not anticipate conflicts between franchisees of each brand concept or that the other businesses will compete for your business, in the future such brands may offer additional products and services that may be competitive with products and services you will offer at your *RSVP* Business. However, if a conflict should arise, we will analyze it and take action (if any) that we deem appropriate. As disclosed in Item 1, we share a principal business address for each of our brand concepts.

ITEM 13

TRADEMARKS

We grant you the non-exclusive right and obligation to use certain Marks. You must use the Marks as we require. You may not use any of the Marks as part of your firm or corporate name. You may not use the Marks in the sale of unauthorized products or services or in any manner we do not authorize. You may not use the Marks in any advertising any prospective transfer that would require our approval under the Franchise Agreement. The Marks are owned by AFB IP Holdings, our affiliate. We are authorized to use and to sublicense the use of the Marks under the Intellectual Property License Agreement dated December 31, 2019 (the "License Agreement"). The License Agreement has a term of 99 years, and can be terminated on 30 days' notice if we materially breach the License Agreement and fail to cure the breach, or if we cease to be an affiliate of AFB IP Holdings. Your rights to use the Marks under the Franchise Agreement will not be affected by the termination of the License Agreement. All rights in and goodwill from the use of the Marks accrue to us and our affiliates.

The principal Marks are:

Mark	Reg. No. & Principal (P) or Suppl. (S)	Registration Date
"RSVP"	Reg. 2,472,691 (P)	07/31/2001
"DIRECT MAIL TO THE UPSCALE"	Reg. 2,528,722 (S)	01/08/2002
"RSVP HOME & LIVING"	Reg. 4,439,616 (P)	11/26/2013
	Reg. 5,293,839 (P)	09/26/2017
"RSVP PUBLICATIONS"	Reg. 6,077,796 (P)	06/16/2020

For each registration listed above, AFB IP Holdings has filed all required affidavits and has applied for or obtained any required renewals.

Other than the License Agreement, no agreements limit our right to use or license the use of the Marks in a manner material to the franchise. We do not know of any superior prior rights in the Marks. We do not know of any infringing uses of the Marks that could materially affect your use of the Marks.

If we decide to modify or discontinue use of any of the Marks or to use one or more additional or substitute Marks, you must follow our directions to modify or discontinue use of the Marks or to use one or more additional or substitute Marks within a reasonable time after notice. We have no obligation to reimburse you for any expenses resulting from a change in Marks, for your expenses for promoting a

modified or substitute trademark or service mark, or for any indirect expense, such as advertising expenses, or for any goodwill associated with any discontinued Mark.

You must notify us immediately when you learn about an infringement of or challenge to your use of any of the Marks. We may take action we think appropriate, and we will control any litigation or administrative proceeding.

If you have timely notified us of a claim or proceeding and comply with the Franchise Agreement, we will indemnify you for all damages for which you are held liable in any proceeding from your authorized use of any of the federally registered Marks. We will indemnify you for all costs that you reasonably incur in defending the claim brought against you or any proceeding where you are named as a party because of your authorized and proper use of the federally registered Marks. We may defend and control the defense of any proceeding from your use of any of the Marks.

There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any federal or state court, nor are there any pending infringement, opposition or cancellation proceedings, or material litigation, involving the Marks which are relevant to their use by our franchisees.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents that are material to the franchise. We have not filed any patent applications that are material to the franchise.

Various marketing, sales, training, and management materials which we have created, including the Operations Materials, advertising and marketing materials, newsletters, training and informational materials, printing, and promotional materials, and related items, used in operating a *RSVP* Business, are protected under the U.S. Copyright Act, whether or not we have obtained registrations. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, for the purpose of promoting your *RSVP* Business, but you do not receive any rights in those materials.

There are no determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials which are relevant to their use by our franchisees.

No agreements limit our right to use or license the use of our copyrighted materials. We are not obligated under any agreement to protect or defend our copyrights, although we intend to do so. We do not know of any infringing uses of or superior rights in our copyrighted materials.

We have developed and may continue to develop confidential information for the operation of a *RSVP* Business, including: the Operations Materials, advertising and marketing materials, training materials, methods, techniques, formats, specifications, systems, procedures, recommended prices and pricing methods, sales and marketing techniques, and advertising and marketing programs and materials.

The confidential information includes our trade secrets. We disclose it to you on the condition that you do not use the information in any other business, or in violation of the Franchise Agreement, during and after the term of the franchise, that you not make unauthorized copies of any portion of the information, and that you implement all procedures we require to prevent unauthorized use or disclosure of the information. All improvements, developments, derivative works, enhancements, or modifications to the

confidential information, and all ideas, concepts, techniques, or materials relating to a *RSVP* Business, whether or not protectable intellectual property, made or created by you, your employees, or your contractors, whether developed separately or in conjunction with us, shall be owned solely by us. We may require you to have your employees and contractors execute a Confidentiality and Non-Solicitation Agreement and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements with independent enforcement rights.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are a corporation, partnership, or limited liability company you must name as managing owner one of your shareholders or owners who owns at least a 20% interest in the corporation, partnership, or limited liability company and who is your chief executive officer (the "Managing Owner").

If you are a corporation, partnership or limited liability company, each owner must sign a Guaranty and Assumption of Obligations (See Exhibit D), guaranteeing the performance of your obligations under the Franchise Agreement. The spouse of each owner will also be required to consent in writing to his or her spouse's execution of the guaranty, which serves to bind the assets of the marital estate to the guarantor's performance of the Guaranty and Assumption of Obligations.

You must diligently perform all your obligations under the Franchise Agreement and exert your best efforts to promote the *RSVP* Business. You (and your owners if you are a corporation, partnership, or limited liability company) may not engage in a similar or competitive business.

You (or your Managing Owner) must devote substantially all of your (or his or her) effort and time to the management of the *RSVP* Business (including on-premises supervision if you maintain offices outside your home). However, you may not be required to devote full-time and attention to the business if you engage an outside salesperson who will devote full-time and attention to the management of the *RSVP* Business (including on-premises supervision if you maintain offices outside your home) and who attends and successfully completes our initial training program to our satisfaction. If at any time you are in breach of the Franchise Agreement, or your *RSVP* Business fails to publish a minimum of one luxury card pack each calendar quarter, we may revoke our approval for you to commit less than full-time attention to the *RSVP* Business. An outside salesperson does not need to have an equity interest in your *RSVP* Business.

Any of your *RSVP* Business's employees who will have access to our confidential and proprietary information or who will participate in our training programs must sign a Confidentiality and Non-Solicitation Agreement (See Exhibit E).

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may not offer any products or services that we have not approved. You must offer all products and services that we require to be offered by a *RSVP* Business. You must insert cards in your luxury card packs in conjunction with our national accounts program or for the promotion of the franchise system, as we require. We may change the types or add additional authorized products and services required to be offered by a *RSVP* Business on reasonable written notice to you and there are no limits on our right to do so. You must discontinue selling and offering for sale any products or services that we disapprove at any

time. There are no limits on our right to do so. We may restrict the customers to whom you may sell approved products and services, if we believe a customer would reflect poorly on the Marks or the RSVP system.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(a) Length of the franchise term	Section 1.D	Franchise Agreement term is 10 years.
(b) Renewal or extension of the term	Section 13	If you are in full compliance, you may acquire one successor franchise on our then current terms (which may be materially different from existing terms) for 10 years.
(c) Requirements for franchisee to renew or extend	Section 13	Give us timely notice; timely sign new franchise agreement (which may contain materially different terms than your previous franchise agreement) and other documents we use to grant franchises; sign general release (subject to state law); not fail to achieve the applicable Gross Sales Threshold or publish the minimum number of luxury card packs required to be mailed each calendar year during any two calendar years; and if we so require, transition your *RSVP* Business into a different brand concept.
(d) Termination by franchisee	Section 14.A	You may terminate the Franchise Agreement if we materially breach the agreement and do not cure default after notice from you; you may also terminate if you pay us a termination fee (see Item 6) (subject to state law).
(e) Termination by franchisor without cause	Not applicable	We may not terminate the Franchise Agreement without cause.
(f) Termination by franchisor with cause	Section 14.B	We may terminate only if you or your owners commit one of several violations.
(g) "Cause" defined — curable defaults	Section 14.B	Under the Franchise Agreement, you have 10 days to cure monetary defaults and failure to maintain required insurance; 72 hours to cure violations of laws, ordinances, rules, or regulations of a governmental agency; and 30 days to cure operational defaults and other defaults not listed in (h) below.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(h) "Cause" defined — non-curable defaults	Section 14.B	Non-curable defaults under Franchise Agreement include failure to complete training; abandonment; unapproved transfers of your *RSVP* Business; you lose the right to occupy the premises; material misrepresentations or omissions; conviction of a felony; dishonest or unethical conduct; unauthorized use or disclosure of the Operations Materials or other confidential information; failure to pay taxes; understating Gross Sales; failure to achieve the applicable Gross Sales Threshold or to publish the minimum number of luxury card packs required to be mailed each calendar year during any two calendar years; repeated defaults (even if cured) under the Franchise Agreement; an assignment for the benefit of creditors; appointment of a trustee or receiver; failure to comply with anti-terrorism laws; failure to comply with other agreements with us or our affiliates and do not correct such failure within the applicable cure period, if any; failure to publish advertisements for which you have accepted payment; and failure to pay any third-party, including the lessor of your premises, any amounts owed in connection with your *RSVP* Business when due.
(i) Franchisee's obligations on termination/nonrenewal	Section 15	Obligations include paying outstanding amounts; cease selling products and services from the *RSVP* Business; cease all use of the Marks; cease identifying any business as a *RSVP* Business or franchisee and cancel all fictitious or assumed names using any Mark; returning or destroying all confidential information, as we require; delivering all customer artwork to us within 10 days; allowing us to retrieve or delivering to us all customer information; complete de-identification; cease using and assign all telephone numbers, facsimile numbers and all Online Presences to us; and providing evidence of compliance with the de-identification requirements within 15 days (also see (o) and (r) below).
(j) Assignment of contract by franchisor	Section 12.A	No restriction on our right to assign; we may assign without your approval.
(k) "Transfer" by franchisee — definition	Section 12.B	Includes transfer of Franchise Agreement, sale of your *RSVP* Business's assets, transfer of ownership interest in you or your owners.
(l) Franchisor approval of transfer by franchisee	Section 12.B	No transfer without our prior written consent.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(m) Conditions for franchisor approval of transfer	Section 12.C	New franchisee qualifies; you pay us, our affiliates, and third party vendors all amounts due, including the required transfer fee, and submit all required reports; you provide us all information and documents we request regarding the transfer, the proposed transferee, and its owners; no default during 60 day period before transfer request or during period between request and transfer's proposed effective date; new franchisee (and its owners and affiliates) are not in a competitive business; training completed; if we so require, transferee agrees to transition the *RSVP* Business into a different brand concept; you or transferee signs our then current franchise agreement and other documents; transferee paid initial franchise fee; we approve purchase price and payment terms; you subordinate amounts due to you at our request; you de-identify; and you sign release (if law allows) (also see (r) below).
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 12.F	We may match any offer for your *RSVP* Business or an ownership interest in you.
(o) Franchisor's option to purchase franchisee's business	Section 15.E	We may buy your *RSVP* Business, after the Franchise Agreement is terminated or expires (without renewal).
(p) Death or disability of franchisee	Section 12.E	Assignment of franchise or an ownership interest in you to approved party within 180 days; we may manage your *RSVP* Business if there is no qualified manager approved by us.
(q) Non-competition covenants during the term of the franchise	Section 7	No diverting business (or assisting others to divert business); no behavior injurious of the Marks; no appropriating the System for use in other businesses or endeavors; no ownership interest in, or performing services for, or leasing premises to, competitive business anywhere ("competitive business" means (i) any business offering, selling or producing products or services that we may authorize *RSVP* Businesses to sell, offer or produce, including, without limitation advertising, direct mail, internet advertising and related products and services, or (ii) any business granting franchises or licenses to others to operate the types of businesses specified in subparagraph (i) (other than a business operated under a franchise agreement with us). We may periodically change the products and services that *RSVP* Businesses are authorized to sell and, therefore, you may be restricted from engaging in certain business activities in the future involving the offer and sale of products and services which are not currently offered by the *RSVP* Businesses) (subject to state law).

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(r) Non-competition covenants after the franchise is terminated or expires	Section 15.D	For 2 years, no direct or indirect ownership interest in, or performing services for, or leasing premises to, a competing business within the Protected Territory, or within a 25 mile radius of your Protected Territory. At no time will you divert, attempt to divert or assist any other person or entity to divert any actual or potential business or customer of any *RSVP* Business to a competitive business (subject to state law).
	Section 4 of Confidentiality and Non-Solicitation Agreement	For 2 years, no direct or indirect solicitation of any current or former customer of the *RSVP* Business to terminate or modify its use of the products offered by *RSVP* Businesses, or soliciting the sale or selling products similar to products offered by *RSVP* Businesses to such customers.
(s) Modification of the agreement	Section 17.L	No modifications except in writing, but we may change Operations Materials and System Standards.
(t) Integration/merger clause	Section 17.N	Only the terms of the Franchise Agreement (including System Standards in the Operations Materials) are binding (subject to state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in this Disclosure Document, any other exhibits and amendments.
(u) Dispute resolution by arbitration or mediation	Section 17.F	We and you must arbitrate all disputes at a location within 50 miles of our, or, as applicable, our successor's or assign's then current principal place of business (currently Plymouth, Michigan) (subject to state law).
(v) Choice of forum	Section 17.H	Subject to arbitration requirement, litigation must be exclusively in the state or federal court which is closest to our or, as applicable, our successor's or assign's then current principal place of business (currently Plymouth, Michigan) (subject to state law).
(w) Choice of law	Section 17.G	Except for U.S. Federal Arbitration Act and other federal laws in the U.S., laws of State of Michigan (subject to state law).

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise. Although the Franchise Agreement does not prohibit you from using a public figure in promotion or marketing, we must approve any public figure, media, time, and text that you propose to use.

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.

A. FRANCHISED RSVP BUSINESS' 2023 ANNUAL GROSS SALES[1]

The numbers in this Section A reflect the annual Gross Sales of 35 franchised *RSVP* Businesses that were in operation for at least 1 full calendar year as of December 31, 2023. This excludes 20 *RSVP* Businesses that were not operated for the full calendar year as of December 31, 2023 (7 of which began operating during 2023, 12 of which were transferred to new owners, and 1 that ceased operating); 3 *RSVP* Businesses that closed during 2023; and 2 *RSVP* Businesses that have a Full Circulation outside the range for which we currently offer franchises.

The first chart below includes the information for all franchised *RSVP* Businesses together, and compares the performance of all *RSVP* Businesses based on Annual Gross Sales. The second chart compares *RSVP* Businesses within a specified Full Circulation range.

All *RSVP* Businesses

	***RSVP* Businesses Open More Than 1 Year**	**Average Annual Gross Sales[2]**	***RSVP* Businesses That Achieved or Exceeded the Average**	**Median Annual Gross Sales[3]**	**Range**
All Franchised	35	$418,628	16 (45.71%)	$380,580	$62,651 to $1,129,860
Top 50%	17	$641,880	7 (41.18%)	$599,948	$388,346 to $1,129,860
Bottom 50%	18	$207,780	8 (44.44%)	$168,425	$62,651 to $380,580

RSVP Businesses Categorized by Full Circulation

Full Circulation	*RSVP* Businesses Within the Full Circulation Range Open More Than 1 Year	Average Annual Gross Sales[2]	*RSVP* Businesses That Achieved or Exceeded the Average	Median Annual Gross Sales[3]	Range
50,000 to 74,999	5	$293,705	2 (40.00%)	$268,011	$62,651 to $522,793
75,000 to 99,999	9	$261,385	4 (44.44%)	$232,751	$67,530 to $476,294
100,000 to 119,999	8	$447,005	3 (37.50%)	$384,463	$138,355 to $720,451
120,000 to 149,999	10	$451,877	6 (60.00%)	$526,475	$86,813 to $734,401
150,000 to 199,999	2	$803,168	1 (50.00%)	N/A	$711,024 to $895,312
200,000	1	$1,129,860	N/A	$1,129,860	N/A

NOTES:

1. "Gross Sales" means all revenue from sales derived through the *RSVP* Business, including amounts received from the sale of services and products of every kind and nature, whether from cash, check, barter, trade-in, credit transactions or otherwise. Gross Sales also includes the proceeds of any business interruption insurance policies related to the operation of the *RSVP* Business. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as it is added to the selling price and actually paid by the *RSVP* Business to such governmental authority; and (ii) customer refunds, credits, adjustments, and allowances made by the *RSVP* Business in compliance with the System Standards.

2. "Average Annual Gross Sales" means the mathematical average of the total annual Gross Sales, for the applicable calendar year, for all *RSVP* Businesses included within the group.

3. "Median Annual Gross Sales" is the middle annual Gross Sales, for the appliable calendar year, for all *RSVP* Businesses included within the group arranged in order.

B. LUXURY CARD PACK[1] SALES AND EXPENSES

The numbers in this Section B reflect the Luxury Card Pack sales and expense information of 35 franchised *RSVP* Businesses that were in operation for at least 1 full calendar year as of December 31, 2023. This excludes 20 *RSVP* Businesses that were not operated for the full calendar year as of December 31, 2023 (7 of which began operating during 2023, 12 of which were transferred to new owners, and 1 that ceased operating), and 2 *RSVP* Businesses that have a Full Circulation outside the range for which we currently offer franchises.

All *RSVP* Businesses [10]

	Average [9]	***RSVP* Businesses That Achieved or Exceeded the Average**	**Median** [9]	**Range**
Luxury Card Pack Sales [2]	$387,699	16 (45.71%)	$349,122	$62,651 to $1,129,860
Printing Expense[3]	42.25%	12 (34.29%)	39.35%	26.23% to 95.19%
Freight Expense [3]	3.92%	13 (37.14%)	3.74%	0.32% to 9.58%
Postage Expense [3]	32.88%	15 (42.86%)	29.11%	15.89% to 71.68%
List Expense [4]	1.47%	15 (42.86%)	1.28%	0.66% to 3.18%
Royalty and Marketing Fund Expense [5]	7.42%	26 (74.29%)	8.00%	4.80% to 8.00%
National Account Credits Paid to Franchisees[6]	-6.36%	14 (40.00%)	-5.25%	-0.54% to -15.42%
Gross Profit in Percentage [7]	18.41%	22 (62.86%)	23.54%	-72.81% to 48.61%
Gross Profit in Dollars [8]	$108,499	17 (48.57%)	$106,734	-$114,390 to $549,205

***RSVP* Business with Full Circulation of 50,000 to 74,999** [10, 11]

	Average [9]	***RSVP* Businesses That Achieved or Exceeded the Average**	**Median** [9]	**Range**
Luxury Card Pack Sales [2]	$211,182	2 (40.00%)	$135,780	$95,720 to $493,751
Printing Expense [3]	40.78%	2 (40.00%)	36.74%	30.48% to 56.75%
Freight Expense [3]	4.11%	2 (40.00%)	3.91%	1.44% to 5.77%
Postage Expense [3]	29.18%	3 (60.00%)	32.27%	16.45% to 38.83%
List Expense [4]	1.35%	3 (60.00%)	1.47%	0.66% to 1.92%
Royalty and Marketing Fund Expense [5]	7.90%	3 (60.00%)	8.00%	7.72% to 8.00%
National Account Credits Paid to Franchisees [6]	-7.16%	2 (40.00%)	-7.24%	-15.02% to -0.54%
Gross Profit in Percentage [7]	23.84%	2 (40.00%)	20.33%	3.09% to 41.32%
Gross Profit in Dollars [8]	$66,950	2 (40.00%)	$17,859	$4,201 to $204,001

RSVP **Business with Full Circulation of 75,000 to 99,999** [10, 12]

	Average [9]	***RSVP*** **Businesses That Achieved or Exceeded the Average**	**Median** [9]	**Range**
Luxury Card Pack Sales [2]	$247,344	4 (44.44%)	$206,801	$67,530 to $472,793
Printing Expense [3]	40.74%	4 (44.44%)	39.35%	26.23% to 57.92%
Freight Expense [3]	2.95%	5 (55.56%)	3.28%	1.24% to 4.87%
Postage Expense [3]	37.72%	4 (44.44%)	36.97%	19.55% to 57.49%
List Expense [4]	1.65%	4 (44.44%)	1.55%	0.74% to 2.67%
Royalty and Marketing Fund Expense [56.77%]	7.71%	7 (77.78%)	8.00%	5.67% to 8.00%
National Account Credits Paid to Franchisees [6]	-6.51%	3 (33.33%)	-5.25%	-15.42% to -1.45%
Gross Profit in Percentage [7]	15.74%	4 (44.44%)	15.08%	-22.00% to 42.55%
Gross Profit in Dollars [8]	$63,755	4 (44.44%)	$25,373	-$30,917 to $159,049

RSVP **Business with Full Circulation of 100,000 to 119,999** [10, 13]

	Average [9]	***RSVP*** **Businesses That Achieved or Exceeded the Average**	**Median** [9]	**Range**
Luxury Card Pack Sales [2]	$432,174	3 (37.50%)	$382,187	$121,530 to $900,295
Printing Expense [3]	45.25%	2 (25.00%)	38.92%	32.43% to 95.19%
Freight Expense [3]	4.94%	2 (25.00%)	4.11%	3.53% to 9.58%
Postage Expense [3]	31.51%	3 (37.50%)	24.51%	19.21% to 71.68%
List Expense [4]	1.39%	3 (37.50%)	1.05%	0.78% to 3.18%
Royalty and Marketing Fund Expense [5]	7.46%	6 (75.00%)	8.00%	5.07% to 8.00%
National Account Credits Paid to Franchisees [6]	-5.13%	2 (25.00%)	-3.90%	-11.90% to -2.21%
Gross Profit in Percentage [7]	14.57%	5 (62.50%)	28.98%	-72.81% to 37.46%
Gross Profit in Dollars [8]	$110,244	5 (62.50%)	$126,379	-$114,390 to $265,463

RSVP Business with Full Circulation of 120,000 to 149,999 [10, 14]

	Average [9]	_RSVP_ Businesses That Achieved or Exceeded the Average	Median [9]	Range
Luxury Card Pack Sales [2]	$410,611	5 (62.50%)	$483,969	$81,013 to $700,176
Printing Expense [3]	42.18%	3 (37.50%)	40.99%	33.22% to 58.54%
Freight Expense [3]	3.79%	3 (37.50%)	3.69%	2.34% to 5.05%
Postage Expense [3]	31.79%	3 (37.50%)	30.19%	15.89% to 54.54%
List Expense [4]	1.47%	4 (50.00%)	1.38%	0.74% to 2.67%
Royalty and Marketing Fund Expense [5]	7.47%	5 (62.50%)	7.88%	6.00% to 8.00%
National Account Credits Paid to Franchisees [6]	-7.25%	4 (50.00%)	-6.43%	-11.74% to -4.64%
Gross Profit in Percentage [7]	20.55%	6 (75.00%)	23.20%	-17.87% to 43.58%
Gross Profit in Dollars [8]	$110,572	4 (50.00%)	$112,165	-$32,118 to $305,142

RSVP Business with Full Circulation of 150,000 to 174,999 [10, 15]

	Average [9]	_RSVP_ Businesses That Achieved or Exceeded the Average	Median [9]	Range
Luxury Card Pack Sales [2]	$603,827	2 (50.00%)	$611,410	$297,175 to $895,312
Printing Expense [3]	45.56%	1 (25.00%)	37.36%	32.04% to 75.49%
Freight Expense [3]	4.41%	2 (50.00%)	4.87%	0.32% to 7.59%
Postage Expense [3]	34.80%	1 (25.00%)	30.60%	21.14% to 56.85%
List Expense [4]	1.52%	1 (25.00%)	1.32%	0.89% to 2.52%
Royalty and Marketing Fund Expense [5]	6.62%	2 (50.00%)	6.83%	4.80% to 8.00%
National Account Credits Paid to Franchisees [6]	-6.40%	2 (50.00%)	-4.98%	-13.61% to -2.01%
Gross Profit in Percentage [7]	13.50%	2 (50.00%)	20.76%	-33.64% to 46.12%
Gross Profit in Dollars [8]	$143,301	2 (50.00%)	$130,140	-$99,984 to $412,906

***RSVP* Business with Full Circulation of 175,000 to 200,000** [10, 16]

	Average [9]	***RSVP* Businesses That Achieved or Exceeded the Average**	**Median** [9]	**Range**
Luxury Card Pack Sales [2]	$1,129,860	Not applicable	Not applicable	Not applicable
Printing Expense [3]	26.47%	Not applicable	Not applicable	Not applicable
Freight Expense [3]	2.66%	Not applicable	Not applicable	Not applicable
Postage Expense [3]	19.94%	Not applicable	Not applicable	Not applicable
List Expense [4]	0.89%	Not applicable	Not applicable	Not applicable
Royalty and Marketing Fund Expense [5]	4.89%	Not applicable	Not applicable	Not applicable
National Account Credits Paid to Franchisees [6]	-3.46%	Not applicable	Not applicable	Not applicable
Gross Profit in Percentage [7]	48.61%	Not applicable	Not applicable	Not applicable
Gross Profit in Dollars [8]	$549,205	Not applicable	Not applicable	Not applicable

NOTES:

1. "Luxury Card Pack" means a mailer containing a deck of high-quality postcards, and does not include solo mailings, digital advertisements or other products and services.

2. "Luxury Card Pack Sales" means all revenue received from the sale of luxury card packs only, whether from cash, check, barter, trade-in, credit transactions or otherwise. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as it is added to the selling price and actually paid by the *RSVP* Business to such governmental authority; and (ii) customer refunds, credits, adjustments, and allowances made by the *RSVP* Business in compliance with the System Standards.

3. The printing, freight and postage expenses related to Luxury Card Packs are reported to us by our third-party print partner.

4. List expenses for Luxury Card Packs are based on circulation and are 1 cent per household.

5. The Royalties and Marketing Fund contributions included reflect only those billed on the Luxury Card Pack Sales.

6. National account credits are based on actual credits applied to franchisee accounts based on the number of national account cards included in their luxury card packs. Credits vary based on the card rate the advertiser is willing to pay.

7. "Gross Profit in Percentage" means the percentage of revenue retained by the franchisee after deducting royalties and printing expenses, Marketing Fund contributions, freight expenses, postage

expenses, and list expenses for publishing Luxury Card Packs and crediting amounts due for publishing cards for national accounts.

8. "Gross Profit in Dollars" means the revenue in dollars retained by the franchisee after deducting royalties and printing expenses, Marketing Fund contributions, freight expenses, postage expenses, and list expenses for publishing Luxury Card Packs and crediting amounts due for publishing cards for national accounts.

9. The average and median numbers for each category of revenue, expense and profit were calculated independent of the other categories. Therefore, deducting the average or median of each expense from the average or median sales will not equal the Gross Profit in Dollars or the Gross Profit in Percentage. The Gross Profit in Dollars and the Gross Profit in Percentage also were calculated independent of each other.

10. Some existing franchisees have a different minimum mailing requirement than the minimum mailing requirement in the current form Franchise Agreement; therefore, the information in these charts may reflect more or less than four luxury card pack mailings per year for some *RSVP* Businesses.

11. During the 2023 fiscal year, 5 *RSVP* Businesses had a Full Circulation within the range of 50,000 to 74,999.

12. During the 2023 fiscal year, 9 *RSVP* Businesses had a Full Circulation within the range of 75,000 to 99,999.

13. During the 2023 fiscal year, 8 *RSVP* Businesses had a Full Circulation within the range of 100,000 to 119,999.

14. During the 2023 fiscal year, 8 *RSVP* Businesses had a Full Circulation within the range of 120,000 to 149,999.

15. During the 2023 fiscal year, 4 *RSVP* Businesses had a Full Circulation within the range of 150,000 to 174,999.

16. During the 2023 fiscal year, 1 *RSVP* Business had a Full Circulation within the range of 175,000 to 200,000.

C. OTHER INFORMATION RELATING TO LUXURY CARD PACKS [1]

Number of Cards in Luxury Card Pack			
Average Number of Cards	**Luxury Card Packs That Achieved or Exceeded the Average**	**Median Number of Cards**	**Range of Cards**
30	80 (47.62%)	30	13 to 68

NOTE:

1. This information is based on all 168 Luxury Card Packs published in 2023 by all 35 franchised *RSVP* Businesses that were in operation for at least a full year as of December 31, 2023.

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Written substantiation of the data used to prepare the information provided above will be made available to you on reasonable request.

Some *RSVP* Businesses have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.

Other than the preceding financial performance representations, 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 Meredith Flynn, Vice President Legal & Franchise Compliance, Alliance Franchise Brands LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466, (800) 726-9050; the Federal Trade Commission; and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1

SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2021 to 2023[1]

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised[2]	2021	55	54	-1
	2022	54	53	-1
	2023	53	57	+4
Company-Owned	2021	0	1	+1
	2022	1	1	0
	2023	1	0	-1
Total Outlets	**2021**	**55**	**55**	**0**
	2022	**55**	**54**	**-1**
	2023	**54**	**57**	**+3**

1. For Tables No. 1 through 4, the numbers are as of December 31 of each year.
2. One Outlet ceased operations in March 2024.

TABLE NO. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE) FOR YEARS 2021 to 2023

State	Year	Number of Transfers
Colorado	2021	1[1]
	2022	0
	2023	0

State	Year	Number of Transfers
Florida	2021	3
	2022	0
	2023	0
Kentucky	2021	0
	2022	0
	2023	1
Missouri	2021	0
	2022	0
	2023	2
Nebraska	2021	1
	2022	0
	2023	0
North Carolina	2021	1
	2022	0
	2023	2
Ohio	2021	0
	2022	0
	2023	3
Oklahoma	2021	0
	2022	0
	2023	1
South Carolina	2021	0
	2022	0
	2023	2
Tennessee	2021	1
	2022	0
	2023	0
Texas	2021	0
	2022	0
	2023	1
Utah	2021	0
	2022	1
	2023	0
Washington	2021	0
	2022	2
	2023	0
Total	**2021**	**7**
	2022	**3**
	2023	**12**

1. This Outlet was transferred twice in 2021.

TABLE NO. 3

STATUS OF FRANCHISED OUTLETS
FOR YEARS 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Arizona	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
California	2021	10	0	0	1	0	0	9
	2022	9	0	3	0	0	0	6
	2023	6	0	1	0	0	0	5
Colorado	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Connecticut	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Florida	2021	5	0	0	0	0	0	5
	2022	5	1	1	0	0	0	5
	2023	5	0	0	0	0	0	5
Georgia	2021	3	0	2	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Idaho	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Illinois	2021	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Indiana	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kentucky	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Massachusetts	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Michigan	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Minnesota	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	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
Missouri	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Nebraska	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Nevada	2021	1	0	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
New Jersey	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New Mexico	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
New York	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
North Carolina	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
Ohio	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Oklahoma	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Oregon	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Pennsylvania	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
South Carolina	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Tennessee	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Texas	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
Utah	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Virginia	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Washington	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	1	0	0	0	0	4
Totals[1]	**2021**	**55**	**4**	**3**	**1**	**0**	**1**	**54**
	2022	**54**	**3**	**4**	**0**	**0**	**0**	**53**
	2023	**53**	**7**	**3**	**0**	**0**	**0**	**57**

1. One Outlet ceased operations in March 2024.

TABLE NO. 4

STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2021 TO 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Michigan	2021	0	1	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	1	0	0
Totals	**2021**	**0**	**1**	**0**	**0**	**0**	**1**
	2022	**1**	**0**	**0**	**0**	**0**	**1**
	2023	**1**	**0**	**0**	**1**	**0**	**0**

TABLE NO. 5

PROJECTED OPENINGS
AS OF DECEMBER 31, 2023, FOR 2024

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	0	1	0
Maryland	0	1	0
Nevada	0	1	0
Pennsylvania	0	1	0
Texas	0	1	0
Virginia	0	1	0
Totals	**0**	**6**	**0**

Exhibit I is a list of the names, addresses and telephone numbers of our franchisees as of December 31, 2023.

Exhibit J is a list of the names, cities and states and current business telephone numbers (or if unknown, last known home telephone numbers) of every franchisee who had a franchise terminated, cancelled, or not renewed, who otherwise voluntarily or involuntarily ceased to do business under their Franchise Agreement during our most recent fiscal year, or who has not communicated with us within 10 weeks of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, current and former franchisees have signed confidentiality clauses. In some instances, current and former franchisees have signed provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

We have established a Franchise Advisory Board. You can reach the Franchise Advisory Board by contacting Kevin Galligan at RSVP San Diego, 2293 Soledad Rancho Road, San Diego, CA 92109, (858) 279-7787.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit K is the audited consolidated financial statements of Alliance Franchise Brands LLC as of December 31, 2023, December 31, 2022, and December 31, 2021.

ITEM 22

CONTRACTS

The following contracts are exhibits to this Disclosure Document:

Exhibit B	Franchise Agreement
Exhibit C	Application for Franchise
Exhibit D	Guaranty and Assumption of Obligations
Exhibit E	Confidentiality and Non-Solicitation Agreement
Exhibit F	Representations and Acknowledgment Statement
Exhibit G	Local Website Enrollment Form
Exhibit H	Promissory Note
Exhibit L	Sample General Release
Exhibit M	State-Specific Riders to Franchise Agreement

ITEM 23

RECEIPTS

Exhibit N contains detachable documents acknowledging your receipt of the Disclosure Document.

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

EXHIBIT "A"

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

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

CALIFORNIA

(state administrator)

Department of Financial Protection & Innovation
Toll Free: 1 (866) 275-2677

(agent for service of process)

Commissioner of Financial Protection & Innovation

Los Angeles

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

Sacramento

2101 Arena Blvd.
Sacramento, California 95834
(916) 445-7205

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104
(415) 972-8559

HAWAII

(state administrator)

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

(agent for service of process)

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

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

INDIANA

(state administrator)

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

(agent for service of process)

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

MARYLAND

(state administrator)

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

(agent for service of process)

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

MICHIGAN

(state administrator)

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909
(517) 373-7177

(agent for service of process)

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

MINNESOTA

(state administrator)

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

(agent for service of process)

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

NEW YORK

(state administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236 Phone
(212) 416-6042 Fax

(agent for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA

(state administrator)

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol - Fourteenth Floor – Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

(agent for service of process)

Securities Commissioner
600 East Boulevard Avenue
State Capitol - Fourteenth Floor – Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Department of Business Services
Division of Finance & Corporate Securities
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(state administrator)

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

(agent for service of process)

Clerk, State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON

(state administrator)

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

(agent for service of process)
Director
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501

WISCONSIN

(state administrator)

Securities and Franchise Registration
Wisconsin Department of Financial Institutions
4022 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-1064

(agent for service of process)

Office of the Secretary
Wisconsin Department of Financial Institutions
P.O. Box 8861
Madison, Wisconsin 53708-8861
(608) 261-9555

EXHIBIT B

FRANCHISE AGREEMENT

ALLIANCE FRANCHISE BRANDS LLC

FRANCHISE AGREEMENT

_____

FRANCHISEE

_____

DATE OF AGREEMENT

_____

RSVP BUSINESS ADDRESS

_____

_____

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ALLIANCE FRANCHISE BRANDS LLC
RSVP FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into on _____ _____ (the "Effective Date") (regardless of the dates of the parties' signatures) by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we" or "us"), and _____ _____, whose principal business address is ___ _____ ("you").

1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.

A. PREAMBLES.

(1) We and our affiliates and predecessors have, over a considerable time period and with considerable effort, developed a consultative sales business that operates under the Marks and assists small and medium sized businesses to reach high end consumers with direct and digital marketing options, and related products and services (individually, "RSVP Business" and collectively, "RSVP Businesses").

(2) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols in operating the RSVP Businesses including, without limitation, the ***RSVP***® and ***RSVP Publications***® marks, which have gained public acceptance and goodwill, and may create, use, and license other trademarks, service marks, and commercial symbols for the RSVP Businesses (collectively, the "Marks").

(3) We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate a RSVP Business offering the products and services we authorize and using our and our affiliates' distinctive business formats, methods, rules, procedures, signs, designs, layouts, standards, specifications, and Marks (the "Franchise System").

(4) You have applied for a franchise to own and operate a RSVP Business.

B. ACKNOWLEDGMENTS. You acknowledge:

(1) That you have independently investigated this franchise opportunity and recognize that, like any other business, the nature of the business a RSVP Business conducts may, and probably will, evolve and change over time.

(2) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are deemed to be only between you and us.

(3) That you have represented to us, to induce our entry into this Agreement, that all statements you have made and all materials you have given us, including the description of franchise ownership set forth on Exhibit A to this Agreement, are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(4) That you have a net worth which is sufficient to make the investment in the franchise opportunity represented by this Agreement, and you will have sufficient funds to meet all of your obligations under this Agreement.

C. **CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP.** If you are at any time a corporation, limited liability company, or partnership (each, an "Entity"), you agree and represent that:

(1) You will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents will recite that this Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement's restrictions;

(3) Exhibit A to this Agreement completely and accurately describes all of your owners and their interests in you and identifies each of your principal officers as of the Effective Date and each of your owners during this Agreement's term will execute a guaranty in the form we prescribe undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. The spouse of each owner will also be required to acknowledge the guaranty. Subject to our rights and your obligations under Section 12, you and your owners agree to sign and deliver to us a revised Exhibit A to reflect any permitted changes in the information that Exhibit A now contains;

(4) You shall not use any Mark as part of your Entity name;

(5) Your RSVP Business and other RSVP Businesses, if applicable, will be the only business(es) you operate (although your owners may have other, non-competitive business interests); and

(6) You must identify on Exhibit A one of your owners who is a natural person with at least 20% ownership interest and voting power in you and who will have the authority of a chief executive officer (the "Managing Owner"). You must obtain our written consent prior to changing the Managing Owner and agree to deliver to us a revised Exhibit A to accurately identify the Managing Owner.

D. **GRANT OF FRANCHISE.** You have applied for a franchise to own and operate a RSVP Business within the area described on Exhibit B attached hereto (the "Protected Territory") from your principal place of business identified in the introductory paragraph (the "Principal Business Address"). Subject to this Agreement's terms, we grant you a franchise (the "Franchise") to operate a RSVP Business ("your RSVP Business"), and to use the Franchise System in its operation, for a term beginning on the Effective Date and expiring 10 years from that date, unless sooner terminated under Section 14.

You agree at all times faithfully, honestly, and diligently to perform your obligations under this Agreement and to use your best efforts to promote your RSVP Business. In addition, except as permitted under Section 9.C below, you may not engage in any promotional or similar activities, whether directly or indirectly, through or on the Internet, or any other similar proprietary or common carrier electronic delivery system. You acknowledge that once you commence operation of your RSVP Business, you must actively and continuously operate the RSVP Business for the entire term of this Agreement. You must reside within your Protected Territory, unless you receive our written permission to reside outside your Protected Territory.

E. **EXCLUSIVITY AND RESERVATION OF RIGHTS.** We and our affiliates will not operate or grant a franchise for the operation of another RSVP Business within your Protected Territory.

You acknowledge and agree that other RSVP Businesses may market to customers in your Protected Territory and, likewise, you may market to customers in the protected territory of other RSVP Businesses; provided, however, that you may not publish mailers outside your Protected Territory. Except as expressly limited above, you acknowledge that we (and our affiliates) retain the right at all times during this Agreement's term to engage in any and all activities that we (and they) deem appropriate and are not expressly prohibited under this Agreement, wherever and whenever we (and they) desire, and whether or not such activities compete with your RSVP Business, including, without limitation, the right to:

(1) acquire and operate, and allow others to acquire and operate, one or more businesses offering products and services which are identical or similar to products and services offered by the RSVP Businesses, and/or franchising, licensing, or creating similar arrangements with respect to these businesses, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Protected Territory);

(2) offer and sell products and services offered by RSVP Businesses to national and regional accounts or our affiliates (including customers or accounts located within the Protected Territory);

(3) establish, and allow others to establish, other distribution channels (including, but not limited to, the Internet, catalog sales, telemarketing, and other direct marketing sales), wherever located or operating and regardless of the nature or location of the customers with whom such other distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from the RSVP Businesses, and that sell products and/or services that are identical or similar to, and/or competitive with, those that the RSVP Businesses customarily sell under any terms and conditions we deem appropriate;

(4) be acquired (whether through acquisition of assets or ownership interests, regardless of the form of transaction), by a business providing products and services similar to those provided at RSVP Businesses, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Territory; and

(5) engage in all other activities not expressly prohibited by this Agreement.

Notwithstanding the above, beginning with the third full calendar year you operate your RSVP Business (or, if you have acquired an existing RSVP Business, beginning with the second full calendar year), if you fail to satisfy the Minimum Mailings Requirement (defined in Section 8.C) for any two calendar years, or you fail to achieve the Gross Sales Threshold (identified on Exhibit C) for luxury card pack mailings for any two calendar years during the term, we may reduce the size of your Protected Territory.

2. COMPUTER SYSTEM.

You agree to obtain (if necessary to meet our System Standards (as defined in Section 4.C)) and use specified integrated computer hardware and/or software programs, including an integrated order system when it becomes available (the "Computer System"). We may require that you purchase part or all of the Computer System from the supplier we designate (which may be us or our affiliates). We may modify specifications for, and components of, the Computer System. You also agree to maintain all specified points of high-speed internet connection. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System.

Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement's remaining term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support, including service agreements for ongoing support. We have no obligation to reimburse you for any Computer System costs. Within 60 days after you receive notice from us, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you a monthly or other fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during this Agreement's term.

Although you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces at our specified levels of connection speed with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

3. FEES AND PAYMENT OBLIGATIONS.

A. **INITIAL FRANCHISE FEE.** You agree to pay us a one-time initial franchise fee of $15,000. The initial franchise fee is due in a lump sum when you sign this Agreement. The initial franchise fee is fully earned by us when you sign this Agreement and is not refundable under any circumstances.

B. **TERRITORY FEE.** If you are purchasing a new RSVP Business, you agree to pay us a one-time territory fee of $_____. Unless we have agreed to finance any part of the territory fee and you have signed our form promissory note for the financed amount, the entire territory fee is due and payable when you sign this Agreement. The territory fee is fully earned by us when you sign this Agreement and is not refundable under any circumstances. If you are purchasing an existing RSVP Business, you will not pay a territory fee.

C. **ROYALTY FEE.** You agree to pay us a monthly royalty (the "Royalty") on or before the last day of each month equal to 7% of the preceding month's Gross Sales (as defined below).

During the term of this Agreement you will be required to pay minimum Royalties if you have not met the Gross Sales Threshold, as identified on Exhibit C. We will calculate your minimum Royalty each year based on the Gross Sales you reported during the previous calendar year. The minimum Royalty billed, if any, will be equal to 7% of the difference between the Gross Sales Threshold and the Gross Sales you actually reported during such calendar year (if less than the Gross Sales Threshold). If we bill you for minimum Royalty, you will pay such amount within 30 days of receipt of the invoice.

D. **GROSS SALES.** "Gross Sales" means all revenue from sales derived through your RSVP Business, including amounts received from the sale of services and products of every kind and nature, whether from cash, check, barter, trade-in, credit transactions or otherwise. Gross Sales also includes the proceeds of any business interruption insurance policies related to the operation of your RSVP Business. It excludes: (i) all taxes imposed by any federal, state, municipal or other governmental authority so long as

it is added to the selling price and actually paid by you to such governmental authority; and (ii) customer refunds, credits, adjustments, and allowances made by you in compliance with the System Standards.

E. **MARKETING FUND CONTRIBUTION**. You agree to pay us a Marketing Fund (as defined in Section 9.B) contribution of 1% of your Gross Sales, payable on the last day of the calendar month following the calendar month in which such Gross Sales are received. We reserve the right to raise the amount of the Marketing Fund contribution, not to exceed 3% of your Gross Sales.

During the term of this Agreement you will be required to pay minimum Marketing Fund contributions if you have not met the Gross Sales Threshold. We will calculate your minimum Marketing Fund contribution each year based on the Gross Sales you reported during the previous calendar year. The minimum Marketing Fund contribution billed, if any, will be equal to 1% (or your then current Marketing Fund contribution rate, if it has been changed) of the difference between the Gross Sales Threshold and the Gross Sales you actually reported during such calendar year (if less than the Gross Sales Threshold). If we bill you for minimum Marketing Fund contributions, you will pay such amount within 30 days of receipt of the invoice.

F. **TECHNOLOGY SERVICES FEE.** We may require you to pay a fee (the "Technology Services Fee") to us (or our affiliates) for ongoing subscription, maintenance, development and support of various technology systems, platforms, and resources. We may in our discretion periodically modify the amount of the Technology Services Fee. If imposed, you must pay the Technology Services Fee at the times, and in the manner, designated by us. We may require you to enter into written agreements with us or our affiliates to receive such services, with terms and conditions we approve. Some technology services may also be offered separately for an additional fee.

G. **INITIAL MARKETING DEPOSIT.** You agree to submit to us a one-time deposit of $7,500 for our KickStart initial marketing package that we have developed to promote the RSVP Business. We may determine the contents of the KickStart initial marketing package based on the marketing needs of the RSVP Business. The KickStart initial marketing package may include initial marketing collateral, initial communications to clients, public relations, as well as direct mail, pay per click marketing, local website set-up, and may be used toward registration fees for the annual meeting for one person during your first year of operation (if we are then charging an annual meeting registration fee). The KickStart initial marketing package may also include other identity items. This amount is due in a lump sum when you sign this Agreement and is not refundable under any circumstances.

H. **INTEREST ON LATE PAYMENTS.** All amounts which you owe us for any reason will bear interest accruing as of their due date at 1.5% per month or the highest commercial contract interest rate the law allows, whichever is less. We may debit your bank account automatically for the service charge and interest. You acknowledge that this Section does not mean we agree to accept any payments after they are due or that we are committing to extend credit to, or otherwise finance your operation of, your RSVP Business. Interest assessments will be in addition to any other rights or remedies that we may have under this Agreement or otherwise.

I. **NON-COMPLIANCE FEE.** In addition to our other rights and remedies, if you are in default of this Agreement we may charge you a non-compliance fee in the amount of $250 per default per month. We may charge you for each month that such default remains uncured. The non-compliance fee is payable to us in the same manner as Royalties.

J. **METHOD OF PAYMENT AND APPLICATION OF PAYMENTS.** Concurrently with the execution hereof, you agree to sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for the Royalty, Marketing Fund (as defined in

Section 9.B) contributions, and other amounts due under this Agreement (the "EFT Authorization"), which is attached as Exhibit D. Such EFT Authorization shall remain in full force and effect during the term of this Agreement. We will debit the business account you designate in the EFT Authorization for these amounts on their due dates (or the subsequent business day if the due date is a national holiday or a weekend day). You agree to ensure that funds are available in your designated account to cover our withdrawals.

If there are insufficient funds in your designated account to cover our withdrawals, we may charge you the insufficient funds fee for each such instance (currently, $25), as we may modify from time to time, to compensate us for our administrative expenses. In such circumstances, we may also attempt to debit your account again periodically until funds are available (but no more than once every 5 days) and you will be charged the insufficient funds fee for each instance in which the funds are not available.

You must submit the financial reports in the form and manner we dictate to report your Gross Sales and other financial data we designate. If you fail to report the Gross Sales, or you report Gross Sales of $0 for three consecutive months, we may estimate your Gross Sales based on the number of postcards printed, as reported by our approved supplier, times $0.05 per postcard, and debit your account for Royalty and Marketing Fund contributions based on such estimated Gross Sales. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined your RSVP Business's true and correct Gross Sales), we will debit your account for the balance on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your account during the following month.

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may offset any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners.

We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic debit (*e.g.*, by credit card or web-based application) whenever we deem appropriate, and you agree to comply with our payment instructions. If you fail to comply with our payment instructions, we reserve the right to exclude your participation from certain programs; provided that such failure shall also be deemed a default under this Agreement.

4. TRAINING AND ASSISTANCE.

A. **TRAINING.** Before you begin operating your RSVP Business, we will provide up to five days of training for you (or your Managing Owner) and up to one additional owner or designated employee (although the specific number of days depends on our opinion of your or your Managing Owner's and your employee's experience and needs), on the material aspects of operating a RSVP Business. Training will be conducted either virtually or in person at one of our principal offices or another designated training facility of our choice (or a combination of both). Prior to attending training, you (or your Managing Owner) will be required to complete up to 5 days of online, self-paced learning sessions. You (or your Managing Owner) must complete initial training to our satisfaction prior to operating your RSVP Business (or, if you are purchasing an existing RSVP Business, prior to closing on the purchase transaction). If we determine that you (or your Managing Owner) cannot complete initial training to our satisfaction, we may terminate this Agreement. You will be responsible for your employee's travel and living expenses, wages and workers' compensation insurance while attending training, if applicable.

You (or your Managing Owner) may request additional training at the end of the initial training program, to be provided at our then current per diem charges, if you (or your Managing Owner) do not feel sufficiently trained in the operation of a RSVP Business. We and you will jointly determine the duration of this additional training. However, if you (or your Managing Owner) complete our initial training

program to our satisfaction and have not expressly informed us in writing at the end of that program that you (or your Managing Owner) do not feel sufficiently trained in the operation of a RSVP Business, then you will be deemed to have been trained sufficiently to operate a RSVP Business.

Before you commence operating your RSVP Business and within the first 90 days of operation, we will, at our own cost, provide you with opening assistance for an aggregate of up to three days. You also must successfully complete this phase of the initial training program. This assistance may not be on consecutive days, and will be provided virtually. You are responsible for covering your and your personnel's travel and lodging costs for attending training.

If you request, and we agree to provide, additional or special guidance, assistance, or training, we may charge you our then-applicable fee, including our personnel's per diem charges and travel and living expenses. You must pay for your employees' salaries and benefits while they are receiving any additional assistance, and if your employees must travel for the additional assistance, you must pay for all travel, lodging and meal expenses incurred.

We may require you (or your Managing Owner) to attend and complete to our satisfaction various training courses that we periodically choose to provide at the times and locations that we designate (which may be virtually), including courses and programs provided by third parties we designate. We will not require attendance at more than two such courses, or for more than a total of five business days, during a calendar year. Besides attending these courses, you agree to attend the annual meeting of all RSVP Business franchisees each year at a location we designate, which may be virtually, in our sole discretion. Attendance will not be required for more than seven days during any calendar year. You must pay all costs to attend, including the applicable fees, if any, and your attendees' compensation or benefits due, travel and living expenses.

If you have a new Managing Owner during this Agreement's term, the new Managing Owner must complete to our satisfaction our then current initial training program. We may charge reasonable fees for training any additional persons, including our then-current additional assistance fee. You also agree to pay all travel and living expenses which your attendees incur during all training courses and programs.

You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify from time to time. Any non-owner employees attending employee-accessible portions of training must sign our then-current form of confidentiality and non-solicitation agreement.

B. **GENERAL GUIDANCE.** We will advise you from time to time regarding your RSVP Business's operation based on your reports or our inspections and will guide you with respect to: (1) standards, specifications, and operating procedures and methods that RSVP Businesses use; (2) purchasing required and authorized equipment (including the Computer System), signage and other products and services; (3) advertising and marketing materials and programs; (4) sales and sales management training; and (5) administrative, bookkeeping, accounting, and financial management.

We will furnish to you guidance in connection with the operation of your RSVP Business. Such guidance will be furnished in the form of our operations materials for the operation of RSVP Businesses, which may include one or more separate manuals, if any, as well as computer software, information available on an internet site, other digital media, and/or written materials (collectively, the "Operations Materials"). We may also provide guidance via telephonic conversations and/or consultation at our offices. If you request, and we agree to provide, additional or special guidance, assistance, certification programs

or training, we may charge you our then applicable fee, including our personnel's per diem charges and travel and living expenses.

C. **OPERATIONS MATERIALS.** During the term of this Agreement we will provide you with access to the Operations Materials. The Operations Materials contain mandatory specifications, standards, operating procedures, and rules that we periodically prescribe for operating RSVP Businesses ("System Standards"), and information on suggested procedures and your other obligations under this Agreement. We may modify the Operations Materials periodically to reflect changes in System Standards. If there is a dispute over its contents, our master copy of the Operations Materials controls. You agree that the Operations Materials' contents are confidential and that you will not disclose the Operations Materials to any person other than your employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Materials.

You agree to monitor and access the website, extranet or web-based application for any updates to the Operations Materials or System Standards. Any passwords or other digital identifications necessary to access the Operations Materials will be deemed to be part of Confidential Information (as defined in Section 6).

D. **DELEGATION OF PERFORMANCE.** You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations.

5. MARKS.

A. **OWNERSHIP AND GOODWILL OF MARKS.** Your right to use the Marks and the Franchise System is derived only from this Agreement and limited to your operating your RSVP Businesses according to this Agreement and all System Standards we prescribe during its term. Your or your owners' unauthorized use of the Marks or the Franchise System is a breach of this Agreement and infringes our and our affiliates' intellectual property rights. You acknowledge and agree that your use of the Marks and the Franchise System and any goodwill established by that use are exclusively for our and our affiliates' benefit and that this Agreement does not confer any goodwill or other interests in the Marks or the Franchise System upon you (other than the right to operate your RSVP Business under this Agreement). All provisions of this Agreement relating to the Marks and the Franchise System apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after this Agreement's term contest or assist any other person in contesting the validity of, or our and our affiliates' rights to, our intellectual property.

B. **LIMITATIONS ON YOUR USE OF MARKS.** You agree to use the Marks as your RSVP Business' sole identification, except that you agree to identify yourself as its independent owner in the manner we prescribe. You (or your owners) may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any website, domain name, homepage, e-mail address, social media account (such as LinkedIn®, Facebook®, Instagram®, YouTube®, or Google® Business Profile), username, other online presence or presence on any electronic, virtual, or digital medium of any kind ("Online Presence") or otherwise in connection with a website (except as permitted under Section 9.C below), or (5) in any other manner that we have not expressly authorized in writing. You may not use any Mark in advertising any prospective transfer that would require our approval under Section 12 below, without our prior written consent. You agree to display the Marks prominently as we prescribe on marketing, supplies, forms, and other materials we designate and at your Principal Business Address (if it is not your (or one of your owner's, if you are an entity) personal

residence). You agree to give the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

C. **NOTIFICATION OF INFRINGEMENTS AND CLAIMS.** You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, and our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and our affiliates may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. You agree to sign any documents and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our and our affiliates' interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our and our affiliates' interests in the Marks. We will reimburse you for your costs of taking any action that we have asked you to take.

D. **DISCONTINUANCE OF USE OF MARKS.** If it becomes advisable at any time for us, our affiliates, and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing your RSVP Business' trademarks, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Section 5.D apply to any and all of the Marks (and any portion of any Mark) that we authorize you to use in this Agreement. We may exercise these rights at any time and for any reason, business or otherwise, that we think best. You acknowledge both our right to take this action and your obligation to comply with our directions.

E. **INDEMNIFICATION FOR USE OF MARKS.** We agree to reimburse you for all damages and expenses that you incur in any trademark infringement proceeding disputing your authorized use of any federally registered Mark under this Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your proper use of any federally registered Mark under this Agreement.

6. CONFIDENTIAL INFORMATION.

You and your owners and personnel may from time to time be provided with and/or have access to information about the Franchise System and the operation of RSVP Businesses (including your RSVP Business), some of which constitutes trade secrets under applicable law (the "Confidential Information"), relating to developing and operating RSVP Businesses, whether or not marked confidential, including (without limitation): (1) territory selection criteria; (2) the Operations Materials; (3) the System Standards; (4) market research, promotional, marketing and advertising programs for RSVP Businesses; (5) knowledge of specifications for, and suppliers of, products and supplies; (6) any computer software or similar technology which is proprietary to us, our affiliates; (7) knowledge of the operating results and financial performance of RSVP Businesses other than your RSVP Business; and (8) your RSVP Business' customer list and customer information, including Personal Information (as defined in Section 8.I).

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your RSVP Business during this Agreement's term. All Confidential Information furnished to you by us or on our behalf, whether orally or by means of written material, is proprietary, and is disclosed to you only on the condition that you (and if you are conducting business as an Entity, each of your owners) agree to, and agree to cause your respective current and former

family members, owners, officers, directors, agents, employees, representatives, spouses, affiliates, successors and assigns to: (a) process, retain, use, collect, and disclose Confidential Information strictly (i) to the limited extent, and in such a manner, necessary for operating your RSVP Business in accordance with this Agreement, and not for any other purpose; and (ii) in accordance with the System Standards and any privacy policy we publish from time to time on our Online Presences, and our and our representatives' instructions; (b) keep each item deemed to be part of Confidential Information in strict confidence, both during this Agreement's term and then thereafter for as long as the item is not lawfully known to the public without violation of applicable law or an obligation to us or our affiliates, and not disclose, share, or otherwise provide access to such Confidential Information to any other person; (c) not make unauthorized copies of, or disclose or reveal to any other person, any Confidential Information disclosed via electronic, virtual, or digital medium or in written or other tangible form; (d) promptly notify us of any changes to your ability to meet your obligations under this Agreement or our privacy policies, or that may adversely affect our rights or obligations relating to Confidential Information; and (e) adopt and implement administrative, physical and technical safeguards to protect and prevent unauthorized use or disclosure of Confidential Information, including, without limitation, by establishing reasonable security and access measures, and by restricting its disclosure to your key personnel and others who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than your obligations hereunder, or to individuals or entities specifically authorized by us in advance. You agree to protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as you protect your own confidential or proprietary information of a similar nature and with no less than reasonable care. We may require you to have your employees and contractors execute a confidentiality and non-solicitation agreement and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements with independent enforcement rights. You acknowledge that any form of confidentiality and non-solicitation agreement that we require you to use, that we provide to you, or that we regulate the terms of may or may not be enforceable in a particular jurisdiction. You agree that you are solely responsible for obtaining your own professional advice with respect to the adequacy of the terms and provisions of any confidentiality and non-solicitation agreement that your employees, agents, and independent contractors sign.

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become known to the public without violation of applicable law or an obligation to us or our affiliates; or which, after we disclose it to you, lawfully becomes known to the public without violation of applicable law or an obligation to us or our affiliates. If we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled.

You acknowledge and agree that, as between us and you, we are the sole owner of all right, title, and interest in and to the Franchise System and any Confidential Information (other than Restricted Information, as defined in Section 8.I). All improvements, developments, derivative works, enhancements, or modifications to the Franchise System and any Confidential Information, and all ideas, concepts, techniques, or materials relating to a RSVP Business, whether or not protectable intellectual property (collectively, "Innovations"), made or created by you, your employees, or your contractors, whether developed separately or in conjunction with us, shall be owned solely by us. You represent, warrant, and covenant that your employees and contractors are bound by written agreements assigning all rights in and to any Innovations developed or created by them to you. To the extent that you, your employees, or your contractors are deemed to have any interest in such Innovations, you hereby agree to assign, and do assign, all right, title and interest in and to such Innovations to us. To that end, you shall execute, verify, and deliver such documents (including, without limitation, assignments) and perform such other acts (including appearances as a witness) as we may reasonably request for use in applying for, obtaining, perfecting,

evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. In the event we are unable for any reason, after reasonable effort, to secure your signature on any document needed in connection with the actions specified in this Section 6, you hereby irrevocably designate and appoint us and our duly authorized officers and agents as your agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on your behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section 6 with the same legal force and effect as if executed by you. You further agree that we have the right to use any digital images of products you produce for any purpose. The obligations of this Section 6 shall survive any expiration or termination of this Agreement.

7. EXCLUSIVE RELATIONSHIP.

You acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during this Agreement's term, neither you, nor any of your owners, nor any of your or your owners' immediate family members will:

(1) have any direct or indirect interest as an owner – whether of record or beneficially – in a Competitive Business, wherever located or operating (except that equity ownership of less than 5% of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this Section 7(1));

(2) perform services as a director, officer, manager, employee, consultant, lessor, representative, or agent for a Competitive Business, wherever located or operating;

(3) divert, attempt to divert, or assist any other person or entity, directly or indirectly, to divert any actual or potential business or customer of any RSVP Business to a Competitive Business;

(4) engage in any other activity which might injure the goodwill of the Marks and/or the RSVP Businesses; or

(5) directly or indirectly, appropriate, use or duplicate the Franchise System or System Standards, or any portion thereof, for use in any other business or endeavor.

The term "Competitive Business" means (i) any business offering, selling, or producing products or services that we may authorize RSVP Businesses to sell, offer or produce, including, without limitation advertising, direct mail, internet advertising, and related products and services, or (ii) any business granting franchises or licenses to others to operate the types of businesses specified in subparagraph (i) (other than a business operated under a franchise agreement with us). You acknowledge that we may periodically change the products and services that RSVP Businesses are authorized to sell and, therefore, you may be restricted from engaging in certain business activities in the future involving the offer and sale of products and services which are not currently offered by the RSVP Businesses.

8. RSVP BUSINESS OPERATIONS AND SYSTEM STANDARDS.

A. **OPERATIONS OF YOUR RSVP BUSINESS.** You will cause your employees to present themselves to customers and prospective customers, in terms of general appearance, in accordance with written standards we require in the Operations Materials or otherwise in writing. In all dealings with customers, prospective customers, suppliers, and employees, you will identify yourself as an independently owned and operated business, operating under a franchise agreement with us, including on all customer

invoices, contracts, checks and as we otherwise direct in the Operations Materials or in other written material.

B. **PRODUCTS AND SERVICES THE BUSINESS OFFERS.** You agree that you (1) will offer and sell through your RSVP Business the products and services that we periodically specify; (2) will not offer or sell through your RSVP Business any products or services we have not authorized; (3) will discontinue selling and offering for sale any products or services that we at any time disapprove; and (4) will not offer or sell products and services to customers we disapprove, in our reasonable discretion.

We may require you to insert cards for the promotion of the Franchise System or in conjunction with our national accounts program into each of your luxury card packs and you agree to comply with such requirement. We also may offer you the opportunity to insert additional cards in conjunction with our national accounts program. We will reimburse you for the cost to print the national account cards and the Franchise System identity card at a rate that we determine, in our discretion. If we offer you the opportunity to include postcards for additional national accounts in your mailers and you elect to include such postcards, we will reimburse you for such postcards at the reimbursement rate we identified to you at the time of offering you the opportunity. We will apply the reimbursement amount due to you against the Royalty payment due following your submission of the Gross Sales report to us that includes the applicable mailer; provided, that, if we have financed all of your territory fee, the reimbursement amounts due to you will first be applied against the promissory note until the principal amount has been paid in full. However, if you are delinquent in payment of any amounts owed to us or our affiliates, we will not apply any reimbursement amounts due to you against Royalty payments until such time as you have paid all past due amounts owed to us or our affiliates and are in full compliance with this Agreement.

You agree to display and use all applicable copyright notices on all postcard mailers and other products in connection with your RSVP Business, as we periodically require or specify.

C. **MINIMUM MAILINGS REQUIREMENT.** During the term of the Franchise Agreement, you must produce a minimum of four luxury card packs in accordance with our standards and specifications during each calendar year (the "Minimum Mailings Requirement"). Provided, however, that we may prorate the Minimum Mailings Requirement for the first calendar year you operate your RSVP Business; if prorated, that first year requirement will be identified on Exhibit C to this Agreement. If you fail to satisfy the Minimum Mailings Requirement during any two calendar years, we may terminate this Agreement or elect not to grant you a successor franchise.

D. **MANAGEMENT OF THE BUSINESS.** Your RSVP Business shall be managed by you or, if you are an Entity, by the Managing Owner. You (or the Managing Owner if you are an Entity) agree to devote a full-time effort to your RSVP Business, to supervise the day-to-day operations of your RSVP Business and continuously exert your best efforts to promote and enhance your RSVP Business.

However, if you engage an outside salesperson to devote full-time attention to the RSVP Business and such person attends and successfully completes our initial training program to our satisfaction, you (or your Managing Owner) may seek our approval to devote less than full-time to the RSVP Business. Provided, however, that we may revoke our approval of you (or your Managing Owner) devoting less than full-time attention to the RSVP Business if you are in breach of this Agreement, you fail to satisfy the Minimum Mailings Requirements or achieve the Gross Sales Threshold, or you fail to produce a minimum of one luxury card pack in accordance with our standards and specifications each calendar quarter.

E. **APPROVED PRODUCTS, SERVICES, AND SUPPLIERS.** We reserve the right to periodically designate and approve standards, specifications, suppliers and/or distributors of the products and services that we periodically authorize for use at your RSVP Business. During this Agreement's term

you must purchase or lease all products and services for your RSVP Business only according to our standards and specifications and, if we require, only from suppliers or distributors that we designate or approve (which may include or be limited to us and/or our affiliates). You acknowledge and agree that we and/or our affiliates do not provide any warranty to any products that we require you to purchase or lease. You further acknowledge and agree that we and/or our affiliates may derive revenue based on your purchases and leases (including, without limitation, from charging you for products and services we or our affiliates provide to you and from payments made to us or our affiliates by suppliers that we designate or approve for some or all of our franchisees). You also acknowledge and agree that we and/or our affiliates may receive rebates, incentives, or discounts as a result of your purchases from designated or authorized suppliers, and that suppliers may provide information to us related to your purchases.

If you want to use any products that we have not yet evaluated or want to purchase any item from a supplier or distributor that we have not yet approved (for items that we require you to purchase from designated or approved suppliers or distributors), you first must submit your request in writing before purchasing such product or service, or any products or services from that supplier. We will not be obligated to respond to your request, and any actions we take in response to your request will be at our discretion. We may, with or without cause, revoke our approval of any supplier, product, or service at any time, and you must discontinue using a supplier or selling and offering for sale any products or services that we disapprove at any time.

You acknowledge and agree that suppliers may share your data with us, including your purchase history and quantities purchased, to facilitate discount programs, and to allow us to enforce compliance with this Agreement. You authorize us to provide your contact information to suppliers. You acknowledge and agree that we may use such data: in the aggregate with other RSVP Business's data to educate franchisees; to guide us on how to direct Marketing Fund Expenditures; or as we otherwise deem appropriate. You agree to take all actions or sign all documentation reasonably requested by us or the third-party supplier to allow such exchange of information.

F. **COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.** You must secure and maintain in force throughout this Agreement's term all required licenses, permits and certificates relating to your RSVP Business' operation and operate your RSVP Business in full compliance with all applicable laws, ordinances, and regulations. You agree to comply and assist us in our compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to anti-terrorist activities or the conduct of transactions involving certain foreign parties, including, without limitation, the U.S. Patriot Act, Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the International Economic Emergency Powers Act, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, you agree not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to your RSVP Business as may be required by us or by law. You confirm that you, your owners, employees, agents, and representatives are not presently listed (nor has any such individual previously been listed) on the U.S. Treasury Department's List of Specially Designated Nationals, the Annex to Executive Order 13224 (the Annex is currently available at http://www.treasury.gov), or in any other governmental list which prohibits us or you from dealing with such individuals, and agree not to hire any person so listed or have any dealing with a person so listed. You are solely responsible for ascertaining what actions must be taken by you to comply with all such laws, orders and/or regulations, and specifically acknowledge and agree that your indemnification responsibilities as provided in Section 16.D pertain to your obligations hereunder. Notwithstanding the foregoing, unless any order issued by any federal, state, or local authority requires you to cease operating your RSVP Business, you will not cease operating your RSVP Business unless you obtain our prior written consent.

Your RSVP Business must in all dealings with its clients, suppliers, us, and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You must promptly pay all taxes and fees levied and asserted on the property of your RSVP Business and promptly satisfy any other indebtedness or liability to third-party vendors that you incur in operating your RSVP Business. You agree to refrain from any business or advertising practice which might injure our business or the goodwill associated with the Marks or other RSVP Businesses. You agree to comply with our Franchise System Website (as defined in Section 9.C below) privacy policy, as it may be amended periodically; you further agree to comply with any requests to return or delete customer personal information, whether requested by us or directly by the customer, as required by applicable data sharing and privacy laws. You must notify us in writing within three business days of: (1) the commencement of any action, suit or proceeding relating to your RSVP Business; (2) the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality relating to your RSVP Business; (3) any notice of violation of any law, ordinance or regulation relating to your RSVP Business, and/or that any audit, investigation, or similar proceeding by any person or governmental authority is pending or threatened against you or your RSVP Business; (4) receipt of any notice of complaint from the Better Business Bureau, any local, state or federal consumer affairs department or division, or any other government or independent third party involving a complaint from a customer or potential customer relating to your RSVP Business; (5) any notice of default from any third-party supplier; and (6) written complaints from any customer or potential customer. You must immediately provide to us copies of any documentation you receive of events in (1) through (6) above and resolve the matter in a prompt and reasonable manner in accordance with good business practices.

G. **INSURANCE.** During the term of this Agreement you must maintain in force at your sole expense commercial general liability, business vehicle liability, workers' compensation, employment practices liability, and cyber and privacy liability insurance policies in connection with your RSVP Business' operation, all containing the minimum liability coverage we periodically prescribe. You also will be required to maintain certain other types of insurance policies, depending on the types of products and services your RSVP Business provides. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Our requirements for insurance coverage are not representations or warranties of any kind that such coverage is sufficient for your RSVP Business' operations. Such requirements represent only the minimum coverage that we deem acceptable to protect our interests. It is your sole responsibility to obtain insurance coverage for your RSVP Business that you deem appropriate, based on your own independent investigation. We are not responsible if you sustain losses that exceed your insurance coverage under any circumstances.

The liability coverage insurance policies must name us and any affiliates we designate as additional insureds, using a form of endorsement that we have approved, and every insurance policy must provide for 30 days' prior written notice to us of a policy's material modification, cancellation, or expiration. All insurance policies must be issued by insurance companies with performance ratings of at least "A" as rated in the most recent edition of Best's Insurance Reports or comparable publication. You routinely must furnish us copies of your Certificate of Insurance or other evidence of your maintaining this insurance coverage and paying premiums. If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and your RSVP Business on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining such insurance.

H. **COMPLIANCE WITH SYSTEM STANDARDS.** You acknowledge and agree that operating and maintaining your RSVP Business according to System Standards are essential to preserve the goodwill of the Marks and the goodwill of all RSVP Businesses. Therefore, you agree at all times to operate

your RSVP Business according to each and every System Standard, as we periodically modify and supplement them. Though we retain the right to establish and periodically modify and supplement System Standards which you have agreed to maintain in the operation of your RSVP Business, you retain the right and sole responsibility for the day-to-day management and operation of your RSVP Business and the implementation and maintenance of System Standards at your RSVP Business. System Standards may regulate any aspect of your RSVP Business' operation and maintenance, including, but not limited to, any one or more of the following: (1) sales, marketing, advertising, and promotional programs and materials and media used in these programs; (2) employee qualifications, training, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned and working conditions); (3) use and display of the Marks; (4) participation in market research and testing and product and service development programs; (5) participation in quality assurance and customer satisfaction programs; (6) bookkeeping, accounting, data processing and record keeping systems and forms; (7) formats, content and frequency of reports to us of sales, revenue, and financial performance and condition; (8) forms of payment and currencies your RSVP Business must or may accept; and (9) any other aspects of operating and maintaining your RSVP Business that we determine to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and RSVP Businesses.

You agree that the System Standards, whether prescribed in the Operations Materials or otherwise communicated to you in writing or another form, are part of this Agreement as if fully set forth within its text. All references to this Agreement include all System Standards as periodically modified. You acknowledge that our periodic modification of the System Standards (including, without limitation, changes to the hardware and software required for the Computer System), which may accommodate regional and/or local variations, may obligate you to invest additional capital in your RSVP Business and/or incur higher operating costs.

We have the right to operate, develop, and change the System Standards in any manner that is not specifically prohibited by this Agreement. You agree to comply with any new System Standards we issue within 90 days of our issuance of such new System Standard, unless we expressly provide a longer time period for you to bring your RSVP Business into compliance with such new or modified System Standard. Whenever we have reserved in this Agreement a right to take or to withhold an action, to grant or decline to grant you a right to take or withhold an action, or to provide or withhold approval or consent, we may, except as otherwise specifically provided in this Agreement, make our decision or exercise our rights based on information readily available to us and on our judgment of what is in our and/or the best interests of the RSVP Businesses and the Marks at the time our decision is made.

I. **RSVP BUSINESS NUMBERS, LISTINGS, AND INTERNET ACCOUNTS.** You acknowledge and agree that as between you and us, we have the sole rights to, and interest in, all telephone numbers, facsimile numbers, directory listings and any other type of contact information that you use in the operation or promotion of your RSVP Business or that is associated with your RSVP Business ("Contact Identifiers") and Online Presences. Upon the termination or expiration of this Agreement, you agree to transfer, assign or otherwise convey to us full control of all Contact Identifiers and Online Presences that you used to operate your RSVP Business or that displays any of the Marks or any reference to the brand, in addition to any information collected by or stored within the management information systems and customer relationship management systems. Notwithstanding the foregoing, you agree that all liabilities and obligations arising from any such Contact Identifiers, Online Presence, or any management information systems and customer relationship management systems prior to the date of the transfer, assignment or conveyance to us will remain your sole responsibility in all respects, and any costs we incur in connection therewith will be indemnifiable under Section 16.D. You irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing.

J. **INFORMATION SECURITY.** You will have access to information that can be used to identify an individual, including but not limited to names, addresses, telephone numbers, and e-mail addresses ("Personal Information"). You may gain access to such Personal Information from us, our affiliates, our vendors, or your own operations. You acknowledge and agree that all Personal Information (other than Restricted Data, defined below) is our Confidential Information and is subject to the protections under Section 6.

During and after the term of this Agreement, you (and if you are conducting business as an Entity, each of your Owners) agree to, and to cause your respective current and former employees, representatives, affiliates, successors and assigns to: (a) process, retain, use, collect, and disclose all Personal Information only in strict accordance with all applicable laws, regulations, orders, the guidance and codes issued by industry or regulatory agencies, and the privacy policies and terms and conditions of any applicable Online Presence; (b) assist us with meeting our compliance obligations under all applicable laws and regulations relating to Personal Information, including the guidance and codes of practice issued by industry or regulatory agencies; and (c) promptly notify us of any communication or request from any customer or other data subject to access, correct, delete, opt-out of, or limit activities relating to any Personal Information.

If you become aware of a suspected or actual breach of security or unauthorized access involving Personal Information, you will notify us immediately and specify the extent to which Personal Information was compromised or disclosed. You also agree to follow our instructions regarding curative actions and public statements relating to the breach. We reserve the right, but have no obligation, to conduct a data security and privacy audit of any of your RSVP Business and your Computer System at any time, from time to time, to ensure that you are complying with our requirements. You must promptly notify us if you receive any complaint, notice, or communication, whether from a governmental agency, customer or other person, relating to any Personal Information, or your compliance with your obligations relating to Personal Information under this Agreement, and/or if you have any reason to believe you will not be able to satisfy any of your obligations relating to Personal Information under this Agreement. Any breach arising from your misuse, unlawful use, or improper safeguarding of the Personal Information, or your use of the Personal Information in a way that is not authorized by this Section 8.J, is subject to your indemnification obligations under Section 16.D.

Notwithstanding anything to the contrary in this Agreement or otherwise, you agree that we do not control or own any of the following Personal Information (collectively, the "Restricted Information"): (a) any Personal Information of the employees, officers, contractors, owners or other personnel of you, your affiliates, or your RSVP Business; (b) such other Personal Information as we from time to time expressly designate as Restricted Information; and/or (c) any other Personal Information to which we do not have access. Regardless of any guidance we may provide generally and/or any specifications that we may establish for other Personal Information, you have sole and exclusivity responsibility for all Restricted Information, including establishing protections and safeguards for such Restricted Information; provided, that in each case you agree to comply with all applicable laws, regulations, orders, and the guidance and codes issued by industry or regulatory agencies applicable to such Restricted Information.

K. **EMPLOYEES, AGENTS, AND INDEPENDENT CONTRACTORS.** You acknowledge and agree that you are solely responsible for all decisions relating to employees, agents, and independent contractors that you may hire to assist in the operation of your RSVP Business. You agree that any employee, agent, or independent contractor that you hire will be your employee, agent or independent contractor, and not our employee, agent or independent contractor. You also agree that you are exclusively responsible for the terms and conditions of employment of your employees, including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. You agree to manage the employment functions of your RSVP

Business in compliance with federal, state, and local employment laws. You must also notify all of your employees that they are your employees and not our employees, and you must never contend otherwise. We may require you to have your employees execute an employment acknowledgment indicating they understand who they are employed by, and we shall have the right to regulate the form of such acknowledgment.

L. **NON-DISPARAGEMENT.** Each party to this agreement agrees not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, heirs, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of the other party, or any of the other party's affiliates, or any of such parties' directors, officers, employees, representatives or affiliates, the brands under which such parties do business, or such parties' business operations, or take any other action which would, directly or indirectly, (i) subject any of the foregoing to ridicule, scandal or reproach, or (ii) would constitute an act of moral turpitude. The obligations of this Section 8.L shall survive any expiration or termination of this Agreement.

9. MARKETING.

A. **BY YOU.** We may provide marketing guidance in the form of additional training, programs, and seminars either through an Online Presence or at various locations that we designate. You acknowledge and agree that the best interests of the Franchise System and your RSVP Business are likely to be maximized by participating in such training, programs, and seminars.

You agree to list your RSVP Business in such online directories as we periodically prescribe. You also agree to establish any other Online Presence we require. Except as provided in Section 9.C below, you may not develop, maintain, or authorize any website that mentions or describes you or your RSVP Business or displays any of the Marks.

You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe from time to time. Before you use them, you agree to send us for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously approved. If you do not receive written disapproval within 20 days after we receive the materials, they are deemed to be approved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved. You will have five days after receipt of our notice of disapproval to withdraw and discontinue use of such disapproved materials.

B. **MARKETING FUND.** We have established and maintain a marketing fund for RSVP Businesses located in the United States operating under the ***RSVP***® brand (the "Marketing Fund"). We intend to use the Marketing Fund for advertising, marketing and public relations programs and materials we deem appropriate. RSVP Businesses that we or our affiliates own may not contribute to the Marketing Fund on the same percentage basis as franchisees. We reserve the right to consolidate the Marketing Fund with the marketing funds of other brands we or our affiliates franchise and maintain and administer one marketing fund for all brands.

We will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Marketing Fund may pay for preparing and producing video, audio, and written materials and digital media; developing, implementing, and maintaining a Franchise System Website and/or related strategies; administering regional and national marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising,

promotion and marketing agencies and other advisors to provide assistance; administering online advertising and marketing campaigns (including search engine, social media, e-mail, and display ad campaigns); developing and administering software, apps, and related integrations; implementing a loyalty program or other marketing programs designed to encourage the use of RSVP Businesses; supporting public relations, market research, direct sales tools, and other advertising, promotion, and marketing activities; sales training and support of franchisees' sales personnel; and such other use as we deem appropriate, in our discretion, for the promotion of the ***RSVP***® brand. As long as you are in compliance with this Agreement, including the System Standards, the Marketing Fund periodically may give you samples of marketing and promotional formats and materials at no cost. The Marketing Fund will sell you multiple copies of these materials at its direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Marketing Fund separately from our other funds and not use the Marketing Fund for any of our general operating expenses. However, we may use the Marketing Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Marketing Fund, the Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Marketing Fund and its programs, including, without limitation, conducting market research; running social media campaigns; building, updating and maintaining websites; creating and delivering franchise communications; public relations; preparing advertising, promotion and marketing materials; and collecting and accounting for Marketing Fund contributions.

The Marketing Fund will not be our asset. The Marketing Fund is not a trust. We do not owe any fiduciary obligation to you for administering the Marketing Fund or any other reason. We will hold all Marketing Fund contributions for the benefit of the contributors and use contributions for the purposes described in this Section. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on the Marketing Fund contributions to pay costs before using the Marketing Fund's other assets. We will prepare an annual, unaudited statement of Marketing Fund collections and expenses of the Marketing Fund and give you a copy of the statement upon your written request to us. We may have the Marketing Fund audited annually, at the Marketing Fund's expense, by an independent certified public accountant. We may incorporate the Marketing Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Section.

We intend for the Marketing Fund to promote the Marks, patronage of RSVP Businesses contributing to the Marketing Fund and the ***RSVP***® brand generally. Although we will try to use the Marketing Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all RSVP Businesses contributing to the Marketing Fund, we need not ensure that the Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund contributions by RSVP Businesses operating in that geographic area or that any RSVP Business benefits directly or in proportion to its Marketing Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as expressly provided in this Section, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Marketing Fund.

We may at any time defer or reduce contributions of a RSVP Business franchisee and, upon 30 days' prior notice to you, reduce or suspend Marketing Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If we terminate the Marketing Fund, we will spend all remaining contributions prior to its termination.

C. **FRANCHISE SYSTEM WEBSITE.** We maintain a corporate website to advertise, market, and promote RSVP Businesses, the products and services that they offer and sell, and/or the RSVP Business franchise opportunity (a "Franchise System Website"). We may, but are not obligated to, provide you with a link to your Local Website on the Franchise System Website that references your RSVP Business. We may require that you: (1) provide us the information and materials we request to develop, update, and modify the Franchise System Website; and (2) notify us whenever any information on the Franchise System Website regarding your RSVP Business is not accurate. We will own all intellectual property and other rights in the Franchise System Website, and all information they contain (including, without limitation, the domain name or URL for your Local Website, the log of "hits" by visitors, and any personal or business data that visitors supply).

We will maintain the Franchise System Website and may use the Marketing Fund's assets to develop, maintain, and update the Franchise System Website. We periodically may update and modify the Franchise System Website. You acknowledge that we have final approval rights over all information on the Franchise System Website. We may also discontinue the Franchise System Website, or consolidate the Franchise System Website with the website(s) of other brands we or our affiliates franchise, and maintain one website for all businesses, in our discretion.

Even if we provide you a link to your Local Website on our Franchise System Website, we will only include the link while you are in full compliance with this Agreement and all System Standards we implement (including, without limitation, those relating to the Franchise System Website). If you are in default of any obligation under this Agreement or our System Standards, then we may, in addition to our other remedies, temporarily remove the link to your Local Website and remove any reference to your RSVP Business from the Franchise System Website until you fully cure the default. We will permanently remove the link to your Local Website and any reference to your RSVP Business from the Franchise System Website upon this Agreement's expiration or termination.

You will also be required to have a website for your RSVP Business (the "Local Website") that we host. We must own the domain name for the Local Website, and will assign the domain name to you. The content of the Local Website must comply with our specifications and standards that we periodically designate; all updates and changes to the Local Website must be approved by us. Besides the Local Website we host, you must not create any other website or web page for your RSVP Business. You must prepare and maintain a privacy policy and terms and conditions for such Local Website, which must be linked to the Local Website. The privacy policy and terms and conditions must comply with all applicable laws, System Standards, and other requirements we may prescribe in writing. We may charge a monthly maintenance and hosting fee for the Local Website. You may also utilize any Online Presence that we approve pursuant to our then-current social media policy, which we may modify from time to time. The Local Website and any other Online Presence you maintain must identify your RSVP Business as an independently owned and operated business. All advertising, marketing, and promotional materials that you develop for your RSVP Business must contain notices of the Franchise System Website's domain name in the manner we designate. If we approve the use of any Online Presence in the operation of your RSVP Business, you will develop and maintain such Online Presence only in accordance with our then-current social media policy, including guidelines for posting any messages or commentary on other third-party websites. We will have access to each such Online Presence and all documents, data, materials, and messages shared from or by such accounts. At our request, you agree to grant us access to each such Online Presence, and to take whatever action (including signing an assignment or other documents) we request to

evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence. We may deactivate such Local Website or limit users' access to it at any time. Except as otherwise provided in this Section 9.C, you may not develop, maintain, register, or authorize any other Online Presence that mentions or describes you or your RSVP Business or displays any of the Marks.

D. **BRANDED EMAILS.** We reserve the right to require you to use an email address associated with our registered domain name in connection with the operation of your RSVP Business. If we require you to obtain and use such an email address, you must do so in accordance with our System Standards. We may access the email account and/or redirect any such account to us (or our designee) at any time; however, we have no obligation to monitor your email account. You acknowledge and agree that you will use such email address only in connection with the operation of your RSVP Business and in compliance with all applicable laws. You agree to indemnify us and our affiliates for claims arising from your unlawful use of such email address.

10. RECORDS, REPORTS, AND FINANCIAL STATEMENTS.

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe from time to time. Your fiscal year will coincide with the calendar year. We may require you to use a Computer System or other systems to maintain certain sales data and other information. You agree to give us in the manner and format that we prescribe from time to time:

(1) a report on your RSVP Business' Gross Sales each month by the 5th day of the subsequent month. You must report each month, even if a mailer was not distributed during that month;

(2) within ten days after our request, (i) the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and your RSVP Business covering the previous calendar quarter and the fiscal year to date, and (ii) exact copies of federal and state income tax returns, sales tax returns, and any other forms, records, books, and other information we periodically require relating to your RSVP Business and the Franchise;

(3) within 30 days after the end of each calendar month, profit and loss and source and use of funds statements and a balance sheet for your RSVP Business as of the end of that calendar month; and

(4) within 60 days after the end of each calendar year, annual profit and loss and source and use of funds statements and a balance sheet for your RSVP Business as of the end of that calendar year.

You will provide all financial records in accordance with the chart of accounts we may designate. We may disclose data derived from these reports. Moreover, we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to your RSVP Business' operation and all customer information from your management information system database. We may use and disclose data we retrieve from your Computer System or that we receive from suppliers as we deem appropriate, including, without limitation, to publish sales rankings. You agree to preserve and maintain all records in a secure location at your RSVP Business for at least seven years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipt and disbursement journals, barter records, and general ledgers), or for any longer period that may be required by law.

If we conduct operating ratio studies for RSVP Businesses, you agree to participate in such operating ratio studies by providing the data and information as we may require, and in the form and manner we require from time to time. You further agree that we shall have the right, to include such data and information in our annual operating ratio studies.

11. INSPECTIONS AND AUDITS.

A. **OUR RIGHT TO INSPECT YOUR RSVP BUSINESS.** To determine whether you and your RSVP Business are complying with this Agreement and all System Standards, we and our designated agents or representatives, may at all times and without prior notice to you: (1) inspect your RSVP Business; (2) photograph your RSVP Business and observe and videotape your RSVP Business' operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) inspect your Computer System, including hardware, software, security, configurations, connectivity and data access, and other technology used in the operation of your RSVP Business; (5) interview your RSVP Business' personnel and customers; and (6) inspect and copy any books, records, and documents relating to your RSVP Business' operation. You agree to cooperate with us fully. If we exercise any of these rights, we will not interfere unreasonably with your RSVP Business' operation. Any inspection will be made at our expense, but if we or our designee must make two inspections concerning your repeated or continuing failure to comply with this Agreement, or if a follow-up inspection is required because we or our designee were for any reason prevented from properly inspecting your RSVP Business, we will have the right to charge you for the costs of making all further inspections concerning your failure to comply, including travel expenses, room, board, and compensation of our designee.

B. **OUR RIGHT TO AUDIT.** We may at any time during your business hours, and without prior notice to you, examine your (if you are an Entity) and your RSVP Business' business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. You must cooperate fully with our representatives and independent accountants in any examination. If any examination discloses an understatement of your RSVP Business' Gross Sales, you must pay us, within 15 days after receiving the examination report, the Royalty and Marketing Fund contributions due on the amount of the understatement, plus 1.5% interest on the understated amounts from the date originally due until the date of payment. Furthermore, you must reimburse us for the costs of the examination, inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees, if: (i) an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or (ii) our examination reveals a Royalty or Marketing Fund contribution understatement exceeding 5% of the amount that you actually reported to us for the period examined. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

12. TRANSFER.

A. **BY US.** You acknowledge that we maintain a staff to manage and operate the franchise system for the RSVP Businesses and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, member, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement and any other agreement to a third party without restriction.

B. **BY YOU.** You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or to your owners if you are an Entity) and that we have granted you the Franchise in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, neither this Agreement (or any interest in this Agreement), your RSVP Business or substantially all of its assets, any ownership interest

in you (regardless of its size), nor any ownership interest in any of your owners (if such owners are legal entities) may be transferred without our prior written approval. A transfer of your RSVP Business' ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer, or attempt to transfer, without our approval is a breach of this Agreement and has no effect. In this Agreement, the term "transfer" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in this Agreement, you or substantially all of the assets of your RSVP Business. Without limiting the foregoing, you may not, without our prior written consent, pledge, or attempt to pledge, this Agreement (to someone other than us) or an ownership interest in you or your owners or transfer, or attempt to transfer, an interest in this Agreement or substantially all of the assets of the RSVP Business in a divorce, insolvency or entity dissolution proceeding.

C. **CONDITIONS FOR APPROVAL OF TRANSFER.** If you (and your owners) are in full compliance with this Agreement, then, subject to the other provisions of this Section 12, we may approve, in our sole discretion, a transfer to a transferee that has sufficient business experience, aptitude, and financial resources to operate your RSVP Business, and meets our then applicable standards for franchisees. A non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) may be transferred if the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and meet our then applicable standards for RSVP Business franchisees (including no ownership interest in or performance of services for a Competitive Business). All proposed transferees of a non-controlling interest in you must fill out and submit to us our then current form of franchise application. If the proposed transfer is of this Agreement or a controlling ownership interest in you or one of your owners, or is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Agreement or a controlling ownership interest in you or one of your owners, then all of the following conditions must be met before or concurrently with the effective date of the transfer:

(1) you have paid all Royalty, Marketing Fund contributions, and other amounts owed to us, our affiliates, and third-party vendors; have submitted all required reports and statements

(2) you have paid the then-current transfer fee;

(3) you have provided us with all information and/or documents we request about the proposed transfer, the transferee, and its owners;

(4) you have not violated any provision of this Agreement or any other agreement with us during both the 60-day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(5) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(6) the transferee (or its managing owner) completes our training program to our satisfaction;

(7) if we so require, the transferee agrees to transition the RSVP Business into a different brand concept that either we or an affiliate offers, including replacing the Marks wherever they appear (including without limitation marketing materials and stationery) and complying with all of the then-current system standards applicable to the new brand concept;

(8) the transferee shall (if the transfer is of this Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then current form of

franchise agreement and related documents, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement;

(9) you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, and agents;

(10) we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of your RSVP Business;

(11) if you or your owners finance any part of the purchase price, we reserve the right to require that you and/or your owners subordinate any of the transferee's obligations under promissory notes or agreements with you or your security interests reserved in your RSVP Business, to the transferee's obligation to pay Royalty, Marketing Fund contributions, and other amounts due to us, our affiliates, and third-party vendors and otherwise to comply with this Agreement;

(12) you and your transferring owners (and your and their immediate family members) will not, for two years beginning on the transfer's effective date, engage in any of the activities proscribed in Section 15.D below; and

(13) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other RSVP Businesses you own and operate) identify yourself or themselves or any business as a current or former RSVP Business or as one of our franchisees; use any Mark, any colorable imitation of a Mark, or other indicia of a RSVP Business in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us.

We may review all information regarding your RSVP Business that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding your RSVP Business.

Our consent to a transfer of this Agreement and your RSVP Business, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of your RSVP Business' or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand full compliance by you and the transferee with this Agreement.

D. **TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY.** Notwithstanding Section 12.C above, if you are in full compliance with this Agreement, you may transfer this Agreement to a corporation or limited liability company which conducts no business other than your RSVP Business and, if applicable, other RSVP Businesses, in which you maintain management control, and of which you own and control 100% of the equity and voting power of all issued and outstanding ownership interests, provided that all of your RSVP Business' assets are owned, and your RSVP Business' business is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement. You agree to remain personally liable under this Agreement as if the transfer to the corporation or limited liability company did not occur and sign the form of consent to assignment and assignment to corporate entity satisfactory to us which may include a general release of any and all claims against us and our owners, officers, directors, employees, and agents.

E. **YOUR DEATH OR DISABILITY.**

(1) Transfer upon Death or Disability. Upon your or your Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer your interest in this Agreement, or the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed 180 days from the date of death or disability, and is subject to all of the terms and conditions in this Section 12. The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or the Managing Owner from supervising your RSVP Business' management and operation.

(2) Operation upon Death or Disability. If, upon your or the Managing Owner's death or disability, a manager approved by us is not managing your RSVP Business, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must appoint a manager within 15 days of the date of death or disability. The manager must complete our standard training program at your expense. A new Managing Owner acceptable to us also must be appointed for your RSVP Business within 30 days. If, in our judgment, your RSVP Business is not being managed properly any time after your or the Managing Owner's death or disability, we may, but need not, assume your RSVP Business' management (or appoint a third party to assume its management). All funds from your RSVP Business' operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to amounts due under this Agreement) a reasonable per diem fee plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume your RSVP Business' management under this Section 12.E(2). We (or a third party) have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your RSVP Business incurs, or to any of your creditors for any products, other assets, or services your RSVP Business purchases, while we (or a third party) manage it.

F. **OUR RIGHT OF FIRST REFUSAL.** If you (or any of your owners) at any time determine to sell or transfer for consideration an interest in this Agreement and your RSVP Business, or an ownership interest in you (except to or among your current owners, which is not subject to this Section), in a transaction that would be allowed under Sections 12.B and 12.C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Agreement and your RSVP Business. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to 5% or more of the offering price. The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Sections 12.B and 12.C above. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within 30 days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that: (1) we may substitute cash for any form of payment proposed in the offer; (2) our credit will be deemed equal to the credit of any proposed buyer; (3) we will have an additional 30 days to prepare for closing after notifying you of our election to purchase; and (4) we must receive, and you and your owners agree to make, all customary

representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable.

If we exercise our right of first refusal, you and your selling owner(s) (and your and their immediate family members) agree that, for two years beginning on the closing date, you and they will be bound by the non-competition covenant contained in Section 15.D below. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section. If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we approve the transfer in accordance with, and you (and your owners) and the transferee comply with the conditions in, Sections 12.B and 12.C.

If you do not complete the sale to the proposed buyer within 60 days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the 30 day period following either the expiration of the 60 day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

G. **SALE OF YOUR RSVP BUSINESS.** If at any time prior to the three-year anniversary of the Effective Date you desire to sell your RSVP Business, and you are in full compliance with this Agreement, then we agree to assist you in marketing your RSVP Business for sale for a period of one year after you give us notice of your desire to sell your RSVP Business; provided that you sign our then current form of listing agreement. We may market your RSVP Business through whatever means and methods that we deem appropriate and have no obligation to spend any minimum amount on such marketing efforts. However, we will apply an amount equal to the Resale Allowance (as defined below), if any, to any amounts due to us or our affiliate in connection with the sale of your RSVP Business. "Resale Allowance" shall mean $15,000 minus our out-of-pocket expenses that we or our affiliates incur in connection with marketing your RSVP Business for sale. Notwithstanding the foregoing, we cannot and do not guarantee that we will be able to find a buyer for your RSVP Business. Further, any potential buyer and the sale of your RSVP Business will still be subject to the conditions for approval of transfer in Section 12.C of this Agreement. If you do not sell your RSVP Business pursuant to the terms and conditions of Section 12 of this Agreement, you agree to continue to operate the RSVP Business during the remaining term of this Agreement.

13. EXPIRATION OF THIS AGREEMENT.

A. **YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.** When this Agreement expires:

(1) if you (and each of your owners) have substantially complied with this Agreement during its term; and

(2) provided that if we so require, you transition your RSVP Business into a different brand concept that either we or an affiliate offers, including replacing the Marks wherever they appear (including without limitation signage, marketing materials and stationery) and complying with all of the then-current system standards applicable to the new brand concept;

then you may acquire a successor franchise to operate your RSVP Business as a RSVP Business for an additional term of 10 years.

B. **GRANT OF A SUCCESSOR FRANCHISE.** You agree to give us written notice of your election to acquire a successor franchise no more than one year and no less than nine months before this Agreement expires. If you fail to notify us of your election to acquire a successor franchise within the prescribed time period, we need not grant you a successor franchise. We agree to give you written notice ("Our Notice"), not more than 60 days after we receive your notice, of our decision:

(1) to grant you a successor franchise;

(2) to grant you a successor franchise on the condition that you correct existing deficiencies in your operation of your RSVP Business;

(3) to grant you a successor franchise on the condition that you transition your RSVP Business into a different brand concept, in accordance with Section 13.A(2) of this Agreement;

(4) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during its term or were not in full compliance with this Agreement and all System Standards on the date you gave us written notice of your election to acquire a successor franchise;

(5) not to grant you a successor franchise as a result of your failure to achieve the Gross Sales Threshold or to satisfy the Minimum Mailings Requirement during any two calendar years; or

(6) not to grant you a successor franchise because we no longer maintain a franchise program for RSVP Businesses.

If we elect not to grant you a successor franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a successor franchise, your right to acquire a successor franchise is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice, which may include actions to cure any operating deficiencies or to bring your RSVP Business into compliance with then applicable System Standards.

C. **AGREEMENTS/RELEASES.** If you satisfy all of the other conditions for a successor franchise and we grant you a successor franchise, you and your owners agree to execute the form of franchise agreement and any ancillary agreements we then customarily use in granting franchises for RSVP Businesses (modified as necessary to reflect the fact that it is for a successor franchise, including waiver of the initial franchise fee), which may contain provisions that differ materially from any and all of those contained in this Agreement, at least six months before this Agreement expires. You and your owners further agree to sign general releases, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors and assigns. We will consider your or your owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution within one month after their delivery to you to be an election not to acquire a successor franchise.

14. TERMINATION OF AGREEMENT.

A. **BY YOU.**

(1) If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not (i) correct the failure within 30 days after you deliver written notice of the material failure to us, or (ii) if we cannot correct the failure within 30 days and

fail to give you, within 30 days after your notice, reasonable evidence of our effort to correct the failure within a reasonable time, you may terminate this Agreement effective an additional 30 days after you deliver to us written notice of termination.

(2) Prior to the expiration of the term of this Agreement and if you have materially complied with all of your obligations under this Agreement, you may terminate this Agreement at any time upon 60 days' prior written notice to us and upon the payment of a termination fee ("Termination Fee"). The Termination Fee shall be an amount equal to the greater of (a) $55,000.00 (as adjusted from time to time by us to reflect any changes in the Consumer Price Index) and (b) the aggregate of Royalties paid for your RSVP Business for the 12 months immediately preceding the effective date of your termination of this Agreement multiplied by five. The Termination Fee shall be due and payable to us as of the effective date of your termination of this Agreement. You shall comply with your post-termination obligations under this Agreement, including, without limitation, your obligations under Section 15 of this Agreement; provided, however, upon payment of the Termination Fee, you will not be required to comply with the covenant not to compete under Section 15.D of this Agreement. You acknowledge and agree that the Termination Fee shall be reasonable compensation to us for our lost opportunity to benefit from the franchise relationship and is a reasonable reflection of the value of the loss of the franchise to us, including without limitation, lost profits from the Royalty and other fees. The Termination Fee shall be paid in addition to any other amounts owed us under this Agreement and there shall be no deduction or offset of any kind with respect to the Termination Fee.

(3) Your termination of this Agreement other than according to this Section 14.A will be deemed a termination without cause and a breach of this Agreement.

B. **BY US.** We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(1) you (or any of your owners) have made or make any material misrepresentation or omission in acquiring the Franchise or operating your RSVP Business;

(2) you (or your Managing Owner) do not complete the initial training program to our satisfaction in accordance with Section 4.A;

(3) you fail to publish a luxury card pack in accordance with our standards and specifications during any rolling six-month period without our prior written approval;

(4) you surrender or transfer control of your RSVP Business' operation without our prior written consent;

(5) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest or guilty to, a felony;

(6) you fail to maintain the insurance we require and do not correct the failure within ten days after we deliver written notice of that failure to you;

(7) you (or any of your owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects your RSVP Business' reputation or the goodwill associated with the Marks;

(8) you (or any of your owners or, if one or more of your owners is an Entity, the owner of a controlling interest in that Entity) make or attempt to make an unauthorized assignment of this Agreement, an ownership interest in you (or your owner), or your RSVP Business;

(9) you lose the right to occupy the Principal Business Address;

(10) you (or any of your owners) knowingly make any unauthorized use or disclosure of any part of the Operations Materials or any other Confidential Information;

(11) you violate any law, ordinance, rule, or regulation of a governmental agency in connection with the operation of your RSVP Business and fail to correct such violation within seventy-two hours after you receive notice from us or any other party, regardless of any longer period of time that any governmental agency may have given you to cure such violation;

(12) you fail to pay us (or our affiliates) any amounts due and do not correct the failure within ten days after we deliver written notice of that failure to you;

(13) you fail to pay when due any federal or state income, service, sales, or other taxes due on your RSVP Business' operation, unless you are in good faith contesting your liability for these taxes;

(14) you understate your RSVP Business' Gross Sales three times or more during this Agreement's term or by more than 5% on any one occasion;

(15) you fail to satisfy the Minimum Mailings Requirement for any two calendar years;

(16) you fail to achieve the Gross Sales Threshold, beginning with the third full calendar year you operate your RSVP Business (or, if you have acquired an existing RSVP Business, beginning with the second full calendar year), for any two calendar years;

(17) you (or any of your owners) (a) fail on three or more separate occasions within any 12 consecutive month period to comply with this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (b) fail on two or more separate occasions within any six consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(18) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; your RSVP Business is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within 30 days; or any order appointing a receiver, trustee, or liquidator of you or your RSVP Business is not vacated within 30 days following the order's entry;

(19) you file a petition in bankruptcy or a petition in bankruptcy is filed against you;

(20) you (or any of your owners) fail to comply with anti-terrorism laws, ordinances, regulations, and Executive Orders;

(21) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within 30 days after we deliver written notice of the failure to you;

(22) you default under any promissory note or other financing agreement with us or our affiliate;

(23) you fail to comply with any other agreement with us or our affiliate and do not correct such failure within the applicable cure period, if any;

(24) you (or any of your owners) accept payment from a third-party to publish an advertisement and you fail to publish such advertisement; or

(25) you (or any of your owners) fail to pay any third-party, including the lessor of your Principal Business Address, any amounts owed in connection with your RSVP Business when due, and do not cure such failure within any applicable cure period granted by such third-party.

C. **OUR INTERIM OPERATION OF YOUR RSVP BUSINESS.** We have the right (but not the obligation), under the circumstances described below, to operate your RSVP Business on an interim basis (or to appoint a third party to operate your RSVP Business on an interim basis) for a period of up to 60 days. We (or a third party) may operate your RSVP Business on an interim basis under the following circumstances: (1) if you abandon or fail actively to operate your RSVP Business; (2) if we are assisting you in the sale of your RSVP Business; or (3) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase your RSVP Business under Section 15.E below.

If we (or a third party) operate your RSVP Business on an interim basis under subparagraphs (1) or (2) above, you agree to pay us (in addition to the Royalty, Marketing Fund contributions, Local Marketing Cooperative contributions and other amounts due under this Agreement) a reasonable per diem fee, plus our (or the third party's) direct out-of-pocket costs and expenses. All funds from your RSVP Business' operation while we or our designee operate it will be accounted for separately, and such expenses and amounts owed to us will be deducted from that amount.

If we (or a third party) operate your RSVP Business under this Section, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your RSVP Business incurs, or to any of your creditors for any supplies, products, or other assets or services your RSVP Business purchases, while we (or the third party) operate it. You must cooperate with us and our designees, continue to support the operations of your RSVP Business, and comply with all of our instructions and System Standards, including making available all books, records, and accounts. You understand and acknowledge that during any such interim period, you are still the owner of your RSVP Business and you continue to bear sole liability for any and all accounts payable, obligations, and/or contracts, including all obligations under the Lease and all obligations to your vendors, employees, and contractors, unless and until we expressly assume them in connection with the purchase of your RSVP Business under Section 15.E, below. You understand that we are not required to use your employees, vendors, or accounts to operate your RSVP Business. You also agree that we may elect to cease such interim operations of your RSVP Business at any time with notice to you.

If we exercise our rights under subparagraph (1) above, that will not affect our right to terminate this Agreement under Section 14.B above. Your indemnification obligations set forth under Section 16.D will continue to apply during any period that we or our designee operate your RSVP Business on an interim basis.

D. **SUSPENSION OF OBLIGATIONS AND SUPPORT.** If you fail to comply with this Agreement or the System Standards, then we may, in our discretion, suspend our obligations and support services we provide to you. This right shall be in addition to our right to termination in accordance with Section 14.B of this Agreement. Nothing in this Section shall be construed to relieve you of any obligations you have under this Agreement or any other agreements between you and us (or our affiliates).

15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

A. **PAYMENT OF AMOUNTS OWED TO US.** You agree to pay us within 15 days after this Agreement expires or is terminated, or on any later date that we determine the amounts due to us, the Royalty, Marketing Fund contributions, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

B. **DE-IDENTIFICATION.** When this Agreement expires or is terminated for any reason:

(1) you must immediately cease to directly or indirectly sell any products and services of any kind and in any manner from the RSVP Business and/or using the Marks, unless we direct you otherwise in connection with our exercise of our option to purchase pursuant to Section 15.E;

(2) you must cease all use, direct or indirect, of any Mark, any colorable imitation of a Mark, or other indicia of a RSVP Business in any manner or for any purpose; and must not use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(3) you may not directly or indirectly at any time or in any manner (except with other RSVP Businesses you own and operate) identify any business as a current or former RSVP Business and you agree to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark. Notwithstanding the foregoing, you are not prohibited from identifying yourself as a former franchisee in connection with identifying your prior experience on job applications or business networking websites;

(4) you agree to deliver to us or destroy (as we require), at your expense, within 15 days all marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a RSVP Business, including copies of all Confidential Information, and allow us, without liability to you or third parties, to remove these items from your Principal Business Address (so long as such location is not your (or one of your owner's, if you are an entity) personal residence);

(5) you deliver to us within ten days all artwork of customers in your possession;

(6) you agree that we may independently access and retrieve all information from, or at our direction you will deliver to us within ten days a copy of, your management information system database, including all customer information from your RSVP Business in the format we designate, including, without limitation, contact information, order history and such other information as may be on the management information system or as we may otherwise reasonably request;

(7) if we do not have or do not exercise an option to purchase your RSVP Business under Section 15.E below, you agree promptly and at your own expense to make the alterations we specify in our Operations Materials (or otherwise in writing) to distinguish your Principal Business

Address (so long as such location is not your (or one of your owner's, if you are an entity) personal residence) clearly from its former appearance and from other RSVP Businesses in order to prevent public confusion;

(8) you agree to immediately cease using and, at our direction, either disable or instruct the registrar of any Contact Identifier or Online Presence to transfer exclusive control of and access to such Contact Identifier or Online Presence to us (or our designee), as we determine in our discretion;

(9) comply with all other System Standards we establish from time to time (and all applicable laws) in connection with the closure and de-identification of your RSVP Business, including as it relates to disposing of Personal Information, in any form, in your possession or the possession of any of your owners or employees; and

(10) you agree to give us, within 15 days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations.

C. **CONFIDENTIAL INFORMATION.** You agree that, when this Agreement expires or is terminated, you will immediately cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications that we have licensed to you or that otherwise are proprietary to us or the Franchise System) in any business or otherwise and return to us all copies of the Operations Materials and any other confidential materials that we have loaned you or to which we have given you access.

D. **COVENANT NOT TO COMPETE.** Upon termination or expiration of this Agreement, you and your owners agree that, for two years beginning on the effective date of termination or expiration or the date on which all persons restricted by this Section begin to comply with this Section, whichever is later, neither you nor any of your owners (or their immediate family members) will have any direct or indirect interest as an owner (whether of record or beneficially), investor, partner, director, officer, employee, consultant, representative, or agent, or perform any services in any capacity (including each of the foregoing) in any Competitive Business (as defined in Section 7 above) located or operating, nor will any such person lease or sublease any property to a Competitive Business:

(1) within the Protected Territory; or

(2) within a 25-mile radius of the Protected Territory.

Additionally, at no time after the term of this Agreement, will you or your owners (or their immediate family members) divert, attempt to divert, or assist any other person or entity, directly or indirectly, to divert any actual or potential business or customer of any RSVP Business to a Competitive Business.

These restrictions also apply after transfers, as provided in Section 12.C(12) above. These restrictions do not apply if you terminated this Agreement pursuant to Section 14.A(2). If any person restricted by this Section refuses voluntarily to comply with these obligations, the two-year period for that person will commence with the entry of a court order enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section will not deprive you of your personal goodwill or ability to earn a living.

E. **OUR RIGHT TO PURCHASE YOUR RSVP BUSINESS.**

If you decide to transfer your RSVP Business and this Agreement, your RSVP Business' assets, or an ownership interest in you during this Agreement's term, the provisions of Section 12 generally will apply to the proposed transfer. However, upon

(1) our termination of this Agreement according to its terms and conditions,

(2) your termination of this Agreement without cause, or

(3) expiration of this Agreement (if we offer, but you elect not to acquire, a successor franchise, or if we do not offer you a successor franchise due to your failure to satisfy the conditions for a successor franchise set forth in Section 13),

we have the option, exercisable by giving you written notice before or within 30 days after the date of termination or expiration to purchase your RSVP Business. We have the unrestricted right to assign this option to purchase. We are entitled to all customary warranties and representations in our asset purchase. The purchase price for your RSVP Business will be its fair market value, provided that the fair market value will not include any value for (i) the Franchise or any rights granted by this Agreement; or (ii) goodwill attributable to our Marks, brand image, and other intellectual property. We may exclude from the assets purchased any assets or other items that are not reasonably necessary (in function or quality) to your RSVP Business' operation or that we have not approved as meeting System Standards for RSVP Businesses, and the purchase price will reflect these exclusions.

If we and you cannot agree on fair market value, fair market value will be determined by one independent accredited appraiser who will conduct an appraisal and, in doing so, be bound by the criteria specified herein. You and we agree to select the appraiser within 15 days after we notify you that we wish to exercise our purchase option (if you and we have not agreed on fair market value before then). You and we will share equally the appraiser's fees and expenses. The appraiser must complete its appraisal within 30 days after its appointment. The purchase price will be the appraised value.

We (or our assignee) will pay the purchase price at the closing, which will take place not later than 60 days after the purchase price is determined. We may offset against the purchase price, and reduce the purchase price by, any and all amounts you or your owners owe us or our affiliates. At the closing, you agree to deliver instruments transferring to us (or our assignee): (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and other transfer taxes paid by you; and (b) all of your RSVP Business' licenses and permits which may be assigned or transferred.

You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our owners, officers, directors, employees, agents, successors, and assigns. If we exercise our rights under this Section 15.E, you and your owners agree that, for two years beginning on the closing date, you and they will be bound by the non-competition covenant contained in Section 15.D.

F. **CONTINUING OBLIGATIONS.** All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

A. **INDEPENDENT CONTRACTORS.** You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, RSVP Business personnel, and others as your RSVP Business' owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require from time to time. We will have no right to hire or fire any of your employees or independent contractors or to exercise any control over those employees or independent contractors, all of whom will be entirely under your control and direction, and you will be responsible for their acts and omissions.

B. **NO LIABILITY TO OR FOR ACTS OF OTHER PARTY.** We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising out of your RSVP Business' operation or the business you conduct under this Agreement. We will have no liability for your obligations to pay any third parties, including any product vendors.

C. **TAXES.** We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or your RSVP Business, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes that we must pay to any state taxing authority on account of your operation or payments that you make to us.

D. **INDEMNIFICATION.** You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of your RSVP Business' operation, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our intentional misconduct in a final, unappealable ruling issued by a court with competent jurisdiction. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at your expense and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you under this Section 16.D. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 16.D.

17. ENFORCEMENT.

A. **SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.** Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this

Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of our refusal to enter into a successor franchise agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

B. **WAIVER OF OBLIGATIONS.** We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other RSVP Businesses; the existence of franchise agreements for other RSVP Businesses which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if, and only while, our or your performance of our or your obligations is rendered impossible by: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause beyond the control of the party seeking to invoke this provision. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of the Royalty or Marketing Fund contributions due afterward.

The following provision applies if you or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin: No statement, questionnaire, or acknowledgment signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any of us, any franchise seller, or other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

C. **COSTS AND ATTORNEYS' FEES.** If either party initiates an arbitration, judicial or other proceeding, the prevailing party will be entitled to reasonable costs and expenses (including attorneys' fees incurred in connection with such arbitration, judicial or other proceeding).

D. **YOU MAY NOT WITHHOLD PAYMENTS DUE TO US.** You agree that you will not withhold payment of any amounts owed to us on the grounds of our alleged nonperformance of any of our obligations under this Agreement or for any other reason, and you specifically waive any right you may have at law or in equity to offset any funds you may owe us or to fail or refuse to perform any of your obligations under this Agreement. You agree to submit all claims, unless otherwise resolved by our and your mutual agreement, to arbitration as provided in Section 17.F.

E. **RIGHTS OF PARTIES ARE CUMULATIVE.** Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

F. **ARBITRATION.** We and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective owners, officers, directors, agents, and employees, on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to:

(1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates);

(2) our relationship with you;

(3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or

(4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently, Plymouth, Michigan). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any Marks owned by us or our affiliates generic or otherwise invalid or award any punitive or exemplary damages against any party to the arbitration proceeding (we and you hereby waiving to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). In any arbitration brought pursuant to this Section 17.F, and in any action in which a party seeks to enforce compliance with this provision, the prevailing party shall be awarded its costs and expenses, including attorneys' fees, incurred in connection therewith.

We and you agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each party 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. Any controversy, dispute, or claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us.

We and you agree that arbitration will be conducted on an individual basis and that an arbitration proceeding between us and any of our affiliates, or any of our and their respective owners, officers, directors, agents, and employees, on the one hand, and you (or your owners, guarantors, affiliates, and employees), on the other hand, may not be: (i) conducted on a class-wide basis, (ii) commenced, conducted or consolidated with any other arbitration proceeding, (iii) joined with any separate claim of an unaffiliated third party, or (iv) brought on your behalf by any association or agent. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy, or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

We and you agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

G. **GOVERNING LAW. ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT AND ANY OTHER AGREEMENT BETWEEN YOU (OR ANY OF YOUR OWNERS) AND US (OR ANY OF OUR AFFILIATES), AND ALL CONTROVERSIES, DISPUTES, AND CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT**

THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

H. **CONSENT TO JURISDICTION. SUBJECT TO SECTION 17.F ABOVE AND THE PROVISIONS BELOW, YOU (AND YOUR OWNERS) AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR OR, AS APPLICABLE, OUR SUCCESSOR'S OR ASSIGNS' THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS.**

I. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL. EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD-PARTY CLAIMS UNDER SECTION 16.D, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.**

WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY EITHER OF US.

J. **DAMAGES.** In the event this Agreement is terminated because of your (or your owners) default or by you without cause, the parties agree that it would be difficult if not impossible to determine the amount of damages that we would suffer due to the loss or interruption of the revenue stream we otherwise would have derived from your continued payment of Royalty Fees and that the Marketing Fund would have otherwise derived from your continued contribution to such funds, less any cost savings, through the remainder of the term of this Agreement (the "Damages"). The parties agree that a reasonable estimate of those Damages is, and you agree to pay us as compensation for the Damages, an amount equal to the then net present value of the standard Royalty fees and Marketing Fund contributions that would have become due from the date of termination to the earlier of (i) three years following termination, or (ii) the scheduled expiration date of this Agreement. For this purpose, Damages shall be calculated based on the greater of the Gross Sales of your RSVP Business for the 12 months preceding the termination date or the Gross Sales Threshold amount (with the Gross Sales Threshold amount becoming applicable if the termination occurs during the third or subsequent full calendar year you operate your RSVP Business (or during the second or subsequent full calendar year if you acquired an existing RSVP Business)). In the event your RSVP Business has not been in operation for at least 12 months preceding the termination date, the Royalty fees and Marketing Fund contributions will be calculated based on the average monthly Gross Sales of all RSVP Businesses during the fiscal year immediately preceding the termination date. You and we agree that the calculation described in this Section is a calculation only of the Damages and that nothing herein shall preclude or limit us from proving and recovering any other damages caused by your breach of this Agreement.

K. **INJUNCTIVE RELIEF.** Nothing in this Agreement, including the provisions of Section 17.F, bars our right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause us, the Marks, or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and

temporary or preliminary injunctions (subject to our obligation to arbitrate the underlying claim if required by Section 17.F). You agree that we may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to us at law or in equity. You agree that we will not be required to post a bond to obtain injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing, and you hereby expressly waive any claim for damages caused by such injunction.

L. **BINDING EFFECT.** This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the System Standards, this Agreement may not be modified except by a written agreement signed by our and your duly-authorized officers.

M. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS. WE AND YOU AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CONTROVERSY, DISPUTE, OR CLAIM OF AN UNAFFILIATED THIRD PARTY, OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT. NO PREVIOUS COURSE OF DEALING SHALL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING SHALL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT. EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US OR ANY OF OUR AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.**

N. **CONSTRUCTION.** The preambles and exhibits are a part of this Agreement which, together with the System Standards (which may be periodically modified, as provided in Sections 4.C, 8.H, and 17.L above), constitutes our and your entire agreement, and there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your RSVP Business (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us. Except as provided in Sections 16.D and 17.F, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You agree that whenever this Agreement allows or requires us to take actions or make decisions, we may do so in our sole and unfettered discretion, even if you believe our action or decision is unreasonable, unless the Agreement expressly and specifically requires that we act reasonably or refrain from acting unreasonably in connection with the particular action or decision. The headings of the sections

and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to "we," "us," and "our," with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term "affiliate" means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. "Control" means the power to direct or cause the direction of management and policies. "Including" means "including without limitation" unless expressly stated otherwise.

If two or more persons are at any time the owners of the Franchise and your RSVP Business, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to "owner" mean any person holding a direct or indirect ownership interest (whether of record or beneficially) or voting rights in you (or a transferee of this Agreement and your RSVP Business or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise, or your RSVP Business and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. References to a "controlling ownership interest" in you or one of your owners (if an Entity) mean the percent of the voting shares or other voting rights that results from dividing 100% of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, the determination of whether a "controlling ownership interest" is involved must be made as of both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer). "Person" means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity. Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term "your RSVP Business" includes all of the assets of the RSVP Business you operate under this Agreement, including its revenue. All amounts payable by you or your owners to us or our affiliates must be in United States dollars.

18. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Operations Materials will be deemed to be delivered: (a) at the time delivered by hand; (b) at the time delivered via computer transmission and, in the case of the Royalty, Marketing Fund contributions and other amounts due, at the time we actually receive payment; (c) one business day after transmission by electronic system if the sender has confirmation of successful transmission; (d) one business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or (e) three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. Any notice must be addressed to the party to be notified at its most current principal business address of which the notifying party has notice, or if to you, may be addressed to the Principal Business Address. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two days before then) will be deemed delinquent.

19. **COUNTERPARTS.**

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

Remainder of page intentionally blank

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date.

FRANCHISOR:

ALLIANCE FRANCHISE BRANDS LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE:

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT A

Effective Date: This Exhibit A is current and complete as of _____

You and Your Owners

1. **Form of Owner**.

(a) **Individual Proprietorship**. Your owner(s) (is) (are) as follows:

_____

_____

_____

(b) **Corporation, Limited Liability Company, or Partnership.** You were incorporated or formed on _____, under the laws of the State of _____ _____, under the name _____, with the entity identification number of _____. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and _____. Your federal tax identification number is _____. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

Name of Each Director/Officer	Position(s) Held

2. **Owners**. The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

	Owner's Name	Description of Interest	Percentage of Ownership
(a)	_____	_____	_____
(b)	_____	_____	_____
(c)	_____	_____	_____
(d)	_____	_____	_____

3. **Managing Owner**. The Managing Owner is _____.

FRANCHISOR:

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE:

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

EXHIBIT B

PROTECTED TERRITORY

EXHIBIT C

FULL CIRCULATION, GROSS SALES THRESHOLD, AND FIRST YEAR MAILINGS REQUIREMENT

Full Circulation

The full circulation, per luxury card pack mailing, for your Protected Territory is: _____

Gross Sales Threshold

Based on the full circulation for your Protected Territory, your "Gross Sales Threshold" is:

___ $160,000 of Gross Sales.

___ $210,000 of Gross Sales.

___ $270,000 of Gross Sales.

___ $350,000 of Gross Sales.

___ $420,000 of Gross Sales.

___ $485,000 of Gross Sales.

Whether you have achieved the Gross Sales Threshold is determined based on your Gross Sales for luxury card pack mailings, solo mailings, digital advertisements, and other products and services.

First Year Minimum Mailing Requirement

Notwithstanding the Minimum Mailings Requirement identified in Section 8.C of the Agreement, during the first calendar year you operate your RSVP Business, your Minimum Mailings Requirement for luxury card packs will be prorated to: ____

EXHIBIT D

ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM

Franchisee: _____ Effective Date: _____

Business Number: _____ Business Name: _____

Financial Institution ("FI"): _____

Routing Number: _____ Account Number: _____

Franchisee's Email Address for Accounting-Related Communications: _____

Authorized Signature: _____

Franchisee authorizes Alliance Franchise Brands LLC ("AFB") to deduct electronically from the account (as designated above) payments for monthly Royalty, Marketing Fund contributions, and other amounts due under the franchise agreement (collectively, "Payments") between AFB and Franchisee as such Payments become due under the franchise agreement between Franchisee and AFB.

Franchisee also authorizes AFB to deposit electronically to the account listed above any amounts due to Franchisee, such as reimbursements or rebates.

Franchisee acknowledges that it is Franchisee's responsibility to notify AFB of any changes and agrees to immediately notify AFB of any changes in the information provided on this Authorization. If requested, Franchisee shall provide AFB with a voided check in order to verify the account information. This Authorization shall continue in effect until terminated upon 10 days' prior written notice to AFB.

If there are insufficient funds in Franchisee's account to cover AFB's withdrawals or if AFB incurs any fees from Franchisee's FI due to Franchisee's failure to notify AFB of changes to its banking information, AFB may charge Franchisee the insufficient funds fees or other fee for each such instance (currently, $25) to compensate AFB for its administrative expenses. In the case of insufficient funds in Franchisee's account, Franchisee acknowledges and agrees that AFB may debit its account again periodically until funds are available (but no more than once every five days) and Franchisee will be charged the insufficient funds fee for each instance in which the funds are not available.

The Payments will be electronically transferred monthly from the account on their due dates or the next subsequent business day if any due date falls on a national holiday or a weekend.

Franchisee authorizes and requests the FI to accept AFB's requests for the Payments and to deduct such Payments from the account without responsibility for the correctness or accuracy of the Payments.

Alliance Franchise Brands LLC
Attention: Legal & Franchise Compliance
47585 Galleon Drive, Plymouth, MI 48170
Tel: 248-596-8600 Fax: 248-596-8601
E-mail: Compliance@alliancefranchisebrands.com

EXHIBIT C

APPLICATION FOR FRANCHISE

Confidential Franchise Application

Please type or print clearly and complete the form in full.

PERSONAL INFORMATION

Last Name	First Name	Middle Name	Marital Status	☐ Male ☐ Female	Driver's License # & State or Province

Address	City	State/Province	Zip/Postal Code	Country

Years at this address	Home Phone	Cell Phone	Other Phone	Date of Birth

Email	Citizenship	If you are not a citizen of the country in which you have applied for franchise ownership, do you have the required visa to legally own and operate a business in that country? ☐Yes ☐ No

Are you a veteran of the Canadian or United States Armed Forces? ☐Yes ☐ No	Branch	Dates of Service:	Honorably discharged? ☐Yes ☐ No If yes, please provide DD214 or discharge certificate

EDUCATION

College or Institution	City & ST/Province	Dates Attended	Did you graduate ☐Yes ☐ No	Degree earned

BUSINESS/EMPLOYMENT INFORMATION (Please provide business information for the past 10 years and/or attach resume)

MAY WE CONTACT THESE EMPLOYERS TO VERIFY EMPLOYMENT? ☐Yes ☐ No

Currently employed ☐Yes ☐ No	Name of employer (or former employer)	Title	Telephone

Business address	City	State/Province	Zip/Postal Code	Dates of employment

Please describe your responsibilities:	Annual income

Currently employed ☐Yes ☐ No	Name of next most recent employer	Title	Telephone

Business address	City	State/Province	Zip/Postal Code	Dates of employment

Please describe your responsibilities:	Annual income

SPOUSE INFORMATION

Last Name	First Name	Middle Name	Marital Status	☐ Male ☐ Female	Driver's License # & State or Province

Home street address	City	State/Province	Zip/Postal Code	Country

Years at this address	Home Phone	Cell Phone	Other Phone	Date of Birth

Email	Citizenship	If you are not a citizen of the country in which you have applied for franchise ownership, do you have the required visa to legally own and operate a business in that country? ☐Yes ☐ No

Are you a veteran of the Canadian or United States Armed Forces? ☐Yes ☐ No	Branch	Dates of Service:	Honorably discharged? ☐Yes ☐ No If yes, please provide DD214 or discharge certificate

SPOUSE EDUCATION

College or Institution	City & ST/Province	Dates Attended	Did you graduate ☐Yes ☐ No	Degree earned

SPOUSE BUSINESS/EMPLOYMENT INFORMATION (Please provide business information for the past 10 years and/or attach resume)

MAY WE CONTACT THESE EMPLOYERS TO VERIFY EMPLOYMENT? ☐Yes ☐ No

Currently employed ☐Yes ☐ No	Name of employer (or former employer)	Title	Telephone

Business address	City	State/Province	Zip/Postal Code	Dates of employment

Please describe your responsibilities:	Annual income

Currently employed ☐Yes ☐ No	Name of next most recent employer	Title			Telephone
Business address	City	State/Province	Zip/Postal Code		Dates of employment
Please describe your responsibilities:					Annual income

GENERAL INFORMATION

Do you have previous sales experience? If yes, please describe:

How did you hear about us?	*What other businesses are you investigating?*	
How long have you been seeking your own business?	*What is your desired market?*	
Are you willing to relocate? If yes, where?	*Can you give the business your full time?* ☐Yes ☐ No	*Do you intend to run this business yourself?* ☐Yes ☐ No
If qualified, when would you be ready to start your business?	*Have you ever been convicted of a felony* ☐Yes ☐ No	
Have you or any company you have owned or managed ever filed bankruptcy, reorganized due to insolvency, gone out of business, or compromised a debt? ☐Yes ☐ No *If yes, please explain.*		
Are you now, or have you ever been party to any lawsuit – either as defendant or plaintiff? ☐Yes ☐ No *If yes, please explain.*		
Are you a partner or officer in any other venture? ☐Yes ☐ No *If yes, please explain*		
Do you have any contingent liabilities for guarantees, endorsements, leases, etc? ☐*Yes* ☐ *No*	*Have you ever been convicted of any offense (including misdemeanors for which you were fined $200 or more?* ☐*Yes* ☐ *No*	

If you answered "yes" to any of the above questions or if there is any other information you believe is pertinent to your experience, background, or knowledge, not already covered in this profile, please explain on a separate piece of paper and include with the profile.

If other individuals/partners will be involved with you and on the Franchise Agreement, list names and addresses below. (They must also complete a candidate profile.)
1.)
2.)

FINANCIAL STATEMENT

ASSETS	IN EVEN DOLLARS	LIABILITIES	IN EVEN DOLLARS
Cash on hand and in banks	$	Notes payable to banks – secured	$
Marketable securities	$	Notes payable to banks – unsecured	$
Non-marketable securities	$	Amounts payable to others	$
Residence market value	$	Accounts payable to others	$
Partial interest in real estate equities	$	Accounts and bills due	$
Real estate owned	$	Unpaid income tax	$
Loans receivable	$	Other unpaid taxes and interest	$
Automobiles and other personal property	$	Mortgage on residence	$
Cash value – Life Insurance	$	Real estate mortgages payable	$
Other assets – Itemize:	$	Other debts – Itemize:	$
	$		$
	$		$
	$		$
	$		$
TOTAL ASSETS	$	TOTAL LIABILITIES	$
		NET WORTH (Assets minus liabilities)	$

APPLICATION FOR FRANCHISE

By signing below, I authorize Alliance Franchise Brands LLC or any of its affiliates (collectively, "AFB") to start an investigative background check (including information as to my character, general reputation, personal characteristics and mode of living) and credit investigation based on information voluntarily provided by me to AFB, including, without limitation, the information I provide in this Application which I warrant is true and accurate. I understand that I have a right to request that AFB make a complete and accurate disclosure of the nature and scope of such investigation. This is my authorization to credit reporting agencies, banks, creditors and suppliers to release to AFB, and to AFB to release to such parties, all information requested regarding my depository, loan or other credit information, including, without limitation, financial information, by telephone or in writing as part of the normal credit evaluation process. I release AFB from any liability with respect to the release of any such requested information. If I am requesting that AFB make a credit determination based on my creditworthiness combined with any co-applicants, I authorize AFB to discuss any derogatory credit items, and any other information AFB obtains in connection with the investigation, with such co-applicants.

You promise that you have supplied all information to the best of your ability and understand that we rely upon this information in assessing your qualifications. You understand that this profile is not a contract and is in no way binding on you or us and does not mean or imply that a franchise will be offered.

Signature	Date
Name Printed	
Signature	Date
Name Printed	

EXHIBIT D

GUARANTY AND ASSUMPTION OF OBLIGATIONS

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS IS GIVEN ON ___ _____, by _____ _____ (the "Guarantor").

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date (as amended, modified, restated or supplemented from time to time, the "Agreement") by Alliance Franchise Brands LLC (the "Franchisor"), and _____ ("Franchisee"), each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; and (4) any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability.

Each undersigned Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Guarantor hereby consents and agrees that:

(a) Guarantor's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and the other guarantors and owners of Franchisee;

(b) Guarantor shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(c) Guarantor's liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement;

(d) This undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of the Agreement by a trustee of Franchisee. Neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(e) Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and

(f) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

Guarantor agrees to be personally bound by the arbitration obligations under Section 17.F of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section 17.F of the Agreement in accordance with its terms.

Remainder of page intentionally blank

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

GUARANTOR(S)	**PERCENTAGE OWNERSHIP IN FRANCHISEE**
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____

SPOUSAL ACKNOWLEDGMENT OF GUARANTY

The undersigned, as the spouse of the Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty.

_____	_____
Name of Guarantor	Name of Guarantor
_____	_____
Name of Guarantor's Spouse	Name of Guarantor's Spouse
_____	_____
Signature of Guarantor's Spouse	Signature of Guarantor's Spouse
_____	_____
Name of Guarantor	Name of Guarantor
_____	_____
Name of Guarantor's Spouse	Name of Guarantor's Spouse
_____	_____
Signature of Guarantor's Spouse	Signature of Guarantor's Spouse

EXHIBIT E

CONFIDENTIALITY AND NON-SOLICITATION AGREEMENT

CONFIDENTIALITY AND NON-SOLICITATION AGREEMENT

This Confidentiality and Non-Solicitation Agreement ("Agreement") is made and entered into on _____, by and between _____ ("Franchisee") and _____ ("Covenantor").

1. Background. Alliance Franchise Brands LLC ("Franchisor") has executed or intends to execute a "Franchise Agreement" with Franchisee under which Franchisor grants to Franchisee certain rights with regard to an RSVP business (each referred to herein as a "Business"). As [an employee of Franchisee] or [an officer / a director / general partner / managing member of Franchisee], Covenantor may have access to the Confidential Information (as defined below) and may have access to the back end of Franchisee's local website, online profiles, social media accounts, management information systems, customer relationship management systems, or other online presences (the "Online Presences") utilized by Franchisee in connection with the operation of its Business. Before allowing Covenantor access to the Confidential Information and back end of Online Presences and as a material term of the Franchise Agreement necessary to protect Franchisor's proprietary rights in and Franchisee's right to use the Confidential Information, and to ensure compliance with applicable data privacy laws, Franchisor and Franchisee require that Covenantor enter into this Agreement.

As a condition of Covenantor's employment or continued employment with Franchisee or Covenantor's appointment as a director or officer of Franchisee and to induce Franchisor to enter into the Franchise Agreement, Covenantor agrees to enter into this Agreement. Due to the nature of Franchisor's and Franchisee's business, any use or disclosure of the Confidential Information or Online Presences other than in accordance with this Agreement will cause Franchisor and Franchisee substantial harm.

2. Confidential Information. Covenantor agrees to use the Confidential Information only to the extent reasonably necessary to perform his or her duties on behalf of Franchisee. Covenantor acknowledges and agrees that neither Covenantor nor any other person or entity will acquire any interest in or right to use the Confidential Information under this Agreement or otherwise other than the right to utilize it as authorized in this Agreement and that the unauthorized use or duplication of the Confidential Information would be detrimental to Franchisor and Franchisee and would constitute a breach of Covenantor's obligations of confidentiality and an unfair method of competition with Franchisor and/or other Businesses owned by Franchisor or franchisees. Covenantor acknowledges and agrees that the Confidential Information is confidential to and a valuable asset of Franchisor. Covenantor agrees that during the term of the Franchise Agreement and thereafter, it will maintain the confidentiality of the Confidential Information. The term "Confidential Information" as used in this Agreement means certain confidential and proprietary information relating to the development and operation of the Businesses, which includes, but is not limited to: (1) training materials, programs, and systems for franchisees and personnel of the Businesses; (2) methods, techniques, formats, distinctive systems, specifications, standards, procedures, and knowledge of and experience in the development and operation of the Businesses; (3) marketing promotional programs for the Businesses; (4) knowledge of specifications for supplies and suppliers; (5) knowledge of operating results and financial performance of the Businesses; (6) the Businesses' customer lists; and (7) passwords and other login credentials and information for any Online Presences utilized by Franchisee and the Business.

3. Data Privacy. By accessing the back end of Franchisee's Online Presences, Covenantor may have access to data that is protected by laws restricting collection, use, disclosure, processing, and free movement of personal data and personal information (collectively, the "Personal Data"), which laws include but are not limited to the California Consumer Privacy Act, Colorado Privacy Act, Connecticut

Data Privacy Act, Virginia Consumer Data Protection Act, and Utah Consumer Privacy Act(such laws, as amended, are collectively referred to as "Privacy Regulations"). Covenantor acknowledges and agrees that it will: comply with all applicable Privacy Regulations; maintain appropriate security measures to protect the confidentiality of Personal Data and passwords; not use any Personal Data or passwords other than for performing its duties on behalf of Franchisee; and comply with the privacy policy applicable to Personal Data collected on any Online Presences owned or maintained by Franchisee. Covenantor further agrees to comply with any requests to return or delete Personal Data, whether requested by Franchisee, or directly by the customer, as required by applicable data sharing and privacy laws.

4. Covenantor Representations, Warranties, and Acknowledgements. Covenantor represents and warrants that in performing its duties on behalf of Franchisee it will not (a) attempt to gain unauthorized access to accounts or other information not intended for Covenantor through hacking, password mining, or any other means, (b) use or access any Online Presence for any purpose other than performing its duties on behalf of Franchisee, (c) interfere with any third party's use or enjoyment of any Online Presence, including without limitation by submitting a virus to the Online Presence, or (d) place any malicious content on any Online Presence. Covenantor further represents and warrants that it will perform its duties in a professional and workman-like manner. Covenantor acknowledges and agrees that its use of and access to the Online Presences also are subject to the terms of use, as they are periodically amended, on any applicable Online Presence.

5. Non-Compete. Covenantor agrees that for as long as Covenantor is (a) a director, officer, general partner, or managing member of Franchisee, or (b) an employee of Franchisee who will have access to Confidential Information, Covenantor shall not (i) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (defined below); or (ii) perform services as a director, officer, member, employee, manager, consultant, representative, agent, or otherwise for any Competitive Business. Covenantor further acknowledges that the restrictions contained in this Section will not hinder its activities or those of members of its immediate family under this Agreement or in general. The term "Competitive Business" as used in this Agreement means (i) any business offering or selling any products or services that Franchisor may periodically authorize Businesses to sell (collectively, the "Products"), and (ii) any business granting franchises or licenses to others to operate the types of businesses specified in subparagraph (i).

6. Post-Term Obligations.

a. Upon the first to occur of: (a) termination or expiration without renewal of the Franchise Agreement; or (b) the date as of which Covenantor is neither (i) a director, officer, general partner or managing member of Franchisee or (ii) an employee of Franchisee who will have access to Confidential Information (each of these events is referred to as a "Termination Event"), Covenantor agrees that for a period of two years commencing on the effective date of a Termination Event, Covenantor shall not, directly or indirectly, on Covenantor's own behalf or on behalf of any other person, whether as owner, employee, agent, consultant, or in any other capacity, (i) solicit, induce, or attempt to solicit or induce any current or former customer of Franchisee that is included in Franchisee's customer database ("Customer") to terminate or modify its use of the Products; or (ii) solicit the sale of or sell products similar to the Products to Customers, except to Customers who have an existing relationship with a Competitive Business at which Covenantor is employed after a Termination Event.

b. Covenantor agrees that as of the effective date of a Termination Event Covenantor shall immediately cease to use the Confidential Information disclosed to or otherwise learned or acquired by Covenantor and return to Franchisee or to Franchisor if directed by Franchisor all copies of the Confidential Information loaned or made available to Covenantor.

7. Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver of such term, covenant, or condition, nor shall any waiver or relinquishment of any right or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right or remedy at any other time or times.

8. Third-Party Beneficiary. Franchisor shall be deemed a third-party beneficiary of this Agreement and shall have the right to enforce this Agreement directly.

9. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple counterparts as of the day and year first above written.

Covenantor:	**Franchisee**:
_____	_____
_____	_____
Signature of **Covenantor**	By:
	Its:
Home Address:	
_____	

YOUR EMPLOYMENT WITH

_____

_____ ("Franchisee") is an independent owner and operator of a franchised location of the RSVP franchise system. As an independent business owner, Franchisee is solely responsible for the daily operation of its RSVP business, including the terms and conditions of your employment and compliance with federal, state, and local employment laws.

As an employee of Franchisee, you understand and agree that only Franchisee is responsible for your employment, including, without limitation, your recruitment, hiring, training, work hours and scheduling, work assignments, safety and security, compensation, benefits, discipline, and supervision. You acknowledge and agree that Alliance Franchise Brands LLC, the franchisor of the RSVP franchise system, and its affiliates have no authority or control over the terms and conditions of your employment with Franchisee. By signing the acknowledgment below, you agree that the above statements are true and correct.

ACKNOWLEDGMENT

I understand and agree that I am employed by _____ ("Franchisee"), and that only Franchisee is responsible for the terms and conditions of my employment, including my recruitment, hiring, training, work hours and scheduling, work assignments, safety and security, compensation, benefits, discipline, and supervision. I also understand and agree that Franchisee operates an RSVP business and that while Alliance Franchise Brands LLC is the franchisor of the RSVP franchise system, Franchisee is my sole employer and the sole owner and operator of its RSVP business. I further acknowledge that the recruitment, hiring, training, work hours and scheduling, work assignments, safety and security, compensation, benefits, discipline, and supervision for my employment with Franchisee has been done, and is done, only by Franchisee and that neither Alliance Franchise Brands LLC nor any of its affiliates had or have any involvement in any of these functions or had or have any control or authority over my employment with Franchisee.

EMPLOYEE:	**FRANCHISEE:**
_____	_____
_____	_____
Signature of **Employee**	By: _____
	Its: _____

EXHIBIT F

REPRESENTATIONS AND ACKNOWLEDGEMENT STATEMENT

REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT

DO NOT SIGN OR INITIAL THIS QUESTIONNAIRE AND ACKNOWLEDGMENT FORM IF YOU ARE A RESIDENT OF OR YOUR BUSINESS WILL BE LOCATED IN, OR THE FRANCHISE GRANTED IS SUBJECT TO THE FRANCHISE REGISTRATION AND DISCLOSURE LAWS IN: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

The purpose of this Statement is to demonstrate to Alliance Franchise Brands LLC ("Franchisor") that the person(s) signing below ("I," "me" or "my"), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of an RSVP Business is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor's Franchise Disclosure Document and Exhibits (collectively, the "FDD") in deciding to purchase the franchise.

In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the marketplace generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD, including the Franchise Agreement, at least 14 calendar days before I executed the Franchise Agreement. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these documents and only in these documents. I acknowledge that I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Has the Franchisor or any of its officers, employees or agents (including any franchise broker) made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD? ☐ Yes ☐ No (Initial Here: ____) If you selected "Yes," please describe the statement, promise or assurance on the lines below: _____ _____.	INITIAL:

Has your decision to purchase the franchise been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise? ☐ Yes ☐ No (Initial Here: ____) If you selected "Yes," please describe the representations or promises made on the lines below: _____ _____.	INITIAL:
I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.	INITIAL:
PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED. Have you received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success) other than information contained in the FDD? ☐ Yes ☐ No (Initial Here: ____) If you selected "Yes," please describe the information you received on the lines below: _____ _____.	INITIAL:

Prohibited Parties Clause. I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department's List of Specially Designated Nationals;

2. the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List, or General Orders;

3. the U.S. State Department's Debarred List or Nonproliferation Sanctions; or

4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists, sponsors, or supports

terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

FRANCHISEE:

Sign here if you are taking the franchise as an
INDIVIDUAL(S)
(Note: use these blocks if you are an individual or a partnership but the partnership is not a separate <u>legal</u> entity)

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a
CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

_____
Print Name of Legal Entity

By: _____
Signature

Print Name: _____
Title: _____
Date: _____

EXHIBIT G

LOCAL WEBSITE ENROLLMENT FORM

Local Website Enrollment Form

This form is to be completed by Franchise Members to gain access to the website platform. For questions, please contact the Marketing Team.

Section 1: Market Information

Please enter the general information regarding your Market(s) below.

Franchise Member Name	Market	Email Address

Section 2: Domain Name

Your vanity URL is: _____

Your vanity URL can be used for email and marketing purposes. However, for your new website, it will redirect to a web server URL, which will be: RSVPadvertising.com/CITY.

Section 3: Enrollment

The monthly fee is subsidized by the marketing fund. While there is not currently an additional out-of-pocket cost to you, this is subject to change. By signing below, you authorize these changes.

Add on programs, if applicable, have additional costs which are paid directly by the Franchise Member. Any additional expense will be quoted separately and invoiced by our third-party provider.

Section 4: Privacy Compliance and Data Requests

You have an obligation to comply with all applicable privacy laws, and you must adhere the terms of the privacy policy including but not limited to provisions detailing how Personal Information is collected, used and shared. If a consumer provides you with a data request, you must comply in compliance with applicable law or you may be subject to fines and penalties.

By signing below, you acknowledge that enrollment is subject to the Terms and Conditions attached hereto, which are incorporated herein by this reference.

Franchise Member Signature: _____

Date: _____

TERMS AND CONDITIONS

Please read these Terms and Conditions carefully as they are incorporated into and made a part of the Website Enrollment Form (the "Form"). If you do not accept these Terms and Conditions, do not execute this Form. Your execution of this Form confirms your acceptance of these Terms and Conditions. Capitalized terms not defined under these Terms and Conditions shall have the meaning provided in the Form.

1. Franchise Member acknowledges that neither Alliance Franchise Brands LLC ("AFB") nor its affiliates provide any minimum service level commitment related to the Services.
2. "Services" refers to any and all of the services and software required or offered under this Form.
3. Franchise Member shall at all times maintain sufficient Internet connectivity, hardware, operating systems and Internet browsers to meet the minimum specifications of the Services then in effect.
4. "Personal Information" means any information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household.
5. Franchise Member shall include a notification in all email correspondence it sends disclosing that it is an independently owned and operated business.
6. Franchise Member acknowledges that it is not permitted to register a domain name that includes an AFB trade name or trademark.
7. AFB retains all rights, title and interest, including all intellectual property rights, in and to its trademarks and trade names, and all marketing and other materials using such intellectual property, and all domain names and website templates used for any location or Center.
8. Please visit www.alliancefranchisebrands.com/privacy-policy to view our detailed Privacy Policy, which is hereby incorporated into and made a part of the Form.
9. Franchise Member is and will remain responsible for administering and maintaining the confidentiality of its passwords and for all activities conducted using the Services and other login information assigned by AFB or its affiliates, including any use that Franchise Member subsequently contends was not authorized by Franchise Member.
10. Franchise Member acknowledges that it has no expectation of privacy, and that AFB may access information gathered utilizing the Services for support and training, and information related to sales, buying, product trends and other sales and marketing information which may be used for marketing purposes and conducting customer satisfaction and feedback surveys. Notwithstanding the foregoing, Franchise Member further acknowledges that AFB is not obligated to monitor Franchise Member's or its employees' activity. Beyond support and training, and the aforementioned marketing and customer survey purposes, AFB's current policy is to access the Services only: a) for technical support purposes; b) as required by law; c) to enforce your Franchise Agreement; and/or d) to protect the rights and/or property of AFB; however, that policy is subject to change by AFB at any time without advance notice to Franchise Member.
11. Franchise Member may not use the Services, or information gathered utilizing the Services, in violation of applicable laws, including without limitation the CAN-SPAM Act and any other anti-spam laws. Franchise Member further acknowledges their obligation to implement administrative, physical and technical safeguards to protect information processed through the Services in accordance with the Franchise Agreement and all applicable laws, including without limitation those relating to data privacy. Franchise member authorizes AFB or its affiliates to export customer and prospect lists ("Customer Data") on a monthly basis for the purpose of expediting participation in marketing programs. Franchise Member warrants that their collection and use of Customer Data and the messaging its communicates to its customers and prospects, meets the requirements under applicable laws and agrees to notify AFB in writing upon receipt of all unsubscribe requests from its customers and prospects. Franchise Member shall be solely liable and shall indemnify AFB for any fines or penalties for failure to comply with applicable laws.
12. Franchise Member acknowledges their obligation under the Franchise Agreement to obtain and maintain in force cyber and privacy liability policies, for at least the minimum coverage prescribed by AFB, at Franchise Member's sole expense. Franchise Member shall obtain insurance coverage for their Center in such amounts that Franchise Member deems appropriate, based on their own independent investigation. Failure to comply with these obligations may result in the termination of the Services.
13. To the fullest extent permitted by applicable law, AFB and its affiliates disclaim all warranties, express or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose of the Services. Neither AFB nor its licensors and affiliates warrant that the Services are error-free, free of viruses or other harmful components. The Indemnified Parties (defined below) will not be liable to Franchise Member or to any other person under any circumstances and under no legal or equitable theory, in tort (including negligence), contract, strict liability, or otherwise, for any direct, indirect, incidental, special, punitive, consequential or exemplary damages arising out of or in any way related to the Form or these Terms and Conditions or the use of or any aspect of the Services, including,

without limitation, damages for loss of profits, goodwill, use, data, work stoppage, accuracy of results, computer failure or malfunction, or other intangible losses (even if the Indemnified Parties have been advised or should have known of the possibility of such damages). The liability, if any, of AFB under this Form and these Terms and Conditions for any claims, costs, damages, losses and expenses for which it is or may be legally liable, whether arising in negligence or other tort, contract, or otherwise, will not exceed in the aggregate the amount of any fees Franchise Member paid to AFB for the preceding 3-month period, measured from the date the liability accrues.

14. Franchise Member shall indemnify and hold harmless AFB and its parents, subsidiaries, affiliates, successors and assigns (and its and their owners, officers, directors, employees, licensees and representatives) (collectively, the "Indemnified Parties") from and against any and all claims, fines, penalties, demands, suits, actions, judgments, damages, costs, losses, expenses (including reasonable attorneys' fees and expenses), settlement amounts and other liabilities which may be claimed by a third party or otherwise incurred directly by AFB arising from (i) any action by Franchise Member that causes an Indemnified Party to be in violation of its agreement with a third party provider; (ii) any allegation of a breach or actual breach of law in connection with Franchise Member's use of the platform or the Services; (iii) Franchise Member's breach of the Form or these Terms and Conditions; (iv) any failure by Franchise Member or any employee, or affiliate of Franchise Member to comply with this Form and the Terms and Conditions; (v) any failure by Franchise Member to comply with the privacy policy set forth on the Website; (vi) any negligent act, fraud or willful misconduct of Franchise Member or its subcontractors, sales agents or employees; or (vii) any failure by Franchise Member or its subcontractors, employees, or sales agent to comply with any state or federal laws or regulations.
15. Upon cancellation of Franchise Member's enrollment in any of the Services for any reason, or termination or expiration of Franchise Member's Franchise Agreement, Franchise Member will no longer have any rights to use the designated Services or access such Services. Additionally, if Franchise Member is in default under its Franchise Agreement with AFB or an affiliate or is not compliant with the mandatory system standards periodically established by AFB, then AFB may suspend the Services until such time as Franchise Member has cured all defaults under the Franchise Agreement and is compliant with the mandatory system standards.
16. For quality assurance, AFB or certain of its third-party software licensors (including AT Integrated, Inc.) (the "Software Providers") may record and/or monitor calls and e-mails between you, your Center, or your Center's agents, employees, and/or affiliates and (i) the Software Providers, and the employees, agents and affiliates of the Software Providers, and/or (ii) people who contact your Center through the tracking telephone numbers or contact forms provided by such Software Providers (together, "Call Recording and Monitoring"). You hereby consent to any and all Call Recording and Monitoring performed by any Software Providers.
17. Some of the Services may be provided through third-party websites. Such websites are not under AFB's control and AFB and its affiliates explicitly disclaims any responsibility for the security, accuracy, content or availability of the information, products, and/or services found on or through such websites. AFB and its affiliates cannot guarantee that such websites will be available or operate in secure and uninterrupted, delayed or error-free manner. AFB and its affiliates do not endorse and have not taken any steps to confirm the accuracy or reliability of any of the information, products or services, or the Services contained on or through such websites. AFB and its affiliates do not make any representations or warranties as to the security or use of any information Franchise Member might provide on or through any such websites. Franchise Member should review the third parties' terms of use and privacy policies before using their services.
18. If Franchise Member fails to timely make payments when due as provided in the Form and these Terms and Conditions, including as a result of insufficient funds in the account Franchise Member designated for EFT/PAD or denial of payment from the credit card Franchise Member authorized, Franchise Member will pay interest on such late payments at the rate of one and one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less. The interest shall be calculated from the date payment is originally due until the payment is paid in full. If AFB incurs any costs from a third party related to collecting overdue fees, Franchise Member agrees to pay such costs. In addition to the foregoing, failure to timely make payments may result in the termination of the Services.
19. Franchise Member acknowledges that if Franchise Member is an entity, the individual signing on behalf of Franchise Member has all necessary power and authority to execute and deliver this Form on behalf of Franchise Member.
20. AFB shall have the right to modify the Form or these Terms and Conditions and shall provide Franchise Member access to such updated Form or Terms and Conditions. Within 30 days of receipt of the updated Form or Terms and Conditions, Franchise Member shall review and return a signed copy to AFB. Failure to comply with this section may result in termination of the Services.

EXHIBIT H

PROMISSORY NOTE

Plymouth, Michigan
Principal Amount: _____ **Issue Date: _____**

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, _____, a _____ ("Debtor"), hereby promises to pay to the order of **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company ("Payee"), or any successor holder of this promissory note (the "Note"), in lawful money of the United States of America, the principal sum of $_____, [***Include for Option 1:***][with interest on the unpaid principal sum owing hereunder at the then current prime interest rate plus 2% per annum, all payable in the manner and at the times provided below].

This Note is issued for monies owed by Debtor to Payee due under that certain franchise agreement of even date herewith between Debtor and Payee (the "Franchise Agreement"), specifically, for [***Include for Option 1:***][up to 50% of] the territory fee as detailed in Section 3.B of the Franchise Agreement. Capitalized terms used herein, but not defined, shall have the meanings assigned to them in the Franchise Agreement.

[***Option 1***: The principal indebtedness evidenced by this Note shall be payable by Debtor making monthly payments, via electronic funds transfer, to Payee on the 20th day of each month (the "Note Payments") in the amount of $_____ per month for 36 months, beginning on _____ and ending on _____. The outstanding principal balance shall become due and payable on the third anniversary of the Issue Date (the "Maturity Date") and Debtor shall pay all outstanding principal balance, interest accrued thereon and any costs, fees or other charges incurred in connection therewith.]

[***Option 2***: All national account reimbursements due to you under Section 8.B of the Franchise Agreement first will be applied to the Principal Amount of this Note until paid in full.]

Upon the occurrence of an Event of Default or a Transfer Event (both as defined below), without notice by Payee to, or demand by Payee of, Debtor, all outstanding payments due hereunder shall be immediately due and payable forthwith and the outstanding principal balance hereof shall accrue interest at the annual rate of 18% or the highest legal rate of interest, whichever is lower.

This Note may be prepaid in whole or in part at any time. All payments on this Note shall be applied first to the payment of all costs, fees or other charges incurred in connection with the indebtedness evidenced hereby, next to the payment of accrued interest, then to the reduction of the principal amount.

Debtor shall remain liable for the payment of this Note, including interest, notwithstanding any extension of time of payment or any indulgence of any kind or nature that Payee may grant to Debtor, whether with or without notice to Debtor, and Debtor hereby expressly waives such notice. No release of any or all of the security given for this obligation shall release any other maker, co-maker, surety, guarantor or other party hereto in any capacity. Payee shall not be required to look first to any collateral for payment of this Note but may proceed against Debtor in such a manner as it deems desirable.

All of Payee's rights and remedies under this Note are cumulative and non-exclusive. The terms of this Note may be waived only by a written instrument signed by Payee. No waiver by Payee of any breach hereof or default hereunder shall be deemed a waiver of any preceding or succeeding breach or default and no failure by Payee to exercise any right or privilege hereunder shall be deemed a waiver of Payee's rights to exercise the same or any other right or privilege at any subsequent time.

The occurrence of any one or more following events (regardless of the reason therefor) shall constitute an "Event of Default" hereunder:

(a) Debtor fails to make any Note Payment or any other payment due under this Note when due and payable or declared due and payable;

(b) Debtor fails to comply with the covenants contained herein;

(c) Debtor files a bankruptcy petition, a bankruptcy petition is filed against Debtor, or Debtor makes a general assignment for the benefit of creditors;

(d) Any default occurs under the Franchise Agreement or any other agreement between Debtor (or any affiliate) and Payee; or

(e) The Franchise Agreement is terminated or expires.

A "Transfer Event" under this Note shall mean a voluntary, involuntary, direct, or indirect assignment, sale, pledge, gift or other disposition of any interest in this Note, the Franchise Agreement, Debtor, any of Debtor's owners or substantially all of the assets of Debtor's RSVP Business operated pursuant to the Franchise Agreement.

Debtor hereby irrevocably waives diligence, presentment and demand for payment, protest, notice, notice of protest and nonpayment, dishonor and notice of dishonor and all other demands or notices of any and every kind whatsoever.

Debtor agrees to pay, upon Payee's request, any and all costs, fees and expenses (including reasonable attorneys' fees) incurred by Payee in enforcing any of Payee's rights hereunder, whether or not a legal proceeding is commenced, and including in any appeal or bankruptcy.

Should this Note be signed by more than one person, firm or corporation or combination thereof, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof. In such case the liability of each such person shall be absolute, unconditional and without regard to the liability of any other party hereto.

This Note is not negotiable nor is it assignable, provided, however, Payee may assign this Note upon a sale of substantially all of its assets or to an affiliate at any time.

In the event any one or more of the provisions of this Note shall for any reason be held invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then, and in either of such events, such provision or provisions only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect.

The validity, construction and enforceability of this Note shall be governed in all respects by the laws of the State of Michigan, without regard to its conflicts of laws rules. Any dispute relating to this Note shall be governed by the dispute resolution provisions of the Franchise Agreement.

Time is of the essence with respect to all Debtor's obligations and agreements under this Note.

Signature page follows

DEBTOR:

_____, a _____

_____

By: _____

Its: _____

Each of the undersigned acknowledges and agrees that the loan represented by this Note is for payment of amounts due to Payee under the Franchise Agreement and, therefore, Debtor's obligations under this Note are personally and unconditionally guaranteed by the undersigned under that certain Guaranty and Assumption of Obligations executed concurrently herewith by the undersigned for Debtor's obligations under the Franchise Agreement.

_____

_____, individually

_____

_____, individually

EXHIBIT I

LIST OF CURRENT FRANCHISEES

Current Franchisee	Franchisee Name	Territory[1] Name	Territory State	Franchisee Principal Business Address	City	State	Zip	Business Phone
RSVP, Arizona, L.L.C.	Scott & Patricia Rubel	Phoenix Market	AZ	130 E. Lamar Rd.	Phoenix	AZ	85012	(480) 874-2500
RSVP, Arizona, L.L.C.	Scott & Patricia Rubel	Tucson Market	AZ	130 E Lamar Rd	Phoeniz	AZ	85012	(480) 874-2500
andONE Media	Benjamin Tillery	Northern California Market	CA	445 Tobacco Pass	New Braunfels	TX	78132	(888) 729-2818
Competitive Edge Marketing, Inc.	Thomas Kevin Galligan	Orange County CA Market	CA	2293 Soledad Rancho Rd	San Diego	CA	92109	(858) 279-7787
Competitive Edge Marketing, Inc.	Thomas Kevin Galligan	Riverside Market	CA	2293 Soledad Rancho Rd	San Diego	CA	92109	(858) 279-7787
andONE Media	Benjamin Tillery	Sacramento Market	CA	445 Tobacco Pass	New Braunfels	TX	78132	(888) 729-2818
Competitive Edge Marketing, Inc.	Thomas Kevin Galligan	San Diego Market	CA	2293 Soledad Rancho Rd	San Diego	CA	92109	(858) 279-7787
Hejna Supply LLC	Colby Harper	Fort Collins Market	CO	9001 Lightner Circle	Hickman	NE	68372	(402) 640-5508
Integrated Marketing Solutions of Florida, LLC	Ronald Raybourne	Orlando Market	FL	641 W. Fairbanks Ave., Suite 220	Winter Park	FL	32789	(407) 790-7254
RSVP of S Florida LLC[2]	Mitchell Ziffer	Palm Beach Market	FL	10511 Santa Laguna Drive	Boca Raton	FL	33428	(561) 402-0453
Sarasota Care Company LLC	Kevin & Rhea Riffle	Sarasota Market	FL	10221 Canaveral Circle	Sarasota	FL	34241	(213) 999-1428
Sarasota Care Company LLC	Kevin & Rhea Riffle	St. Petersburg Market	FL	10221 Canaveral Circle	Sarasota	FL	34241	(213) 999-1438
Sarasota Care Company LLC	Kevin & Rhea Riffle	Tampa Market	FL	10221 Canaveral Circle	Sarasota	FL	34241	(213) 999-1428
YHP.com Publications, LLC	William & Lysbeth Hamlin	Atlanta Market	GA	6650 Fox Creek Drive	Cumming	GA	30040	(678) 905-4842
andOne Media Incorporated	Benjamin Tillery	Boise Market	ID	1659 State Hwy 46 West, Suite 115	New Braunfels	TX	78132	(210) 757-4984

Current Franchisee	Franchisee Name	Territory[1] Name	Territory State	Franchisee Principal Business Address	City	State	Zip	Business Phone
R2D2-4, Inc.	Andrew Denon, David Dilger, Donal Quaid, & Richard Norwood	Chicago - North Shore Market	IL	12305 S. New Ave., Unit G	Lemont	IL	60439	(630) 914-7391
R2D2-4, Inc.	Andrew Denon, David Dilger, Donal Quaid, & Richard Norwood	Chicago - South/Southwest Market	IL	12305 S. New Ave., Unit G	Lemont	IL	60439	(630) 914-7391
R2D2-4, Inc.	Andrew Denon, David Dilger, Donal Quaid, & Richard Norwood	Chicago - West Market	IL	12305 S. New Ave., Unit G	Lemont	IL	60439	(630) 914-7391
T6 Marketing Advantage LLC	Greg Thomson	Indianapolis Market	IN	9922 Northwind Circle	Indianapolis	IN	46256	(317) 809-3622
Marketing Direct Solutions, Inc.	Andrew Martines; Stacy Sternen-Martines; Michael Martines	Louisville Market	KY	22831 Byron Road	Shaker Heights	OH	44122	(440) 641-0270
S & J Enterprises, LLC	Steve & Barbara Sarno	Boston Market	MA	45 Skytop Road	Ipswich	MA	01938	(508) 254-4546
LOAP Marketing, LLC	Michael Cummings	Detroit - Oakland and Macomb Counties MI Market	MI	10089 Longford Court	South Lyon	MI	48178	(248) 437-6111
PinPoint AZ LLC	Michael Jorgensen	Minneapolis Market	MN	8333 N. Via Paseo del Norte, Unit 1028	Scottsdale	AZ	85258	(952) 474-7131
EWO Marketing Group, Inc.	Wallace Olson	Kansas City Market	MO	1933 Frazer Avenue	Sparks	NV	89431	(775) 225-4483
EWO Marketing Group, Inc.	Wallace Olson	St. Louis Market	MO	1933 Frazer Avenue	Sparks	NV	89431	(775) 225-4483
New Schus, LLC	Blake Schumacher	Asheville Market	NC	4260 Shorebrook Drive	Columbia	SC	29206	(704) 527-5848
New Schus, LLC	Blake Schumacher	Charlotte Market	NC	4260 Shorebrook Dr.	Columbia	SC	29206	(217) 552-0715

Current Franchisee	Franchisee Name	Territory[1] Name	Territory State	Franchisee Principal Business Address	City	State	Zip	Business Phone
NC Marketers LLC	Justin & Chantry Hurt	Piedmont NC Market	NC	12504 Angel Falls Road	Raleigh	NC	27614	(540) 257-1426
NC Marketers LLC	Justin & Chantry Hurt	Raleigh Market	NC	12504 Angel Falls Road	Raleigh	NC	27614	(540) 257-1426
Hall Publishing LLC	Terry Hall	Wilmington Market	NC	1121C Military Cutoff Rd, Suite 333	Wilmington	NC	28405	(910) 208-4935
Hejna Supply LLC	Colby Harper	Omaha Market	NE	9001 Lightner Circle	Hickman	NE	68372	(402) 610-5508
Gersbeck Business Solutions Inc.	Joseph Gersbeck	Monmouth and Ocean Counties NJ Market	NJ	62 Samantha Drive	Morganville	NJ	07751	(732) 306-3419
Postcard Las Vegas, LLC	Timothy Knifton	Las Vegas Market	NV	9122 Rio Sedona Dm	Helotes	TX	78023	
Kenan Communications, Inc.	Ken & Nancy Walsh	Westchester County NY Market	NY	114 Hanson Lane	New Rochelle	NY	10804	(914) 246-4402
Marketing Solutions Direct, Inc.	Andrew Martines; Stacy Sternen-Martines; Michael Martines	Cincinnati Market	OH	22831 Byron Road	Shaker Heights	OH	44122	(440) 641-0270
Marketing Solutions Direct, Inc.	Andrew Martines; Stacy Sternen-Martines; Michael Martines	Cleveland Market	OH	22831 Byron Road	Shaker Heights	OH	44122	(440) 641-0270
Marketing Solutions Direct, Inc.	Andrew Martines; Stacy Sternen-Martines; Michael Martines	Columbus Market	OH	22831 Byron Road	Shaker Heights	OH	44122	(440) 641-0270
Majestic Marketing LLC	Kirk Dotter	Oklahoma City Market	OK	58996 CR 667	Colcord	OK	74338	(918) 688-6038
Bluesky Media Partners LLC	Wesley Ward	Portland Market	OR	2704 North Ferrall St.	Spokane	WA	99217	(509) 217-0076

Current Franchisee	Franchisee Name	Territory[1] Name	Territory State	Franchisee Principal Business Address	City	State	Zip	Business Phone
Pittsburgh Elite Marketing, Inc.	Scott Markovitz	Pittsburgh Market	PA	137 Village Court	Pittsburgh	PA	15241	(724) 744-0317
Michael P. Graham[2]	Michael P. Graham	Charleston Market	SC	3412 Henrietta Hartford Rd	Mt. Pleasant	SC	29466	(843) 971-9959
New Schus, LLC	Blake Schumacher	Columbia Market	SC	4260 Shorebrook Drive	Columbia	SC	29206	(704) 527-5848
New Schus, LLC	Blake Schumacher	Greenville Market	SC	4260 Shorebrook Drive	Columbia	SC	29206	(704) 527-5848
RSVP Lowcountry/Coastal Empire, LLC	Anthony Rizza	Hilton Head Market	SC	8 King Rail Court	Hilton Head	SC	29926	(843) 681-5825
RAM Sales of Knoxville TN LLC[3]	Ryan Moss	Knoxville Market	TN	722 Evergreen Road	Rocky Mount	NC	27803	(919) 395-0955
Innovative Marketing Services, Inc.	Anthony Sucato	Nashville Market	TN	8563 S. Mason Montgomery Rd., Suite 30 B	Mason	OH	45040	(937) 312-1705
Fusion Marketing, LLC	Brandon & Jill Wagner	Austin Market	TX	16238 RR 620 North, Suite F-234	Austin	TX	78717	(512) 203-9384
St Ives LLC	Daniel Wainwright	Dallas Market	TX	4211 Beau Chene Drive	Lake Charles	LA	70605	(337) 496-7089
St Ives LLC	Daniel Wainwright	Fort Worth Market	TX	4211 Beau Chene Drive	Lake Charles	LA	70605	(337) 496-7089
andOne Media Incorporated	Benjamin Tillery	San Antonio Market	TX	445 Tobacco Pass	New Braunfels	TX	78132	(210) 757-4984
Lars Birkeland and Kera Birkeland	Lars & Kera Birkeland	Salt Lake City Market	UT	4047 Ivy Avenue	Morgan	UT	84050	(801) 927-7693
Ashby Sales & Marketing LLC	Abel T. Ashby Jr.	Richmond Market	VA	101 N Pinetta Dr, Suite 36795	N Chesterfield	VA	23235	(804) 405-0232
Coastal Clipper of North Carolina Inc.	Paul Michael Horansky	Williamsburg Market	VA	244 Summerby Road	Roper	NC	27970	(757) 788-9205
Home Direct Studio LLC	Eric & Carrie Jones	Seattle Market	WA	2522 N. Proctor St., Suite 190	Tacoma	WA	98406	(253) 318-8312

Current Franchisee	Franchisee Name	Territory[1] Name	Territory State	Franchisee Principal Business Address	City	State	Zip	Business Phone
Home Direct Studio LLC	Eric & Carrie Jones	Snohomish Market	WA	2522 N. Proctor St., Suite 190	Tacoma	WA	98406	(253) 318-8312
Bluesky Media Partners LLC	Wesley Ward	Spokane Market	WA	2704 North Ferrall St.	Spokane	WA	99217	(509) 217-0076
Home Direct Studio LLC	Eric & Carrie Jones	Tacoma Market	WA	2522 N. Proctor St., Suite 190	Tacoma	WA	98406	(253) 318-8312

[1] Each Territory is a franchised outlet, as identified in Item 20 of the FDD.
[2] This franchisee operates a submarket location.
[3] This Territory was transferred in 2024, and subsequently ceased operations.

LIST OF FRANCHISE AGREEMENTS SIGNED BUT BUSINESSES NOT YET OPEN AS OF DECEMBER 31, 2023

None.

EXHIBIT J

LIST OF FORMER FRANCHISEES

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

FRANCHISEES CEASING TO OPERATE AS OF DECEMBER 31, 2023

Former Franchisee	Market City	Market State	City	State	Phone	Reason
Steve Floyd	San Gabriel	CA	Monrovia	CA	(626) 692-7787	Termination
Joanna Lombardi	Fairfield	CT	Bethel	CT	(203) 536-8059	Termination
Anthony Sucato	Louisville	KY	Mason	OH	(937) 312-1705	Resale
Kenneth Gioia	Kansas City	MO	Ellisville	MO	(775) 225-4483	Resale
Kenneth Gioia	St. Louis	MO	Ellisville	MO	(775) 225-4483	Resale
Ryan Moss	Piedmont	NC	Rocky Mount	NC	(919) 395-0955	Resale
Ryan Moss	Raleigh	NC	Rocky Mount	NC	(919) 395-0955	Resale
Theresa Riddle	Albuquerque	NM	Rio Rancho	NM	(505) 890-8365	Termination
Anthony Sucato	Cincinnati	OH	Mason	OH	(937) 312-1705	Resale
Anthony Sucato	Cleveland	OH	Mason	OH	(937) 312-1705	Resale
Anthony Sucato	Columbus	OH	Mason	OH	(937) 312-1705	Resale
Michael Hoffman	Oklahoma City	OK	Stillwater	OK	(918) 688-6037	Resale
Gregory & Nancy Kilgore	Columbia	SC	Greenville	SC	(803) 754-8946	Resale
Gregory & Nancy Kilgore	Greenville	SC	Greenville	SC	(803) 754-8946	Resale
Kevin Hassell	Dallas	TX	Prosper	TX	(214) 923-2877	Resale

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

FRANCHISEES WHO HAD AN OUTLET TERMINATED, CANCELED, NOT RENEWED, OR OTHERWISE VOLUNTARILY OR INVOLUNTARILY CEASED TO DO BUSINESS UNDER THE FRANCHISE AGREEMENT IN 2024, OR WHO HAVE NOT COMMUNICATED WITH THE FRANCHISOR WITHIN 10 WEEKS OF THE ISSUANCE DATE OF THE DISCLOSURE DOCUMENT

Former Franchisee	Market City	Market State	City	State	Phone	Reason
Ryan Moss	Knoxville	TN	Rocky Mount	NC	(919) 395-0955	Resale
Gregory Kilgore	Knoxville	TN	Greenville	SC	(803) 754-8946	Termination

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

EXHIBIT K

FINANCIAL STATEMENTS

Alliance Franchise Brands LLC and Subsidiaries

(a wholly owned subsidiary of Alliance Franchise Holdings LLC)

Consolidated Financial Report

December 31, 2023

Alliance Franchise Brands LLC and Subsidiaries

Contents

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Plante & Moran, PLLC
Suite 300
19176 Hall Road
Clinton Township, MI 48038
Tel: 586.416.4900
Fax: 586.416.4901
plantemoran.com

Independent Auditor's Report

To the Member
Alliance Franchise Brands LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of Alliance Franchise Brands LLC and Subsidiaries (the "Company"), a wholly owned subsidiary of Alliance Franchise Holdings LLC, which comprise the consolidated balance sheet as of December 31, 2023 and 2022 and the related consolidated statements of operations and comprehensive income, members' interest, and cash flows for the years ended December 31, 2023, 2022, and 2021, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022 and the results of its operations and its cash flows for the years ended December 31, 2023, 2022, and 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

PRAXITY™
Empowering Business Globally

To the Member
Alliance Franchise Brands LLC and Subsidiaries

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

March 21, 2024

Alliance Franchise Brands LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	$ 5,279,049	$ 6,057,545
Restricted cash - Marketing funds	2,568,828	2,500,096
Investments	1,491,681	983,860
Accounts receivable:		
Trade - Net of allowance for credit losses	2,802,862	2,582,872
Related parties (Note 13)	27,680	334,106
Contract costs - Deferred broker fees and renewals	139,416	155,446
Current portion of notes receivable - Net of allowance for credit losses	209,411	57,312
Prepaid expenses and other current assets	434,356	288,181
Total current assets	12,953,283	12,959,418
Property and Equipment - Net (Note 6)	4,042,713	4,113,644
Leased Asset - Operating - Net (Note 10)	316,073	583,626
Goodwill - Net (Note 7)	303,336	375,950
Franchise Rights - Net (Note 7)	1,390,343	1,791,688
Other Assets		
Contract costs - Deferred broker fees and renewals - Net of current portion	1,185,978	1,248,908
Notes receivable - Net of current portion and of allowance for credit losses	35,473	15,315
Deposits	22,097	22,097
Related party receivable - Net of current portion (Note 13)	800,000	800,000
Total assets	**$ 21,049,296**	**$ 21,910,646**

See notes to consolidated financial statements.

Alliance Franchise Brands LLC and Subsidiaries

Consolidated Balance Sheet (Continued)

December 31, 2023 and 2022

	2023	2022
Liabilities and Members' Interest		
Current Liabilities		
Accounts payable:		
Accounts payable	$ 1,085,320	$ 817,483
Accounts payable to related parties (Note 13)	1,000	-
Current portion of notes payable (Note 9)	661,268	632,947
Current portion of lease liability - Operating (Note 10)	304,008	293,437
Current portion of finance lease obligation	14,850	13,750
Contract liabilities	218,017	224,106
Accrued and other current liabilities (Note 12)	2,579,225	2,549,099
Total current liabilities	4,863,688	4,530,822
Notes Payable - Net of current portion (Note 9)	4,231,011	4,892,279
Lease Liability - Operating - Net of current portion (Note 10)	51,186	355,193
Finance Lease Obligation - Net of current portion	4,663	19,514
Contract Liabilities - Deferred revenue - Net of current portion	2,610,420	2,550,102
Total liabilities	11,760,968	12,347,910
Members' Interest	9,288,328	9,562,736
Total liabilities and members' interest	**$ 21,049,296**	**$ 21,910,646**

Alliance Franchise Brands LLC and Subsidiaries

Consolidated Statement of Operations and Comprehensive Income

Years Ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Revenue			
Royalty fees	$ 19,504,813	$ 18,946,464	$ 17,350,498
Franchise, technology, and marketing fees	3,545,276	3,738,562	3,653,783
Marketing fund revenue	4,388,883	4,406,842	4,392,336
Other operating revenue	1,542,782	1,413,433	744,544
Total net revenue	28,981,754	28,505,301	26,141,161
Operating Expenses			
General and administrative	17,901,775	16,983,977	15,116,464
Marketing funds	4,579,530	4,080,619	3,411,270
Costs of goods and supplies sold	2,136,808	2,284,846	2,200,600
Amortization of intangibles and goodwill	441,626	477,452	835,788
Total operating expenses	25,059,739	23,826,894	21,564,122
Operating Income	3,922,015	4,678,407	4,577,039
Nonoperating Income (Expense)			
Interest income	243,041	66,116	70,110
Loss on foreign exchange	(9,294)	(32,890)	(31,751)
Other income	60,279	339,178	314,160
Interest expense	(231,451)	(265,810)	(330,699)
PPP loan forgiveness (Note 3)	-	-	2,000,000
Total nonoperating income	62,575	106,594	2,021,820
Consolidated Net Income	3,984,590	4,785,001	6,598,859
Foreign Currency Translation	3,752	(19,967)	(2,888)
Comprehensive Income	**$ 3,988,342**	**$ 4,765,034**	**$ 6,595,971**

See notes to consolidated financial statements.

Alliance Franchise Brands LLC and Subsidiaries

Consolidated Statement of Members' Interest

Years Ended December 31, 2023, 2022, and 2021

	Members' Interest and Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance - January 1, 2021	$ 6,896,592	$ (155,535)	$ 6,741,057
Consolidated net income	6,598,859	-	6,598,859
Foreign currency translation adjustment	-	(2,888)	(2,888)
Distributions	(3,561,184)	-	(3,561,184)
Balance - December 31, 2021	9,934,267	(158,423)	9,775,844
Consolidated net income	4,785,001	-	4,785,001
Foreign currency translation adjustment	-	(19,967)	(19,967)
Distributions	(4,978,142)	-	(4,978,142)
Balance - December 31, 2022	9,741,126	(178,390)	9,562,736
Consolidated net income	3,984,590	-	3,984,590
Foreign currency translation adjustment	-	3,752	3,752
Distributions	(4,262,750)	-	(4,262,750)
Balance - December 31, 2023	**$ 9,462,966**	**$ (174,638)**	**$ 9,288,328**

See notes to consolidated financial statements.

Alliance Franchise Brands LLC and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Cash Flows from Operating Activities			
Consolidated net income	$ 3,984,590	$ 4,785,001	$ 6,598,859
Adjustments to reconcile consolidated net income to net cash, cash equivalents, and restricted cash from operating activities:			
Depreciation and amortization	796,257	842,408	1,262,471
Bad debt expense (recovery)	200,131	7,784	(136,843)
Loss (gain) on disposal - Property and equipment	32,333	(2,166)	4,065
PPP loan forgiveness	-	-	(2,000,000)
Amortization of leased asset - Operating lease	267,553	264,559	-
Changes in operating assets and liabilities that (used) provided cash, cash equivalents, and restricted cash:			
Accounts receivable	(185,264)	34,071	(264,245)
Deferred broker fees and renewals	78,960	186,279	121,182
Prepaid expenses and other assets	(146,175)	187,983	30,897
Accounts payable	268,837	193,344	330,279
Accrued and other liabilities	30,126	100,106	1,250,046
Deferred revenue	54,229	(103,301)	(125,390)
Lease liability	(293,436)	(283,155)	-
Net cash, cash equivalents, and restricted cash provided by operating activities	5,088,141	6,212,913	7,071,321
Cash Flows from Investing Activities			
Purchase of property and equipment	(283,700)	(205,292)	(234,388)
Purchases of investments - Net	(507,821)	(983,860)	-
Issuance of notes receivable	(684,808)	(416,387)	(531,625)
Collections on notes receivable	584,120	727,633	447,613
Purchase of intangible asset	-	-	(40,000)
Net cash, cash equivalents, and restricted cash used in investing activities	(892,209)	(877,906)	(358,400)
Cash Flows from Financing Activities			
Proceeds from PPP loan	-	-	2,000,000
Payments on debt	(632,947)	(604,387)	(1,657,371)
Distributions	(4,262,750)	(4,978,142)	(3,561,184)
Repayment of financing lease obligations	(13,751)	(13,179)	(21,989)
Net cash, cash equivalents, and restricted cash used in financing activities	(4,909,448)	(5,595,708)	(3,240,544)
Effect of Exchange Rate Changes on Cash, Cash Equivalents, and Restricted Cash	3,752	(19,967)	(4,894)
Net (Decrease) Increase in Cash, Cash Equivalents, and Restricted Cash	(709,764)	(280,668)	3,467,483
Cash, Cash Equivalents, and Restricted Cash - Beginning of year	8,557,641	8,838,309	5,370,826
Cash, Cash Equivalents, and Restricted Cash - End of year	**$ 7,847,877**	**$ 8,557,641**	**$ 8,838,309**
Classification of Cash, Cash Equivalents, and Restricted Cash			
Cash and cash equivalents	$ 5,279,049	$ 6,057,545	$ 6,671,263
Restricted cash	2,568,828	2,500,096	2,167,046
Total cash, cash equivalents, and restricted cash	**$ 7,847,877**	**$ 8,557,641**	**$ 8,838,309**
Supplemental Cash Flow Information - Cash paid for interest	$ 233,050	$ 266,507	$ 333,631
Significant Noncash Transactions			
Conversion of accounts receivable to notes receivable	$ 346,659	$ 164,629	$ 93,400
Assets acquired under capital leases	-	-	54,713

See notes to consolidated financial statements.

Note 1 - Nature of Business

Alliance Franchise Brands LLC (the "Company) is a wholly owned subsidiary of Alliance Franchise Holdings LLC (AFH).

Alliance Franchise Brands LLC is engaged in the business of franchising printing and marketing, sign and graphic communications, direct-mail services, and professional sign and graphic installation services centers. At December 31, 2023, the Company had 561 franchised centers and 3 corporate-owned centers. At December 31, 2022, the Company had 574 franchised centers and 5 corporate-owned centers. Effective December 31, 2021, the Company's subsidiary, KK Printing Canada ULC, was amalgamated into Alliance Franchise Brands Canada ULC. Due to the common ownership of KK Printing Canada ULC and Alliance Franchise Brands Canada ULC, the transaction has been accounted for in the accompanying consolidated financial statements at historical cost in a manner similar to a pooling of interests. The franchise agreements of KK Printing Canada ULC were transferred to Alliance Franchise Brands LLC.

Allegra Real Estate Holdings LLC is a wholly owned subsidiary of Alliance Franchise Brands LLC. The purpose of the entity is to lease space to the Company and outside tenants.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Alliance Franchise Brands LLC and its wholly owned subsidiaries, Allegra Real Estate Holdings LLC and Alliance Franchise Brands Canada ULC. All material intercompany accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the accounting alternatives for goodwill and intangibles.

Cash and Cash Equivalents

The Company holds cash at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits. The Company considers all investments with an original maturity of three months or less when purchased to be cash equivalents.

Restricted Cash

The Company has restricted cash equal to the amount of unspent marketing funds on deposit. At December 31, 2023 and 2022, $2,568,828 and $2,500,096, respectively, of cash is restricted for this purpose.

Investments

Debt securities purchased where the Company has both the positive intent and ability to hold to maturity are classified as held to maturity and are recorded at cost, adjusted for amortization of premiums and discounts, which are recognized in interest income using the interest method over the period to maturity. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the investments. The Company collectively evaluates investments to determine the allowance for credit losses based on qualitative factors associated with the U.S. Treasury bills that make up the held-to-maturity debt security balance. The Company determined an allowance of zero using an expected loss model that considers the Company’s actual historical loss rates adjusted for current economic conditions and reasonable and supportable forecasts. The Company considered the issuer being a sovereign entity and the explicit guarantee of these securities when determining reasonable and supportable forecasts.

Note 2 - Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable represent amounts due from franchisees and customers in the ordinary course of business and are recorded at the invoiced amount and do not bear interest. Accounts receivable are stated at the net amount expected to be collected, using an expected credit loss methodology to determine the allowance for expected credit losses. The Company evaluates the collectibility of its accounts receivable and determines the appropriate allowance for expected credit losses based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions and reasonable and supportable forecasts. When the Company is aware of a franchisee or customer's inability to meet its financial obligation, the Company may individually evaluate the related receivable to determine the allowance for expected credit losses. The carrying amount of the accounts receivable is reduced by an allowance for credit losses for all balances greater than 90 days past due. The Company uses specific criteria to determine uncollectible receivables to be charged-off, including bankruptcy filings, the referral of customer accounts to outside parties for collection, and the length that accounts remain past due. The recorded allowance for credit losses was $461,749 and $416,080 as of December 31, 2023 and 2022, respectively. Total trade and related party accounts receivable at January 1, 2022 were $3,944,258.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation and amortization. Assets are depreciated over their estimated useful lives. The cost of leasehold improvements is depreciated over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Goodwill

The recorded amount of goodwill from prior year acquisitions is based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company has elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. No impairment charge was recognized during the years ended December 31, 2023, 2022, or 2021.

Franchise Rights

Franchise rights are amortized over the estimated average remaining life of the franchise contracts.

The Company has elected to apply the private company accounting alternative for intangible assets acquired in a business combination developed by the Private Company Council. Under the accounting alternative, certain acquired customer-related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Notes Receivable

During the normal course of business, the Company may provide financing to franchisees in the form of notes. These notes generally relate to outstanding amounts owed by franchisees for past-due royalties.

Note 2 - Significant Accounting Policies (Continued)

Notes receivable are reported at original issue amount plus accrued interest, less principal repaid. Interest is recognized according to terms of the specific notes. An allowance for credit losses on notes receivable is determined based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions and reasonable and supportable forecasts. All amounts deemed to be uncollectible are charged against the allowance for credit losses in the period that determination is made. The Company has recorded an allowance for credit losses of $1,047,829 and $1,192,337 as of December 31, 2023 and 2022, respectively.

Notes receivable consist of various loans, with the majority of the loans bearing interest at 5.75 percent. The notes are generally personally guaranteed by the franchisee. Notes receivable generally require monthly payments of principal and interest. The notes are classified as current or long term on the accompanying consolidated balance sheet depending on their maturity dates.

Leases

The Company has an operating lease for a facility in Middle River, Maryland disclosed in Note 10.

The Company recognizes expense for the operating lease on a straight-line basis over the lease term. The Company made a policy election not to separate lease and nonlease components for all leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability.

The Company elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all leases. As such, the Company considers the U.S. Daily Treasury Par Yield Curve issued by the U.S. Department of the Treasury to be a risk-free rate.

The Company also receives rental revenue from related party leases disclosed in Notes 11 and 13.

Revenue Recognition

The Company's revenue mainly consists of franchise fees, royalties, technology fees, and advertising fees. The Company sells individual franchisees the right to operate a center within a defined territory using the franchise name. The initial term of franchise agreements is typically 20 years, with an option to renew or transfer the franchise agreement to a new or existing franchisee.

The Company has obligations to provide franchisees with the franchise rights to operate a center, training, and site selection, as well as to provide technology and advertising for which fees are charged. The Company has concluded that the franchise right, training, and site selection obligations represent a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement beginning on the date a franchise agreement is signed. Income for royalties, technology fees, and advertising fees is recognized over the term of the respective franchise agreement as the underlying services are provided.

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties and advertising fees are paid on a monthly basis based upon a percentage of franchisee gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Franchise fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Amounts that are expected to be recognized as revenue within one year are classified as current deferred revenue in the accompanying consolidated balance sheet. Total deferred revenue at January 1, 2022 was $2,877,509.

Note 2 - Significant Accounting Policies (Continued)

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to operate a center. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month. Certain franchisees of the Company are contractually eligible to receive a rebate on the royalties paid to the Company. These rebates are based on volume and compliance with contractual provisions, including timely payment of amounts owed to the Company. Royalty fees are shown net of royalty rebates in the accompanying consolidated statement of operations and comprehensive income.

Costs to Obtain a Franchise Agreement

The Company frequently incurs broker commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commissions are capitalized as deferred broker fees and are expensed over the term of the respective franchise agreement. Total deferred broker fees at January 1, 2022 were $1,108,258. For the years ended December 31, 2023, 2022, and 2021, the amounts expensed related to costs to obtain a franchise agreement were approximately $153,000, $202,000, and $193,000, respectively.

In some instances the Company provides renewal incentives to franchisees. The renewals are related to franchise fee and royalty revenue, which is recognized over time. As a result, the renewal payments are capitalized as contract assets. The asset is amortized over the term of the renewal agreement and included in franchise, technology, and marketing fees. Total deferred renewals at January 1, 2022 were $482,375. For the years ended December 31, 2023, 2022, and 2021, the amounts recorded as contra revenue were approximately $100,000, $100,000, and $96,000, respectively.

Advertising Expense

In accordance with the franchise agreement, franchisees pay a percentage of monthly sales to marketing funds to be used for advertising, marketing, and other promotional purposes. The contribution received from franchisees for the marketing funds is segregated into separate bank accounts maintained by the Company. The Company's marketing fund fees are accounted for on a gross basis in the accompanying consolidated statement of operations and comprehensive income as revenue from the franchisees.

Advertising expense for 2023, 2022, and 2021 is reported as a component of operating expenses in the accompanying consolidated statement of operations and comprehensive income. These items are expensed as incurred.

Note 2 - Significant Accounting Policies (Continued)

Foreign Currency Exchange

The expression of assets and liabilities in a foreign currency amount gives rise to exchange gains and losses when such obligations are paid in United States dollars. Foreign currency exchange rate adjustments (i.e., differences between amounts recorded and actual amounts owed or paid) are reported in the consolidated statement of operations and comprehensive income as the foreign currency fluctuations occur. Foreign currency exchange rate adjustments are reported in the consolidated statement of cash flows using the exchange rates in effect at the time of the cash flows. To the extent there is a fluctuation in the exchange rate, the amount of U.S. dollars to be paid to satisfy this foreign currency obligation in the following year may increase or decrease.

Foreign Currency Translation

Consolidated balance sheet items of foreign operations are translated to U.S. dollars at the exchange rate in effect at year end. Income and expense items and cash flows are translated at the average exchange rate for each year.

Other Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. Certain changes in assets and liabilities, however, such as foreign currency translation adjustments, are reported as a direct adjustment to the equity section of the consolidated balance sheet. Such items, along with net income (loss), are considered components of comprehensive income (loss).

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The Company's ultimate parent company files income tax returns in U.S. federal and various state jurisdictions.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The allowance for doubtful accounts and loan losses is a significant estimate.

Government Grants

The Company has elected to account for loan funds received under the Paycheck Protection Program (PPP) as in-substance government grants. Accounting principles generally accepted in the United States of America (U.S. GAAP) do not include guidance on the accounting for government grants by for-profit entities. As a result, the Company has elected to analogize the guidance in International Accounting Standards (IAS) Statement 20, *Accounting for Government Grants and Disclosure of Government Assistance* (IAS 20). While IAS 20 does not represent authoritative guidance for entities preparing U.S. GAAP financial statements, use of this guidance by analogy is permitted.

Under IAS 20, government grants, including forgivable government loans, are recognized as income when it is probable that the Company will comply with the conditions of the grant and that the grant will be received. The Company recognizes proceeds under grant programs on a systematic basis over the period in which the Company recognizes as expenses the related costs for which the grant is intended to compensate. The Company has further elected to record the grant income separately from the related expenses in nonoperating income.

Note 2 - Significant Accounting Policies (Continued)

Adoption of New Accounting Pronouncement

As of December 31, 2023, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments*. The ASU includes changes to the accounting and measurement of financial assets, including the Company's accounts receivable, notes receivable, and held-to-maturity debt securities, by requiring the Company to recognize an allowance for all expected losses over the life of the financial asset at origination. The ASU also changes the way credit losses are recognized for available-for-sale debt securities. Credit losses are recognized through the recording of an allowance rather than as a write-down of the carrying value.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including March 21, 2024, which is the date the consolidated financial statements were available to be issued.

Note 3 - Paycheck Protection Program Loans

During the year ended December 31, 2020, the Company received a Paycheck Protection Program loan in the amount of $2,061,794, which was fully forgiven during 2021. The PPP loan program was created under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and is administered by the Small Business Administration (SBA). Under the terms of this program, the loan may be fully or partially forgiven if the loan proceeds are spent on qualifying expenses and if staffing level and salary maintenance requirements are met. The Company may use the funds on qualifying expenses over a covered period of up to 24 weeks. Any request for forgiveness is subject to review and approval by the lender and the SBA, including review of qualifying expenditures and staffing and salary levels.

On February 16, 2021, the Company received a second PPP loan in the amount of $2,000,000. The note structure required management to certify certain statements that permitted the Company to qualify for the loan and provides loan forgiveness for a portion up to all of the borrowed amount if the Company uses the loan proceeds for the permitted loan purpose described in the note agreement.

Prior to December 31, 2021, the Company applied for and received notification of forgiveness of the loan from the SBA. Loan forgiveness in the amount of $2,000,000 was recognized as other income during 2021.

Note 4 - Allowance for Credit Losses

The activity in the allowance for credit losses is as follows:

	Accounts Receivable	Notes Receivable
Balance - December 31, 2022	$ 416,080	$ 1,192,337
Provision within operating expense	157,463	33,792
Deductions/Write-offs	(111,794)	(178,300)
Balance - December 31, 2023	$ 461,749	$ 1,047,829

As of December 31, 2023 and 2022, there were no notes receivable considered to be past due.

Note 5 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Company has the ability to access. The Company does not hold any Level 1 assets.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals. All of the Company's investments are in Treasury bills and are valued using Level 2 inputs. Treasury bills with a three-month maturity or less are classified as cash equivalents on the consolidated balance sheet, and Treasury bills with a greater than three-month maturity are classified as short-term investments on the consolidated balance sheet.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset. The Company does not hold any Level 3 assets.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Company’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Note 6 - Property and Equipment

Property and equipment as of December 31 are summarized as follows:

	2023	2022	Depreciable Life - Years
Land	$ 250,000	$ 250,000	-
Land improvements	561,357	561,357	10-15
Buildings	4,147,136	4,147,136	39
Building improvements	642,272	545,301	3-10
Machinery and equipment	431,737	346,161	2-10
Transportation equipment	-	16,474	5
Furniture and fixtures	1,403,944	1,367,268	3-5
Computer equipment and software	1,562,282	1,503,583	3-5
Leasehold improvements	274,960	274,960	3-6
Total cost	9,273,688	9,012,240	
Accumulated depreciation	5,230,975	4,898,596	
Net property and equipment	$ 4,042,713	$ 4,113,644	

Depreciation expense for 2023, 2022, and 2021 was $354,631, $364,956, and $426,683, respectively.

Note 7 - Acquired Intangible Assets and Goodwill

Intangible assets of the Company at December 31, 2023 and 2022 are summarized as follows:

	2023		2022	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Franchise rights	$ 20,651,131	$ 19,260,788	$ 20,691,131	$ 18,899,443

Amortization expense for intangible assets totaled $369,012, $387,679, and $744,010 for the years ended December 31, 2023, 2022, and 2021, respectively.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2024	$ 369,237
2025	369,237
2026	336,463
2027	172,400
2028	143,006
Total	$ 1,390,343

Goodwill amortization totaled $72,614, $89,773, and $91,778 for the years ended December 31, 2023, 2022, and 2021, respectively.

	2023	2022
Gross amount of goodwill recorded	$ 897,720	$ 897,720
Accumulated amortization	(594,384)	(521,770)
Net carrying value	$ 303,336	$ 375,950

Note 8 - Line of Credit

The Company refinanced all debt on December 16, 2020. As part of this refinance, the Company entered into a line of credit agreement with a bank totaling $1,500,000, which matures on September 12, 2024, with interest payable monthly at the prime rate (an effective rate of 8.50 and 7.50 percent at December 31, 2023 and 2022, respectively). There were no outstanding borrowings on the line of credit at December 31, 2023 or 2022.

The line of credit is under a master agreement with the bank. Under the agreement with the bank, the Company's ultimate parent was subject to various financial covenants, including a funded debt to earnings before interest, taxes, depreciation, and amortization (EBITDA) ratio and a debt service coverage ratio. The line of credit is collateralized by substantially all assets and has a limited guarantee by the majority owner.

Note 9 - Long-term Debt

Long-term debt at December 31, 2023 and 2022 is as follows:

	2023	2022
Note payable to a bank in monthly installments of $21,373, including interest at 4.50 percent. The note is collateralized by all of the Company's assets, as well as a limited personal guarantee by the majority owner, and is due on September 5, 2030	$ 2,652,229	$ 2,784,412
Note payable to a bank in monthly installments of $30,423, including interest at 4.50 percent. The note is collateralized by all of the Company's assets, as well as a limited personal guarantee by the majority owner, and is due on December 16, 2027	1,332,355	1,629,260
Note payable to a third party in monthly installments of $10,310, including interest at 4.25 percent. The note is due in full on December 16, 2027. This note is not collateralized	454,364	556,409
Note payable to a third party in monthly installments of $10,287, including interest at 4.25 percent. The note is due in full on December 16, 2027. This note is not collateralized	453,331	555,145
Total	4,892,279	5,525,226
Less current portion	661,268	632,947
Long-term portion	$ 4,231,011	$ 4,892,279

The balance of the above debt matures as follows:

Years Ending	Amount
2024	$ 661,268
2025	691,891
2026	723,405
2027	756,356
2028	165,702
Thereafter	1,893,657
Total	$ 4,892,279

Interest expense for 2023, 2022, and 2021 was $231,451, $265,810, and $330,699, respectively.

The Company is liable for the entire amount of the aforementioned notes payable to a bank on a joint and several basis under a master agreement with the Company's ultimate parent (AFH) and the bank. As of December 31, 2023 and 2022, the total outstanding balance of the debt was $3,984,584 and $4,413,672, respectively, and the Company has recognized a liability for its agreed-upon portion for the same amounts. Under the agreement with the bank, AFH is subject to various financial covenants, including a funded debt to earnings before interest, taxes, depreciation, and amortization ratio and a debt service coverage ratio. The notes payable are collateralized by substantially all assets and have a limited guarantee by the majority owner. In the event the Company is required to make payments on the debt in excess of the agreed-upon amount, the Company could seek to recover those amounts from AFH; however, the Company does not hold specific recourse or collateral rights in connection with the agreement.

Note 10 - Leases

The Company is obligated under an operating lease for its facility in Middle River, Maryland for a term of seven years expiring in February 2025. Monthly rent escalates over the term of the lease from $22,097 to $25,626. The lease also requires monthly payments for a portion of the building's operating costs. The lease can be renewed for one term of five years.

The right-of-use asset and related lease liability have been calculated using a discount rate of 1.04 percent. Total rent expense under this lease was $272,907 for 2023, 2022, and 2021. Cash paid for amounts included in the measurement of the lease liabilities during the years ended December 31, 2023, 2022, and 2021 was approximately $298,791, $291,504, and $284,394, respectively.

Future minimum annual commitments under the operating lease are as follows:

Years Ending December 31	Amount
2024	$ 306,261
2025	51,252
Total	357,513
Less amount representing interest	2,319
Present value of net minimum lease payments	355,194
Less current obligations	304,008
Long-term obligations under operating leases	$ 51,186

Note 11 - Leased Assets

The Company leases its building to various related parties and one non-related party under operating lease agreements for shared corporate office space and printing services. The building is owned by the Company and recorded in property and equipment on the consolidated balance sheet. See Note 13 for disclosure of rent revenue from related parties. The operating lease asset consists of the following at December 31:

	2023	2022
Operating lease building	$ 4,147,136	$ 4,147,136
Accumulated depreciation	1,417,799	1,311,478
Total	$ 2,729,337	$ 2,835,658

Note 11 - Leased Assets (Continued)

Future minimum lease rental payments to be received on noncancelable operating leases are as follows:

Years Ending December 31	Operating Leases
2024	$ 240,117
2025	228,925
2026	14,214
Total	$ 483,256

Note 12 - Accrued Liabilities

The following is the detail of accrued liabilities:

	2023	2022
Accrued compensation expense	$ 1,402,477	$ 1,767,217
Customer deposits	418,053	171,233
Accrued interest	12,030	13,628
Master royalties payable	-	38,785
Taxes payable	59,909	61,746
Accrued legal fees	32,969	36,581
Accrued convention expense	263,212	-
Accrued advertising rebates	6,290	10,009
Other accrued liabilities	384,285	449,900
Total accrued and other liabilities	$ 2,579,225	$ 2,549,099

Note 13 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Accounts Receivable

At December 31, 2023 and 2022, the Company had accounts receivable from companies related through common management and ownership totaling $827,680 and $1,134,106, respectively.

Accounts Payable

At December 31, 2023 and 2022, the Company had accounts payable to companies related through common management and ownership totaling $1,000 and $0, respectively.

Shared Services

The Company entered into a shared services agreement with an affiliate related through common ownership. The Company provided the affiliate with support in the form of executive management, financial reporting and budgeting, accounting, risk management, human resources, technology, and other services in exchange for $20,833 per month in 2023, 2022, and 2021. The Company's revenue related to this agreement was $250,000 for the years ended December 31, 2023, 2022, and 2021.

The Company entered into a second shared services agreement with an affiliate related through common ownership. The Company provided the affiliate with support in the form of executive management, payroll and benefits, accounting, and other services in exchange for $1,250 per month in 2023, 2022, and 2021. The Company's revenue related to this agreement was $15,000 for the years ended December 31, 2023, 2022, and 2021.

The Company's shared service revenue and expenses are included in operating expenses on the accompanying consolidated statement of operations and comprehensive income.

Note 13 - Related Party Transactions (Continued)

Revenue

For the years ended December 31, 2023, 2022, and 2021, the Company had revenue from affiliates totaling $420,467, $470,461, and $389,675, respectively, related to royalties; production sales; and franchise, technology, and marketing fees. For the years ended December 31, 2023, 2022, and 2021, the Company had rent revenue from related parties totaling $217,416, $212,802, and $208,802, respectively.

Purchases

For the years ended December 31, 2023, 2022, and 2021, the Company had purchases from affiliates totaling $28,285, $36,500, and $21,146, respectively.

Note 14 - Retirement Plans

The Company sponsors a 401(k) plan, which includes a profit-sharing feature, for substantially all employees. The plan provides for the Company to make a matching contribution. Contributions to the plan totaled $289,481, $261,052, and $153,132 for the years ended December 31, 2023, 2022, and 2021, respectively.

EXHIBIT L

SAMPLE GENERAL RELEASE

ALLIANCE FRANCHISE BRANDS LLC

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

Alliance Franchise Brands LLC ("we," "us," or "our") and the undersigned franchisee, _____ _____ _____ ("you" or "your"), currently are parties to a certain Franchise Agreement (the "Franchise Agreement") dated _____. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal situation]_____ _____ _____ _____ _____ _____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your affiliated entities, and each such foregoing person's or entity's successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, and employees (collectively, the "Releasing Parties"), hereby forever release and discharge us and our current and former affiliated entities, and each such entity's officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the "AFB Parties") of and from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "Claims") that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the AFB Parties, including without limitation, Claims (1) arising out of or related to the AFB Parties' obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties' relationship, from the beginning of time to the date of your signature below, with any of the AFB Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the AFB Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

IF THE RSVP BUSINESS YOU OPERATE UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF YOU ARE A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE AFB PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE AFB PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the RSVP Business is located in Maryland or if you are a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

If the RSVP Business is located in Washington or if you are a resident of Washington, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Washington Franchise Investment Protection Act.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this release on the date stated on the first page hereof.

ALLIANCE FRANCHISE BRANDS LLC

Print Name:_____

Title:_____

By:_____ Date:_____

FRANCHISEE

_____

Print Name:_____

Title:_____

By:_____ Date:_____

GUARANTOR

Print Name:_____

Title:_____

By:_____ Date:_____

Print Name:_____

Title:_____

By:_____ Date:_____

EXHIBIT M

STATE ADDENDA AND AGREEMENT RIDERS

ADDITIONAL DISCLOSURES FOR THE FRANCHISE DISCLOSURE DOCUMENT OF ALLIANCE FRANCHISE BRANDS LLC

The following are additional disclosures for the Franchise Disclosure Document of ALLIANCE FRANCHISE BRANDS LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

FOR THE FOLLOWING STATES: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

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

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. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A FRANCHISE DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF FINANCIAL PROTECTION & INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

3. OUR WEBSITE, www.alliancefranchisebrands.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT www.dfpi.ca.gov.

4. The following statement is added to the end of Item 3:

> Neither we, our parent, predecessor or affiliate nor any person in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. Sections 78a et seq., suspending or expelling such persons from membership in that association or exchange.

5. The following statement is added to the remarks column of Item 6 for the rows entitled **Interest**:

The highest rate of interest allowed by California law is 10% annually.

6. The following paragraphs are added to the end of Item 17:

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

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

The Franchise Agreement requires binding arbitration. The arbitration will be conducted at a suitable location chosen by the arbitrator that is within a 50 mile radius of our or, as applicable, our successor's or assign's then current principal place of business (currently Plymouth, Michigan) with the costs being borne as provided in the Franchise Agreement. 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 the Franchise Agreement restricting venue to a forum outside the State of California.

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

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

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

The Franchise Agreement requires you to sign a general release of claims on renewal or transfer of the Franchise 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 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

Section 31512.1 of the California Corporations Code requires that any provision of the Franchise Agreement, Disclosure Document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable: (a) representations made by the franchisor or its personnel or agents to a prospective franchisee; (b) reliance by a franchisee on any representations made by the franchisor or its personnel or agents; (c) reliance by a franchisee on the franchise disclosure document, including any exhibit thereto; or (d) violations of any provision of this division.

HAWAII

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO SELL FRANCHISES IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

DO NOT SIGN THE REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT IF YOU ARE LOCATED, OR YOUR CENTER WILL BE LOCATED IN HAWAII.

ILLINOIS

1. The "Summary" section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, and the "Summary" section of Item 17(v), entitled **Choice of forum**, are deleted and replaced with the following:

> 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.

2. The "Summary" section of Item 17(w), entitled **Choice of law**, is deleted and replaced with the following:

> Except for U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement.

3. The following paragraphs are added to the end of Item 17:

> 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.
>
> Your rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. THERE IS CURRENTLY NO OPERATIONS MANUAL TO ASSIST YOU IN THE OPERATION OF THE RSVP BUSINESS.

5. WE RESERVE THE RIGHT TO IDENTIFY AND SERVICE "NATIONAL ACCOUNTS" WITHIN YOUR PROTECTED TERRITORY. IN OUR SOLE DISCRETION, WE OR OUR AFFILIATE(S) MAY PROVIDE RSVP PRODUCTS AND SERVICES TO A "NATIONAL ACCOUNT" WITHIN YOUR PROTECTED TERRITORY WITHOUT COMPENSATING YOU.

MARYLAND

1. The following is added to the end of Item 5 and Item 7:

> Pursuant to an order of the Maryland Securities Commissioner, we have posted a Surety Bond in the amount of $142,500 from Travelers Casualty and Surety Company of America. The terms of the Surety Bond will remain in effect until we have completed all of our initial

obligations to you under the Franchise Agreement and you have opened your RSVP Business. A copy of the Surety Bond is on file with the Maryland Securities Commissioner.

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

However, under COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The following is added to the end of the "Summary" section of Item 17(h), entitled "**Cause" defined – non-curable defaults**:

The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

4. The "Summary" sections of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of law**, are amended to add the following:

, except that you may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The following language is added to the end of the chart in Item 17:

Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

MINNESOTA

1. The disclosure in the Item 6 chart, entitled "**Termination Fee**," is deleted in its entirety.

2. **Renewal, Termination, Transfer and Dispute Resolution**. The following is added to the end of the chart in Item 17:

Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 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 Franchise Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement will in any way abrogate or reduce any of your rights under the Minnesota Franchises Law, including, if applicable, the right to submit matters to the jurisdiction of the courts of Minnesota.

Any release as a condition of renewal and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

NEW YORK

1. The following paragraphs are added to the state cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

WE MAY, IF WE CHOOSE, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, WE CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to us, our predecessor, our parent, affiliates, the persons identified in Item 2, or an affiliate offering franchises under our *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. In addition, no such party has civil actions pending against that party, 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.

B. 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.

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

3. The following is added to the end of Item 4:

Except as provided above, with regard to us, our affiliate, our predecessor, officers or general partners, or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this Disclosure Document, no such party, has during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; or (b) obtained a

discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of the "Summary" sections of Item 17(c), entitled **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 is added to the end of the "Summary" section of Item 17(j), entitled **Assignment of contract by franchisor**:

No assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement.

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

However, the governing choice of law and choice of forum should not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

1. The section of the Item 6 chart, entitled **Termination Fee**, is deleted in its entirety.

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

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The following is added to the end of the "Summary" section of Item 17(r), entitled **Non-competition covenants after the franchise is terminated or expires**:

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

4. The following is added to the end of the "Summary" section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**:

> To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

5. The "Summary" section of Item 17(v), entitled **Choice of forum**, is deleted and replaced with the following:

> Litigation must be exclusively in the state or federal court which is closest to our or, as applicable, our successor's or assign's then current principal place of business is located (currently Plymouth, Michigan), except that, subject to your arbitration obligation, and to the extent required by North Dakota Franchise Investment Law you may bring an action in North Dakota.

6. The "Summary" section of Item 17(w), entitled **Choice of law**, is deleted and replaced with the following:

> Except as otherwise required by North Dakota law, the laws of the State of Michigan will apply.

RHODE ISLAND

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

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

VIRGINIA

1. The following language is added to the end of the "Summary" section of Item 17(e), entitled **Termination by franchisor without cause**:

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

WASHINGTON

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

> *In re: Franchise No Poaching Provisions (Allegra Network, LLC)* (Case No. 19-2-28279-7 SEA; State of Washington, King County Superior Court). Beginning in January 2018, the Washington Attorney General launched a sweeping investigation into the use of non-solicitation and no-hire provisions in franchise agreements, with the stated goal of "eliminating no-poach clauses nationwide." The Washington Attorney General asserted that such no-poach provisions violated the Washington Consumer Protection Act. We elected, on October 28, 2019, to enter into an Assurance of Discontinuance ("AOD") to avoid the time and expense of a protracted court action. Other than as a mechanism for the court to approve and enter the AOD, no court proceeding was initiated. Under the terms of the AOD, we agreed to: notify all franchisees that we entered into the AOD, not include no-poach provisions in our future agreements, not enforce such provisions in our existing franchise agreements, exercise reasonable commercial efforts to amend all existing franchise agreements with entities in Washington to remove any no-poach provisions in their existing agreement, and remove those provisions from existing agreements as they came up for renewal or renegotiation. Under its express terms, the AOD is not to be construed as an admission of law, fact, liability, misconduct, or wrongdoing on our part.

2. The following statement is added to Item 5 at the end of the paragraph under the section heading **Referral Fee**:

> Persons who receive financial incentives to refer franchise prospects to us may be required to register as franchise brokers under the laws of some states.

3. The following paragraph is added to the Remarks column in Item 6 for the row labeled **Additional Assistance Expense**:

> Until we have completed an operations manual and distributed it to you, we will not charge you the additional assistance expense for providing you with operational

assistance for matters relating to the ordinary course of your RSVP Business. We also will not charge you for mandatory or optional training we provide to you relating specifically to the initial operations manual we issue and distribute to you.

4. The following statement is added to the last paragraph of Item 11:

We will not charge you for mandatory or optional training we provide to you relating specifically to the initial operations manual upon its issuance and distribution to you.

5. The following paragraph is added at the end of Item 17:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the "Act"), Chapter 19.100 RCW, shall prevail.

RCW 19.100.180 may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions which supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

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 Franchise Agreement, you may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Act, in Washington.

A release or waiver of rights executed by you may not include rights under the Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the Franchise 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, might not be enforceable.

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 Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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 Franchise Agreement or elsewhere are void and unenforceable in Washington.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT
FOR USE IN CALIFORNIA

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in California and the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located in California, and/or (b) the offer or sale of the franchise either originated from or was directed to or accepted in the State of California.

2. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The last sentence of Section 17.M of the Franchise Agreement is deleted and replaced with the following:

> **EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US OR ANY OF OUR AFFILIATES, AND EXCEPT WHERE PROHIBITED BY APPLICABLE LAW, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.**

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located in Illinois, and/or (b) you are domiciled in Illinois.

2. **GOVERNING LAW**. Section 17.G of the Franchise Agreement is deleted and replaced with the following:

> G. **GOVERNING LAW. ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT AND ANY OTHER AGREEMENT BETWEEN YOU (OR ANY OF YOUR OWNERS) AND US (OR ANY OF OUR AFFILIATES), AND ALL CONTROVERSIES, DISPUTES, AND CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES.**

3. **CONSENT TO JURISDICTION**. Section 17.H of the Franchise Agreement is deleted in its entirety.

4. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. The following language is added to the end of Section 17.I of the Franchise Agreement:

> **HOWEVER, THIS SECTION SHALL NOT ACT AS A CONDITION, STIPULATION OR PROVISION PURPORTING TO BIND ANY PERSON ACQUIRING ANY FRANCHISE TO WAIVE COMPLIANCE WITH ANY PROVISION OF THE ILLINOIS FRANCHISE DISCLOSURE ACT AT SECTION 705/41 OR ILLINOIS REGULATIONS AT SECTION 200.609.**

5. **OPERATIONS MANUAL**. THERE IS CURRENTLY NO OPERATIONS MANUAL TO ASSIST YOU IN THE OPERATION OF THE RSVP BUSINESS.

6. **NATIONAL ACCOUNTS**. WE RESERVE THE RIGHT TO IDENTIFY AND SERVICE "NATIONAL ACCOUNTS" WITHIN YOUR PROTECTED TERRITORY. IN OUR SOLE DISCRETION, WE OR OUR AFFILIATE(S) MAY PROVIDE RSVP PRODUCTS AND SERVICES TO A "NATIONAL ACCOUNT" WITHIN YOUR PROTECTED TERRITORY WITHOUT COMPENSATING YOU.

7. **ILLINOIS FRANCHISE DISCLOSURE ACT**. The following language is added as Section 17.O of the Franchise Agreement:

O. **ILLINOIS FRANCHISE DISCLOSURE ACT**. 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.

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

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Maryland, and/or (b) the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located in Maryland.

2. **ACKNOWLEDGMENT**. Only to the extent prohibited by applicable law, Section 1.B(1) and Section 1.B(4) are deleted.

3. **NON-WAIVER**. The following is added to the end of Section 1.B of the Franchise Agreement:

> To the extent so required by applicable law, these acknowledgments are not intended to act, nor shall they act, as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. **INITIAL FRANCHISE FEE; TERRITORY FEE.** The following is added to the end of Sections 3.A and 3.B of the Franchise Agreement:

> Pursuant to an order of the Maryland Securities Commissioner, we have posted a Surety Bond in the amount of $142,500 from Travelers Casualty and Surety Company of America. The terms of the Surety Bond will remain in effect until we have completed all of our initial obligations to you under the Franchise Agreement and you have opened your RSVP Business. A copy of the Surety Bond is on file with the Maryland Securities Commissioner.

5. **RELEASES.** The following is added to the end of Sections 12.C(9), 12.D, 13.C and 15.E of the Franchise Agreement:

> Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **INSOLVENCY**. The following is added to the end of Sections 14.B(18) and 14.B(19) of the Franchise Agreement:

> ; however, we and you acknowledge that certain aspects of this provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

7. **GOVERNING LAW**. Section 17.G of the Franchise Agreement is deleted and replaced with the following:

> G. **GOVERNING LAW**. **ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT AND ANY OTHER AGREEMENT BETWEEN YOU (OR ANY OF YOUR OWNERS) AND US (OR ANY OF OUR AFFILIATES), AND ALL CONTROVERSIES, DISPUTES, AND CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) TO THE EXTENT REQUIRED BY APPLICABLE LAW, MARYLAND LAW WILL APPLY TO CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.**

8. **CONSENT TO JURISDICTION**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

> H. **CONSENT TO JURISDICTION**. **SUBJECT TO SECTION 17.F. ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR OR, AS APPLICABLE, OUR SUCCESSOR'S OR ASSIGN'S THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS.**

NOTWITHSTANDING THE FOREGOING, YOU MAY BRING AN ACTION IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

9. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.M of the Franchise Agreement:

; PROVIDED, HOWEVER, THAT THIS LIMITATION OF CLAIMS SHALL NOT ACT TO REDUCE THE 3 YEAR STATUTE OF LIMITATIONS AFFORDED YOU FOR BRINGING A CLAIM UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RELEASES.** The following is added to the end of Sections 12.C(9), 12.D, 13.C and 15.E of the Franchise Agreement:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **RENEWAL AND TERMINATION**. The following is added to the end of Sections 13 and 14.B of the Franchise Agreement:

> However, 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 of non-renewal of this Agreement.

4. **TERMINATION FEE**. Section 14.A(2) of the Franchise Agreement is deleted in its entirety.

5. **GOVERNING LAW**. Section 17.G of the Franchise Agreement is deleted and replaced with the following:

> G. **GOVERNING LAW**. **ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT AND ANY OTHER AGREEMENT BETWEEN YOU (OR ANY OF YOUR OWNERS) AND US (OR ANY OF**

OUR AFFILIATES), AND ALL CONTROVERSIES, DISPUTES, AND CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF YOUR RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR YOUR RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

6. **CONSENT TO JURISDICTION**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

H. **CONSENT TO JURISDICTION**. **SUBJECT TO SECTION 17.F. ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR OR, AS APPLICABLE, OUR SUCCESSOR'S OR ASSIGN'S THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT US, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY OF YOUR RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR YOUR RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.**

7. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. If and then only to the extent required by the Minnesota Franchises Law, Section 17.I of the Franchise Agreement is deleted.

8. **DAMAGES**. The following language is added to the end of Section 17.J of the Franchise Agreement:

> We and you acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, we and you agree to enforce the provision to the extent the law allows.

9. **INJUNCTIVE RELIEF**. Section 17.K of the Franchise Agreement is deleted and replaced with the following:

> K. **INJUNCTIVE RELIEF**. Nothing in this Agreement, including the provisions of Section 17.F, bars our right to seek specific performance of the provisions of this Agreement and injunctive relief against threatened or actual conduct that will cause us, the Marks and/or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions (subject to our obligation to arbitrate the underlying claim if required by Section 17.G). You agree that we may seek such injunctive relief in addition to such further or other relief as may be available at law or in equity. You agree that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

10. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.M of the Franchise Agreement:

> **; PROVIDED, HOWEVER, THAT MINNESOTA LAW PROVIDES THAT NO ACTION MAY BE COMMENCED UNDER MINN. STAT. SEC. 80C.17 MORE THAN 3 YEARS AFTER THE CAUSE OF ACTION ACCRUES.**

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE
ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT FOR USE IN THE
STATE OF NEW YORK

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, (the "Franchise Agreement") that has been signed concurrently with this Rider. This Rider is being signed because (a) you are domiciled in the State of New York and the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located in New York, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in New York.

2. **TRANSFER BY US**. The following language is added to the end of Section 12.A of the Franchise Agreement:

> However, to the extent required by applicable law, no transfer will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. **RELEASES**. The following language is added to the end of Sections 12.C(9), 12.D, 13.C and 15.E of the Franchise Agreement:

> Notwithstanding the foregoing all rights enjoyed by you 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 to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

4. **TERMINATION OF AGREEMENT - BY YOU**. The following language is added to the end of Section 14.A of the Franchise Agreement:

> You also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

5. **GOVERNING LAW; CONSENT TO JURISDICTION**. The following statement is added to the end of Sections 17.G and 17.H of the Franchise Agreement:

> **THIS SECTION SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON YOU BY THE PROVISIONS OF ARTICLE**

33 OF THE NEW YORK STATE GENERAL BUSINESS LAW, AS AMENDED, AND THE REGULATIONS ISSUED THEREUNDER.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of North Dakota and the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located or operated in North Dakota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in North Dakota.

2. **RELEASES**. The following is added to the end of Sections 12.C(9), 12.D, 13.C and 15.E of the Franchise Agreement:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. **TERMINATION FEE**. Section 14.A(2) of the Franchise Agreement is deleted in its entirety.

4. **COVENANT NOT TO COMPETE**. The following is added to the end of Section 15.D of the Franchise Agreement:

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

5. **ARBITRATION**. The first paragraph of Section 17.F of the Franchise Agreement is amended to read as follows:

> F. **ARBITRATION**. We and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective owners, officers, directors, agents, and employees on the one hand, and you (and your owners, guarantors, affiliates, and/or employees), on the other hand, arising out of or related to:
>
> (1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates);

(2) our relationship with you;

(3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any such agreements (including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or

(4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently, Plymouth, Michigan); provided, however, that to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which we and you mutually agree. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

6. **GOVERNING LAW**. Section 17.G of the Franchise Agreement is deleted and replaced with the following:

G. **GOVERNING LAW**. **ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW AND EXCEPT AS OTHERWISE REQUIRED BY NORTH DAKOTA LAW, THIS AGREEMENT AND ANY OTHER AGREEMENT BETWEEN YOU (OR ANY OF YOUR OWNERS) AND US (OR ANY OF OUR AFFILIATES), AND ALL CONTROVERSIES, DISPUTES, AND CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A**

FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

7. **CONSENT TO JURISDICTION**. Section 17.H of the Franchise Agreement is deleted and replaced with the following:

H. **CONSENT TO JURISDICTION**. **SUBJECT TO SECTION 17.F. ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO OUR OR, AS APPLICABLE, OUR SUCCESSOR'S OR ASSIGN'S THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY PLYMOUTH, MICHIGAN), AND WE AND YOU (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, AND SUBJECT TO YOUR ARBITRATION OBLIGATIONS, YOU MAY BRING AN ACTION IN NORTH DAKOTA FOR CLAIMS ARISING UNDER THE NORTH DAKOTA FRANCHISE INVESTMENT LAW.**

8. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. To the extent required by the North Dakota Franchise Investment Law, Section 17.I of the Franchise Agreement is deleted.

9. **DAMAGES**. The following language is added to the end of Section 17.J of the Franchise Agreement:

We and you acknowledge that certain parts of this provision might not be enforceable under the North Dakota Franchise Investment Law. However, we and you agree to enforce the provision to the extent the law allows.

10. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.M of the Franchise Agreement:

THE STATUTES OF LIMITATIONS UNDER NORTH DAKOTA LAW APPLIES WITH RESPECT TO CLAIMS ARISING UNDER THE NORTH DAKOTA FRANCHISE INVESTMENT LAW.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC, a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Rhode Island and the ***RSVP®*** ***Business*** that you will operate under the Franchise Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.

2. **GOVERNING LAW/CONSENT TO JURISDICTION**. The following language is added to Section 17.G and 17.H of the Franchise Agreement:

> **SECTION 19-28.1-14 OF THE RHODE ISLAND FRANCHISE INVESTMENT ACT PROVIDES THAT "A PROVISION IN A FRANCHISE AGREEMENT RESTRICTING JURISDICTION OR VENUE TO A FORUM OUTSIDE THIS STATE OR REQUIRING THE APPLICATION OF THE LAWS OF ANOTHER STATE IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THIS ACT."**

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
FRANCHISE AGREEMENT AND RELATED AGREEMENTS
FOR USE IN WASHINGTON

THIS RIDER is by and between **ALLIANCE FRANCHISE BRANDS LLC**, a Michigan limited liability company with its principal business address at 47585 Galleon Drive, Plymouth, Michigan 48170-2466 ("we," "us," or "our"), and _____ _____, whose principal business address is _____ _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Washington; and/or (b) the ***RSVP*®** ***Business*** that you will operate under the Franchise Agreement will be located or operated in Washington; and/or (c) you accepted the offer for the sale of the ***RSVP*** franchise in Washington.

2. **ACKNOWLEDGMENT**. Section 1.B(1) of the Franchise Agreement is hereby deleted in its entirety.

3. **ADDITIONAL ASSISTANCE FEE**. The following language is hereby added to the end of the third paragraph of Section 4.A of the Franchise Agreement, and to the end of Section 4.B of the Franchise Agreement:

> Notwithstanding the foregoing, until such time as we have completed an operations manual and distributed it to you, we will not charge you our then applicable fee for providing you with operational assistance for matters relating to the ordinary course of your RSVP Business, nor will we charge you for mandatory or optional training we provide to you relating specifically to the initial operations manual we issue and distribute to you.

4. **SALE OF YOUR RSVP BUSINESS**. Section 12.G of the Franchise Agreement is hereby deleted.

5. **COVENANT NOT TO COMPETE**. Section 15.D of the Franchise Agreement is hereby modified by deleting the words "two years" and replacing them with "eighteen months."

6. **OUR RIGHT TO PURCHASE YOUR RSVP BUSINESS**. Section 15.E of the Franchise Agreement is hereby modified by deleting the first sentence of the last paragraph of such Section.

7. **INDEMNIFICATION**. Section 16.D of the Franchise Agreement is hereby deleted and replaced in its entirety with the following:

> You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of your RSVP Business' operation, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our intentional misconduct, fraud, or gross negligence in a final, unappealable ruling issued by a court with competent jurisdiction. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at your expense and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you under this Section 16.D. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 16.D.

8. **WASHINGTON LAW**. The following paragraphs are added to the end of the Franchise Agreement:

> In recognition of the requirements of the Washington Franchise Investment Protection Act (the "Act") and the rules and regulations promulgated thereunder, this Agreement shall be modified as follows:
>
> In the event of a conflict of laws, the provisions of the Act, Chapter 19.100 RCW will prevail.
>
> RCW 19.100.180 may supersede this Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede this Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

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 this Agreement, you may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Act, in Washington.

A release or waiver of rights executed by you may not include rights under the Act, except when executed pursuant to a negotiated settlement after this 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.

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 this Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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 this Agreement or elsewhere are void and unenforceable in Washington.

(*Remainder of page intentionally blank*)

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the effective date of the Franchise Agreement.

ALLIANCE FRANCHISE BRANDS LLC,
a Michigan limited liability company

By:_____

Title:_____

FRANCHISEE

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Name]

By:_____

Title:_____

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

_____
[Signature]

_____
[Print Name]

_____
[Signature]

_____
[Print Name]

RIDER TO THE ALLIANCE FRANCHISE BRANDS LLC
CONFIDENTIALITY AND NON-SOLICITATION AGREEMENT
FOR USE IN WASHINGTON

THIS RIDER is made and entered into on _____, by and between _____ ("Franchisee") and _____ ("Covenantor").

1. **BACKGROUND**. Franchisee and Covenantor are parties to that certain Confidentiality and Non-Solicitation Agreement dated _____ ("CANS Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the CANS Agreement. This Rider is being signed because Franchisee's ***RSVP***® Business is or will be located in Washington.

2. **NON-COMPETE**. Only to the extent prohibited by applicable law, Section 5 is deleted.

3. **POST-TERM OBLIGATIONS**. Only to the extent prohibited by applicable law, Section 6(a) is deleted.

IN WITNESS WHEREOF, the parties hereto have executed this Rider in multiple counterparts as of the day and year first above written.

COVENANTOR:	**FRANCHISEE**
_____	_____
[Name]	[Name]
_____	_____
	Title: _____

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
California	April 4, 2024, as amended _____
Hawaii	_____
Illinois	March 28, 2024, as amended September 13, 2024
Indiana	Exempt
Maryland	May 20, 2024, as amended _____
Michigan	March 28, 2024, as amended September 13, 2024
Minnesota	April 12, 2024, as amended _____
New York	Exempt
North Dakota	April 25, 2024, as amended _____
Rhode Island	April 1, 2024, as amended _____
South Dakota	March 28, 2024, as amended September 13, 2024
Virginia	April 1, 2024, as amended _____
Washington	May 1, 2024, as amended _____
Wisconsin	March 28, 2024, as amended September 13, 2024

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

EXHIBIT N

RECEIPTS

RECEIPT
(OUR COPY)

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 Alliance Franchise Brands LLC 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, Alliance Franchise Brands LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must 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 Alliance Franchise Brands LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is Alliance Franchise Brands LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466. Tel: (800) 726-9050. The franchise seller for this offering is:

❑ Michael Cline
Alliance Franchise Brands LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ _____
Alliance Franchise Brands LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ Name of Franchise Seller: _____
Principal Business Address: _____
_____
Telephone No.: _____

Issuance Date: March 28, 2024, as amended September 13, 2024 (The effective dates in the franchise registration states are noted on the page immediately preceding the Receipts cover page.)

See Exhibit A for Alliance Franchise Brands LLC's registered agents authorized to receive service of process.

I have received a disclosure document dated March 28, 2024, as amended September 13, 2024 that included the following Exhibits:

Exhibit A -	State Administrators/Agents for Service of Process	Exhibit H -	Promissory Note
Exhibit B -	Franchise Agreement	Exhibit I -	List of Franchisees
Exhibit C -	Application for Franchise	Exhibit J -	Franchisees Ceasing to Operate
Exhibit D -	Guaranty and Assumption of Obligations	Exhibit K -	Financial Statements
Exhibit E -	Confidentiality and Non-Solicitation Agreement	Exhibit L -	Sample General Release
Exhibit F -	Representations and Acknowledgement Statement	Exhibit M -	State Addenda and Agreement Riders
Exhibit G -	Local Website Enrollment Form	Exhibit N -	Receipts

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

Please sign this copy of the receipt, print the date on which you received this disclosure document, and return it, by mail or facsimile, to Legal Department, Alliance Franchise Brands LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466. Phone: (800) 726-9050, Facsimile: (248) 596-8601.

RECEIPT
(YOUR COPY)

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 Alliance Franchise Brands LLC 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, Alliance Franchise Brands LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must 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 Alliance Franchise Brands LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is Alliance Franchise Brands LLC, 47585 Galleon Drive, Plymouth, Michigan 48170-2466. Tel: (800) 726-9050. The franchise seller for this offering is:

❑ Michael Cline
Alliance Franchise Brands LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ _____
Alliance Franchise Brands LLC
47585 Galleon Drive
Plymouth, MI 48170-2466
(800) 726-9050

❑ Name of Franchise Seller: _____
Principal Business Address: _____
_____
Telephone No.: _____

Issuance Date: March 28, 2024, as amended September 13, 2024 (The effective dates in the franchise registration states are noted on the page immediately preceding the Receipts cover page.)

See Exhibit A for Alliance Franchise Brands LLC's registered agents authorized to receive service of process.

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Exhibit G -	Local Website Enrollment Form	Exhibit N -	Receipts

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

PLEASE SIGN THIS COPY OF THE RECEIPT, PRINT THE DATE ON WHICH YOU RECEIVED THIS DISCLOSURE DOCUMENT AND KEEP IT FOR YOUR RECORDS.